

One/Many

Annual Report
2011-12



Responsive Industries Limited



Axiom Cordages Limited

Corporate Information

Responsive Industries Limited

Board of Directors

- Mr. Atit Agarwal – Chairman & Whole-time Director
- Mrs. Swati Agarwal – Non-Executive Director
- Mr. Rajesh Pandey – Independent Non-Executive Director
- Mr. Shobha Singh Thakur – Independent Non-Executive Director
- Mr. Vijay Kumar Chopra – Independent Non-Executive Director
- Mr. Michael Freedman – Independent Non-Executive Director

Company Secretary

Mr. Nitin B. Katore

Statutory Auditors

Haribhakti & Co.
Chartered Accountants
42, Free Press House, 4th Floor, 215, Nariman Point,
Mumbai - 400 021

Principal Bankers

- State Bank of India
- ING Vysya Bank Limited
- Bank of Maharashtra
- Union Bank of India
- Bank of India, London Branch
- Canara Bank, London Branch
- Union Bank of India, Hong Kong Branch
- Export-Import Bank of India

Solicitors

Rajani Associates

Registered Office & Works

Village Betegaon, Mahagaon Road,
Boisar (East), Taluka Palghar,
Dist. Thane - 401 501.

Corporate Office

Eucharistic Congress Building No. 1,
5, Convent Street, Colaba,
Mumbai- 400 001
Tel No. : +91-22-6656 2821
Fax No. : +91-22-6656 2798 / 99
Email : investor@responsiveindustries.com

Registrars & Share Transfer Agents

Link Intime India Pvt Ltd.
C-13 Pannalal Silk Mill Compound, L B S Marg,
Bhandup (West), Mumbai - 400 078
Tel No. : +91-22-2596 3838
Fax No. : +91-22-2594 6969
Email : mumbai@linkintime.co.in
Web : linkintime.co.in

01/42
Corporate
Overview

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Grammarians and
hardcore pragmatists
say ‘**One/Many**’ can
never be the same.

We differ. And our
achievement is the
result of this contrarian
approach.





One/Many



We are one Company with exposure

to multiple
industry
segments,
catering to the
needs of people
across several
geographies.





**With an
extensive
range of
products**

that enrich
everyday life.

Advanced high-end technologies, consistent research and development and a customer-oriented approach have enabled Responsive and Axiom to predict industry drifts and sustain leadership.

Our products bandwidth, global presence and exposure to multiple industries have insulated us from global volatilities, enhancing financial stability and growth.

We don't see one and many as separate realities, but facades of a single purpose:

to be of
critical
relevance in
a dynamic
world.

Paradox/ Potential

Apparently a paradox, the one/many model demonstrates our true potential to create value for an evolving world.

Responsive Industries Limited (RIL)

A leading global manufacturer of polyvinyl chloride (PVC) based products, RIL has emerged as a frontrunner in vinyl flooring. We possess the largest domestic capacity in PVC flooring and artificial leather cloth segments. Our products portfolio includes PVC flooring, automotive upholstery solutions, FMCG and pharmaceutical packaging and transparent sheeting. We serve multiple industries, comprising healthcare, hospitality, transportation, IT and telecom, retail, education, sports infrastructure and real estate.

We are listed on the BSE and NSE and a part of the BSE Midcap 200 Index. Our market capitalisation is about ₹ 22 Billion as on 31st March, 2012. We own 11 sales offices and have a wide network of over 300 retailers.

about
₹ 22
Billion

MARKET CAPITALISATION



Axiom Cordages Limited (Axiom)

A subsidiary of RIL, Axiom manufactures specialised synthetic ropes made of polypropylene (PP), polyethylene (PE), nylon and polyester. Axiom is India's largest exporter of new-generation synthetic ropes, products of high-end technical research and knowhow. We possess the largest installed capacity in the domestic shipping ropes segment. Industries served are shipping, oil rigs, fishing, sports, construction and other industrial segments. Our major export markets are Europe, USA, the Middle East and Singapore. We have multiple overseas sales distributors worldwide

worldwide

OVERSEAS SALES DISTRIBUTORS

Chairman's Message

WE ARE ONE
COMPANY WITH
MANY FACETS, AND
OUR OBJECTIVE HAS
ALSO REMAINED ONE.
TO BUILD A GLOBAL
ENTERPRISE, BASED
ON INNOVATION,
INTEGRITY AND
BENEFIT-TO-ALL
APPROACH.

Dear Friends,

The idea of one entity merging into many, or many entities blending into one unified whole, has always been inspiring to us. This idea has remained the cornerstone of our progress since inception. It has inspired us to create several products that can be used by multiple industries, reaching out to a wide cross-section of people. It has catalysed non-stop innovation for better and eco-friendly products, consuming less resources of the world. Finally, the one/many model has helped evolve a risk-focused business model, that can grow and create higher stakeholder value even during troubled times. We are one company with

many facets, and our objective has also remained one: to build a global enterprise, based on innovation, integrity and benefit-to-all approach.

We are one of the pioneers of PVC products in India and are counted among the top three global companies. Our technology centricity has helped us steal a march on competition.

During our initial years, we received the most modern technology from Daewoo Corp. This opened the floodgates of innovation and creativity at a very early stage. However, we did not rest on our laurels. We continued to strengthen our R&D expertise to enhance products quality, cost effectiveness and green quotient.

The biggest concern of 2011-12 was escalating costs — interest costs, people costs, foreign exchange fluctuation cost, and so on. Due to rising input costs, adverse forex conditions our

profitability declined during the year under review. We continue to take active steps to minimize these volatilities. During 2011-12, we continued our capacity expansions, forayed into unexplored markets and widened domestic operations.

RIL has completed capacity expansion at the existing plants. The capacity expansion would help us achieve economies of scale, assured customers and big-ticket orders. This new production capacity is expected to drive revenues, profitability and market share. There is sufficient headroom in the Responsive balance sheet for borrowings to fund further expansions.

We envision a cleaner and greener world, and we are committed to reduce our environmental impact. We will continue to invest in developing the knowledge and expertise of our people, so that our Company can delight global customers and

enrich their world in more ways than one.

Thanks to all stakeholders, we are a global enterprise because of your invaluable support and guidance.

Best wishes,

Atit Agarwal

WE ENVISION A
CLEANER AND
GREENER WORLD,
AND WE ARE
COMMITTED TO
REDUCE OUR
ENVIRONMENTAL
IMPACT.

The background is a complex abstract composition. On the left, there are vertical bands of color including blue, green, and orange, with a textured, almost marbled appearance. A large, bright yellow shape, resembling a stylized mountain or a large brushstroke, dominates the center and right side of the image. The overall effect is one of dynamic energy and modern design.

[www.
responsiveindustries
.com](http://www.responsiveindustries.com)



Unique / Ubiquitous

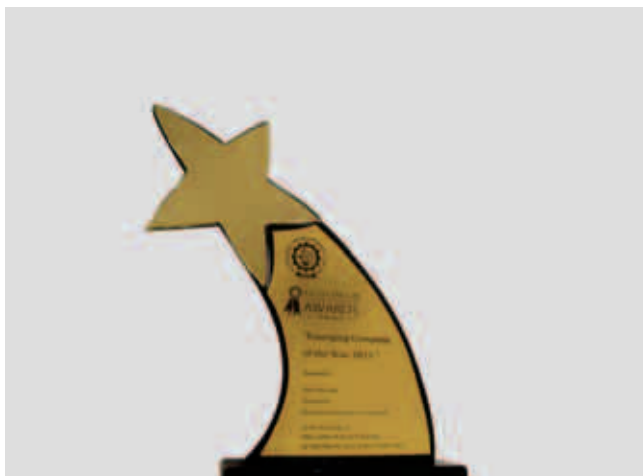
Our unique capabilities have made our products ubiquitous globally.



Recognition and Awards 2011-12



Bharat Nav Nirman Ratna Award by Indian Organisation for Commerce and Industry.



Emerging Company of the year for 2011 by Economic Development Forum.



Global Achiver's Awards for Young Entrepreneur 2012 by Economic Development Forum.



Certificate of Excellence by Inc.500

Latest high-end technologies

At Responsive, advanced technologies facilitate cost-effectiveness, quicker response time, increased employee productivity, stable operational efficiencies, innovation and creativity. The technological set up comprises in-house customisation, in-plant integration, process layout, sound IT infrastructure, efficient communication system and an R&D cell.

For rope manufacture, Axiom has imported state-of-the-art machinery and technical knowhow from Europe. The R&D facility and testing laboratory help improve the strength of ropes and reduce raw material costs. Regular R&D has catalyzed innovation and quality.

Globally certified

RIL's products are of certified quality. They have received DMF by FDA, EN standard certification, CE certification, ISO certification and ASTM certification.

Axiom's products have received numerous certifications. They have received Germanischer Lloyds certification for quality and minimum breaking strength. We have been honoured with the Lloyds Register of shipping certification, an honour which only a few global manufacturers have received. We have received the ISO 9000 and 14001 certifications for our quality commitments and have received certifications from inspecting agencies like Bureau Veritas, DNV and SGS.

Compulsory replacement

The nature of the products is such they enjoy high replacement demand. The flooring tiles, leather products, seat covers, packaging sheets and the ropes have to be necessarily replaced at regular intervals. Besides, as per International Maritime Laws, ropes have to be compulsorily replaced after a specified number of trips. This generates repeat business for RIL & Axiom.

Expansion strategies

At Axiom, we have completed our first phase of expansion to 52,500 MTPA as on March 31, 2011. Now we are ready to undertake our second phase of expansion, expected to be completed by FY2013. For the capacity expansion, we have received an investment of USD 27.5 Millions from FMO (Dutch Sovereign Fund) and Banyan Tree. The investment amount comprises External Commercial Borrowings (ECBs) of USD 6.25 Millions and Compulsorily Convertible Debentures (CCDs) of USD 21.25 Millions.

Strategic alliances and partnerships with globally acclaimed companies have opened up new avenues for us.



Market
leadership

Responsive enjoys

85%

DOMESTIC SURFACE
TRANSPORT
MANUFACTURING
INDUSTRY

95%

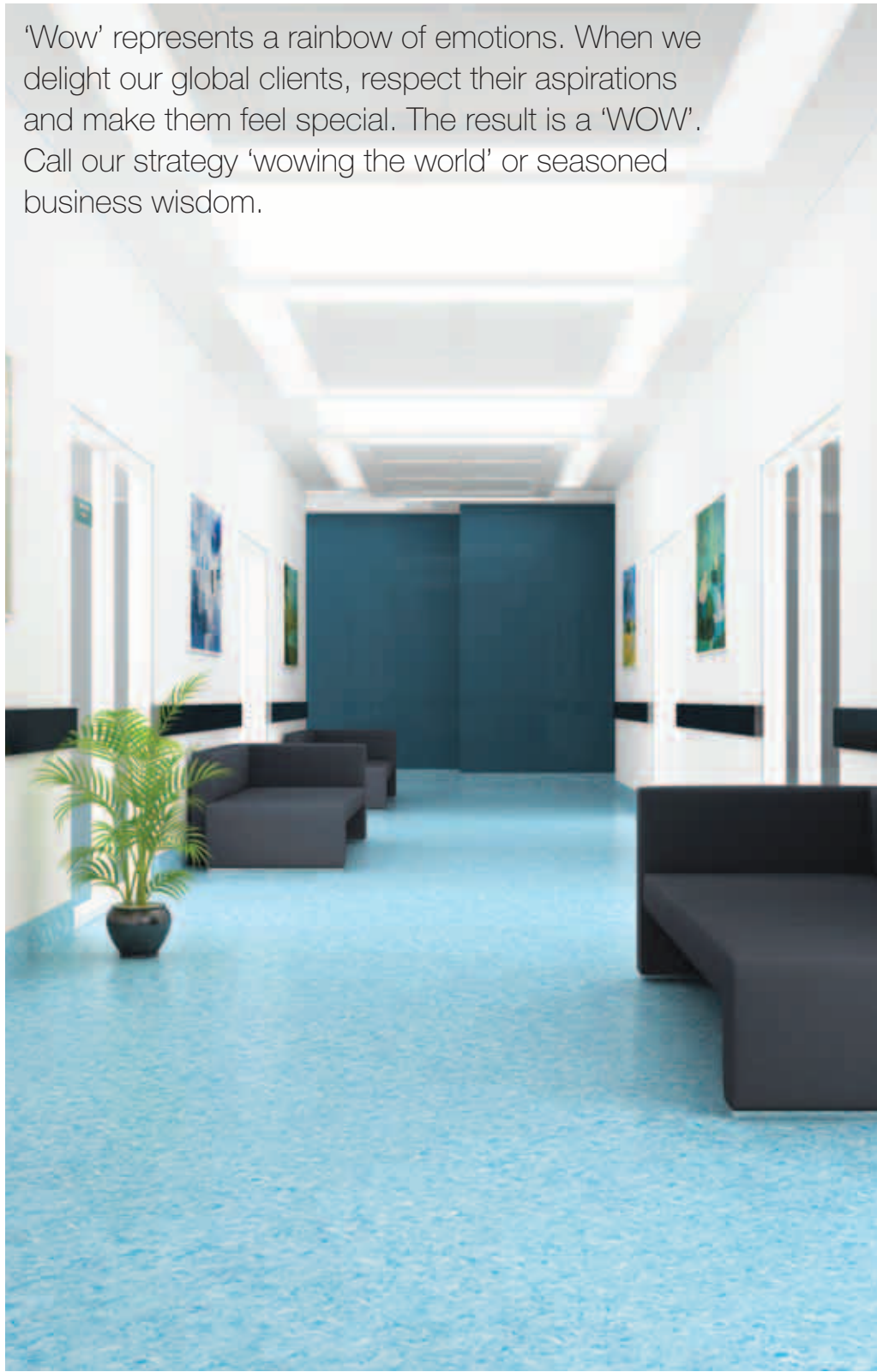
DOMESTIC
THREE-WHEELER
UPHOLSTERY AND
CANOPY MARKET

65%

DOMESTIC PVC
FLOORING MARKET

Wow / Wisdom

'Wow' represents a rainbow of emotions. When we delight our global clients, respect their aspirations and make them feel special. The result is a 'WOW'. Call our strategy 'wowing the world' or seasoned business wisdom.



Axiom's products are used in **65 countries** globally.

Geographic revenue break-up (%)

RIL

North America



Europe



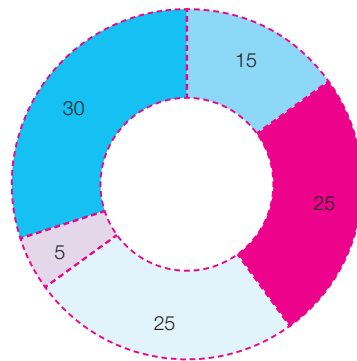
Middle East



Russia



Asia



Axiom

Africa



Europe



China



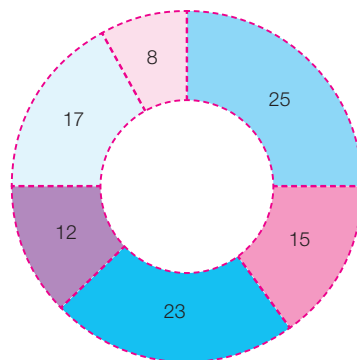
Australia & New Zealand



USA & Canada



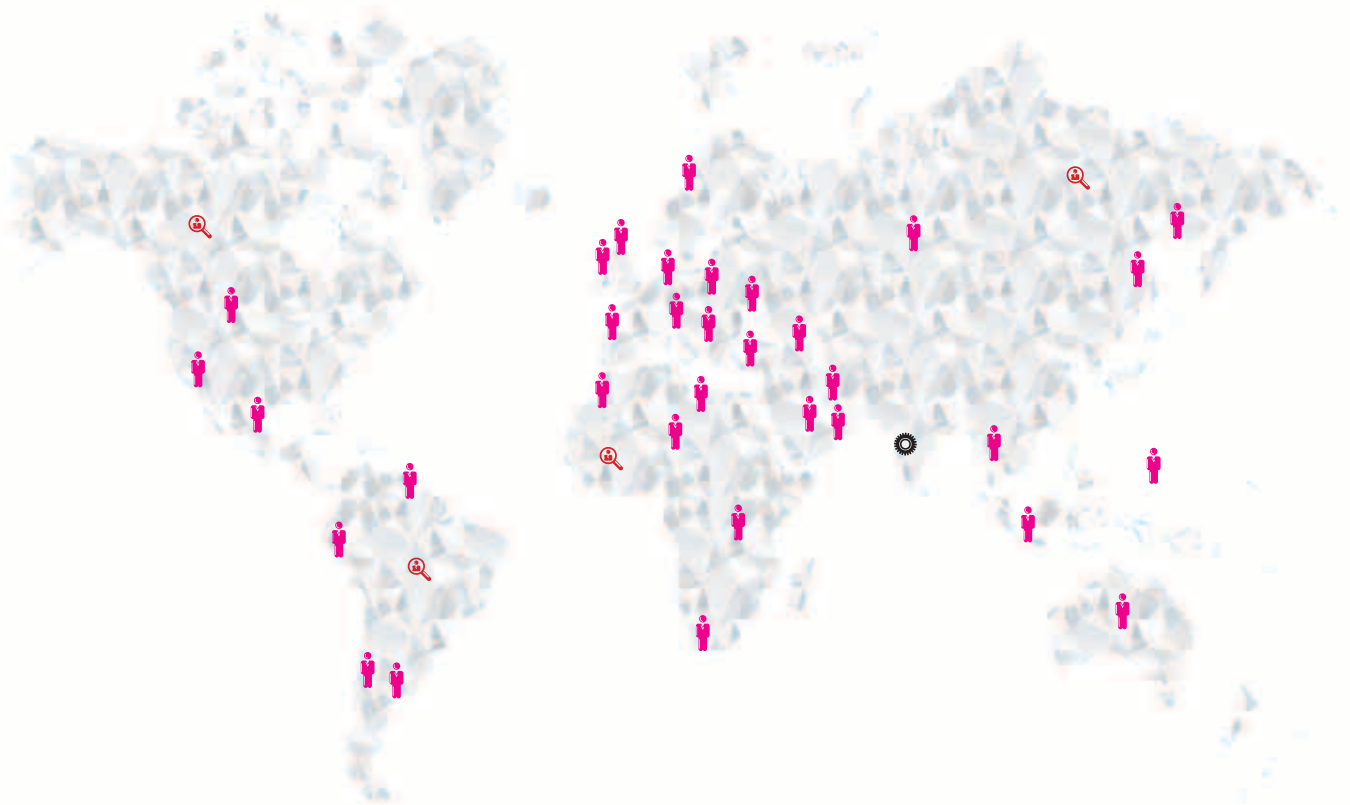
Caribbean



At RIL, we are expanding our presence to 130 countries across America, Europe, Asia, the Middle East and Africa by 2013. We plan to offer premium products in larger volumes to developed markets of America and Europe.



Presence

**RIL/**

Manufacturing facility, Mumbai, India



Existing client distribution



Potential clients



Axiom/



Manufacturing facility, Mumbai, India



Existing client distribution



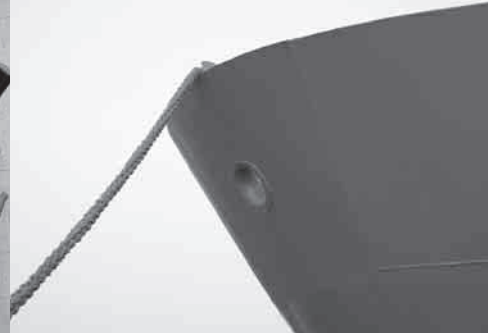
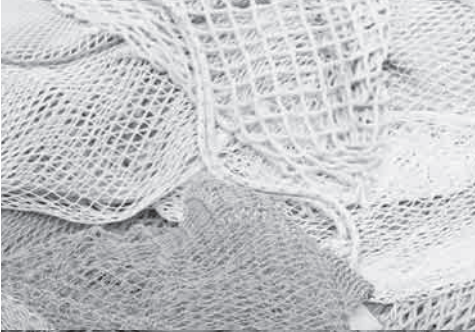
Potential clients



Ensemble / Excellence

An ensemble is a combination of several distinct elements. But when those elements converge, the result is more compelling than the sum of its parts. Much the same way, we create excellence across multiple sectors and grow sustainably.





CELEBRATING
DIVERSITY

RIL's products cater to a wide portfolio of sectors: healthcare, hospitality, transportation, IT and telecom, retail, education, entertainment, hotels, restaurants, sports infrastructure, offices, commercial spaces and real estate.

Axiom's ropes also find applications across various sectors: shipping, construction, energy, telecom, transportation, defence & navy, sports, oil exploration and other industrial and general purposes.

RIL/

Commercial Spaces

Offices
Warehouses

Specialty

Shopping malls & organised retail
Movie halls
Amusement parks
Schools & educational institutes
Hotels & Restaurants
IT & Telecom
Cultural centres

Transportation

Railways
Automobiles
Airports
Buses

Healthcare

Hospitals
Clinics & Labs

Packaging

Pharmaceuticals
FMCGs
Electronics

Fitness centres

Gymnasiums
Sport's courts
Athletic centres

Axiom/

Transportation

Railways
Automobiles
Airports
Buses

Marine industry

Shipping
Fishing
Aquaculture

Defence

Navy
Military applications

Power

Telecom

General purposes

Oil Exploration

Construction



Simple / Sensible

We are driven by a simple dictum: One-size-does-not-fit-all. Because customers are different and so are their sensible needs.

RIL & Axiom enjoy an edge on pricing and product quality over domestic and global competition. Our brands are associated with Indian Railways, Reliance Industries Limited, Ashok Leyland, Eicher Motors, Bombardier, Tata, Marcopolo, Mercedes Benz, Indian Navy, Maharashtra State Road Transport Corporation, Seven Hills Hospital and Future Group, among others. We have also provided solutions to events like the Commonwealth Games and the Olympics.



Indian Railways



Reliance
Industries Limited

Reliance Industries Limited



Ashok Leyland

Ashok Leyland



EICHER

Eicher



Bombardier



Tata



Marcopolo



Mercedes-Benz

Mercedes-Benz



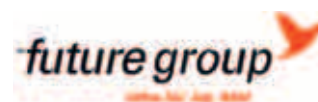
Indian Navy



MSTRC



Seven Hills Hospital



Future Group

Expertise / Exhilaration

Our products reflect in-depth R&D expertise and rich industry experience, supported by advanced technologies. We feel exhilarated, when customers rely on our strengths, nurtured by decades of hard work.



The primary features of the products are strength, recyclability, cost-effectiveness, durability, eco-friendliness, design brilliance, slip-resistance, anti-bacterial, antistatic, moisture-and-stain resistance, among others.



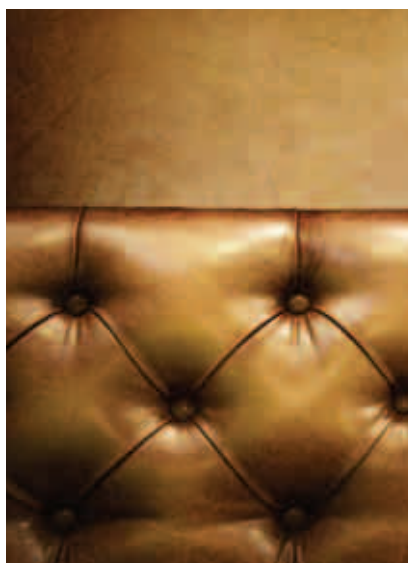
Axiom's innovative ropes are water resistant, strong, lightweight, abrasion resistant and non-corrosive. They possess controlled elongation, shock absorption capacity and immunity to extreme atmospheric conditions.

PVC flooring



- + A major contributor to the topline
- + A high-growth product
- + Available in easily installable and customisable forms
- + Finds applications in high traffic areas like malls, restaurants, offices and gyms, hospitals, educational institutes, hotels & restaurants, movie theatres and so on
- + Floor tiles are used in automobiles, railways, airports and buses; they can also be used in homes

PVC leather clothing and seat covering



- + A major contributor to the topline
- + A high-growth product
- + Synthetic leather cloth is fast replacing natural leather
- + Seat covers are widely used in railways, automobiles and buses
- + Also finds varied use in household items (jackets, wallets, footwear, sports goods, shoes, belts, purses, garments, furniture, bags, soft luggage, diary covers and cushion covers, among others)

Rigid Blister Films



- + PVC rigid blister films are flexible and durable
- + Can be thermoformed, welded, printed and laminated
- + Are used for packaging FMCGs, electronics and pharmaceuticals

Soft Sheeting



- + Also known as transparent sheeting
- + Used in various household items (rainwear, shower curtains, baby mats & nappies, soft luggage, covers for electronic items, table mats, stationery items, and so forth)

Ropes



- + Ropes comprise 3, 4, 8 and 12 strand ropes
- + The length of 3 and 4 range from 40mm to 120mm
- + The 8-strand ropes account for 75% of production
- + The 12-strand ropes make us one of the only three manufacturers globally
- + The ropes find applications in shipping, oil exploration, defence & navy, power, construction, transport, telecom and sports sectors
- + Also used for general purposes



**Fundamentally
Strong**

Fundamental grade rating

CRISIL has upgraded the fundamental grade rating for RIL from '3/5' in June 2011 to '4/5' in June 2012 (Source: CRISIL Research, June 2012). CARE has also assigned a fundamental grade of '4/5' to RIL (Source: CARE Research, July 2012).

This was on the back of sound fourth-quarter standalone revenues in FY'12. The upward revision also came due to the consistent market dominance by RIL in the domestic PVC flooring and PVC leather cloth markets. It is expected that by 2013 the Company shall reach optimum utilisation levels.

Valuation grade rating

CRISIL has valued RIL at a one-year fair value of ₹ 107 per share, as per the DCF (discounted cash flow) method and has assigned a valuation grade of '4/5'. The implied P/E multiples are 22.8x EPS in 2012 and 17.3x EPS in 2013 (Source: CRISIL Research, June 2012).

CARE has valued RIL at a CIV of ₹ 116 per share, as per DCF, and has assigned a valuation grade of '5/5'. The implied P/E multiples are 20x EPS in 2012 and 13.9x EPS in 2013 (Source: CARE Research, July 2012).

Sound financials

While most international players have reported stagnant revenues, RIL's revenues and profits have grown quarter-on-quarter and year-on-year. RIL is also a low leveraged Company, making it an attractive investment option.

The fourth quarter revenues have increased by 36% q-o-q and 58% y-o-y to ₹ 3,693 Millions due to capacity expansions. While the consolidated fourth-quarter revenue increased by 24% q-o-q to ₹ 5,306 Millions, Axiom's fourth-quarter revenues declined by 7% to ₹ 1740 Millions.

For FY'12 standalone revenues increased by 49% y-o-y to ₹ 10780 Millions and consolidated revenues increased by 42% to ₹ 16840 Millions.

Financial outlook

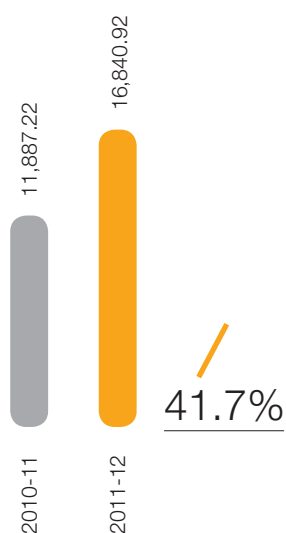
CRISIL expects revenues to grow at a two-year CAGR of 31% to ₹ 20.2 Billion in 2013. The EBITDA margin is expected to increase by 18.8% in 2013, and EPS to increase to ₹ 6.5 in March 2013 from ₹ 3.7 in March 2011 (Source: CRISIL Research, February 2012).

Financial Performance

Consolidated Numbers

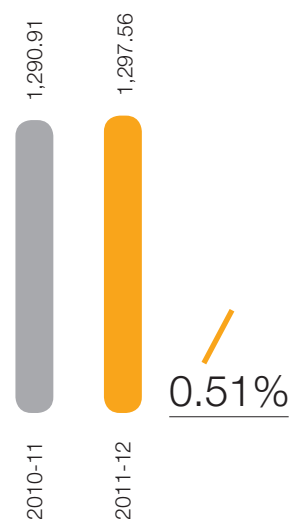
Total Income

(₹ in Millions)



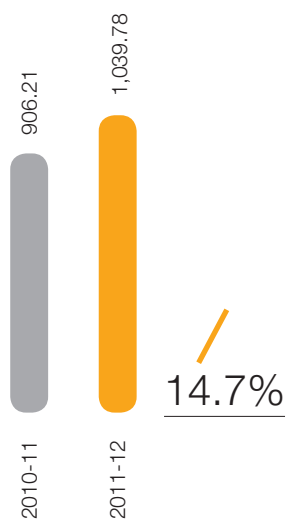
Profit Before Tax (PBT)

(₹ in Millions)



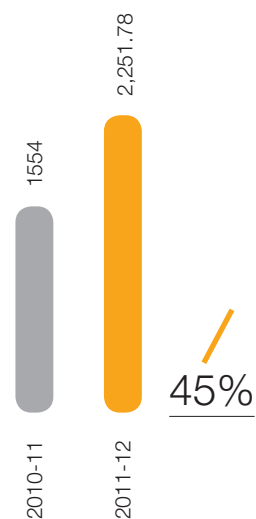
Profit After Tax (PAT)

(₹ in Millions)



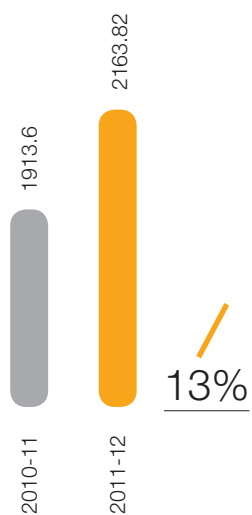
Cash Profit

(₹ in Millions)



EBIDTA

(₹ in Millions)



EBIDTA Margin

(%)



Net Profit Margin

(%)



Basic EPS

(Face Value - ₹ 1/- each) (in ₹)



Debt Equity Ratio

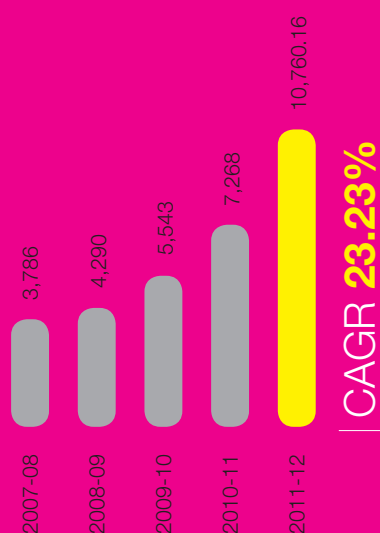


Undeterred Growth RIL

Standalone Numbers

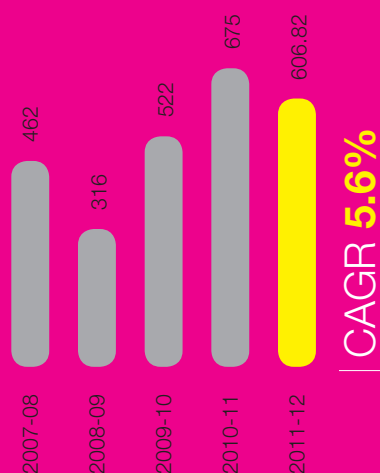
Total Income

(₹ in Millions)



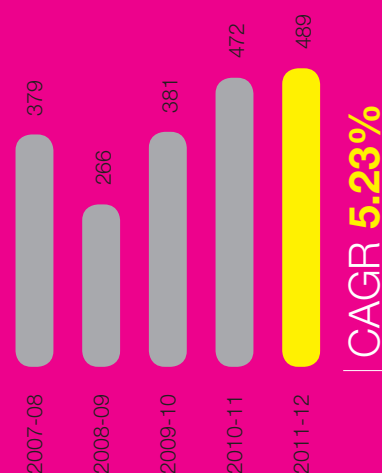
Profit Before Tax (PBT)

(₹ in Millions)



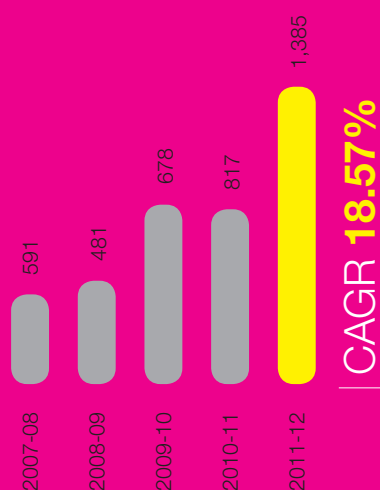
Profit After Tax (PAT)

(₹ in Millions)



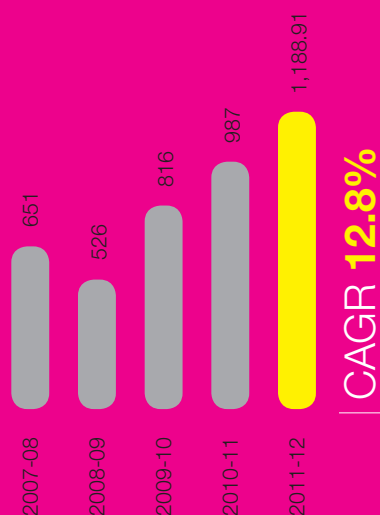
Cash Profit

(₹ in Millions)



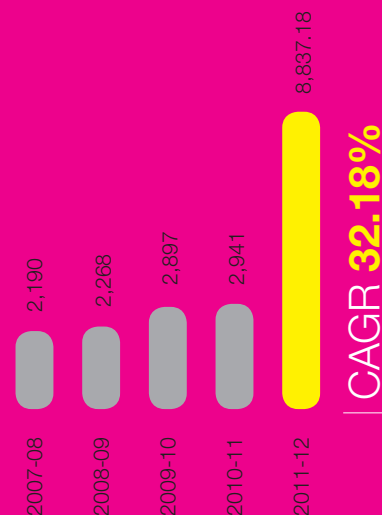
EBIDTA

(₹ in Millions)



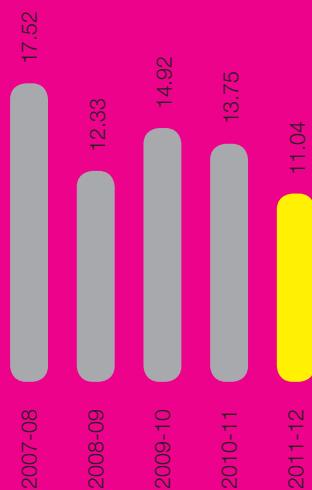
Gross Block

(₹ in Millions)



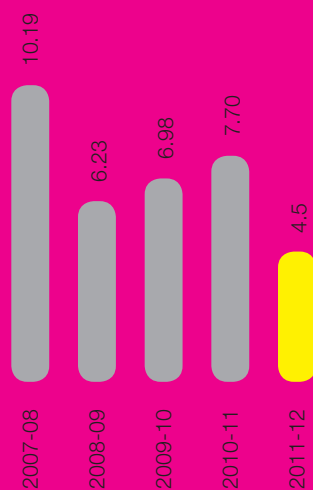
EBIDTA Margin

(%)



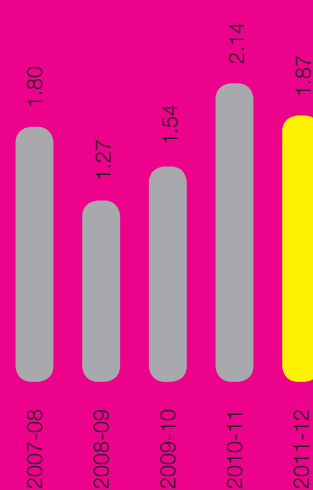
Net Profit Margin

(%)



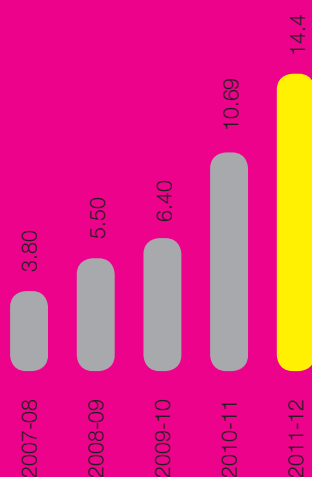
Basic EPS

(Face Value - ₹ 1/- each) (in ₹)



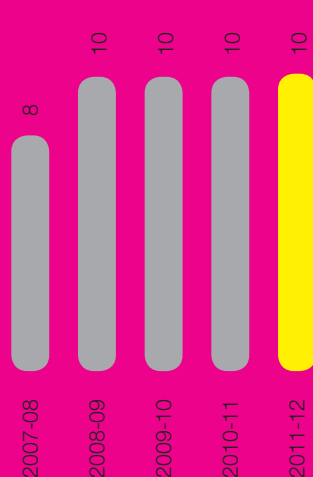
Book Value

(Face Value - ₹ 1/- each) (in ₹)

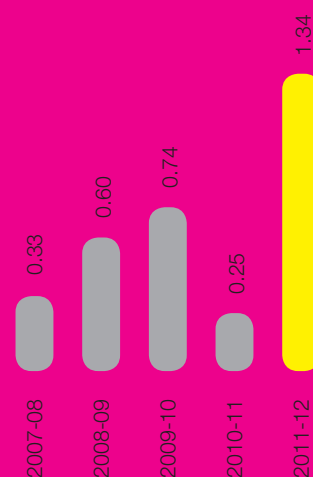


Dividend Payout

(%)



Debt Equity Ratio

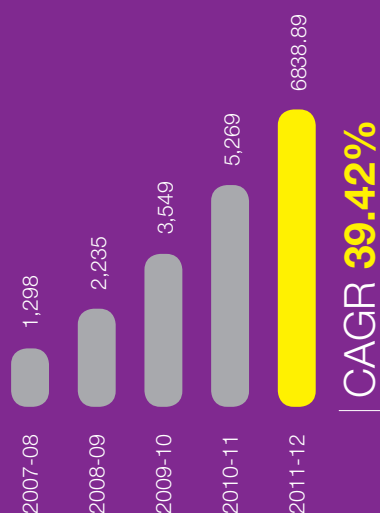


Sound Financials Axiom

Standalone Numbers

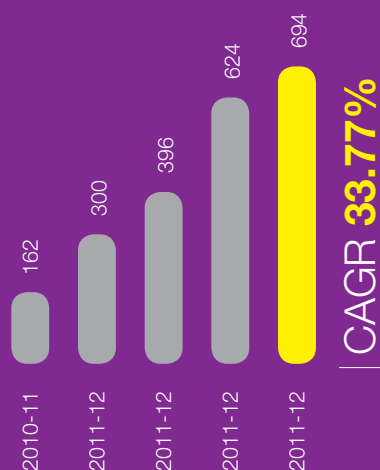
Total Income

(₹ in Millions)



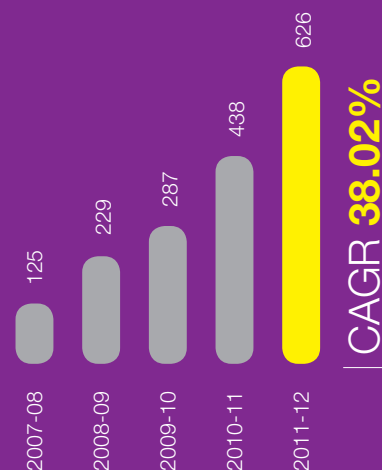
Profit Before Tax (PBT)

(₹ in Millions)



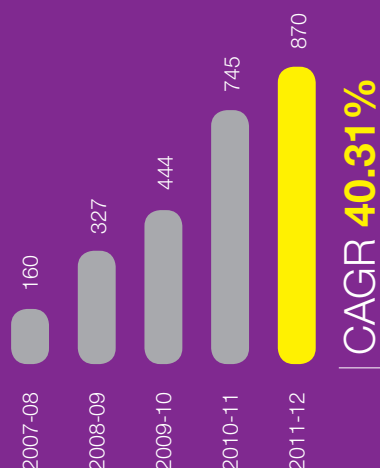
Profit After Tax (PAT)

(₹ in Millions)



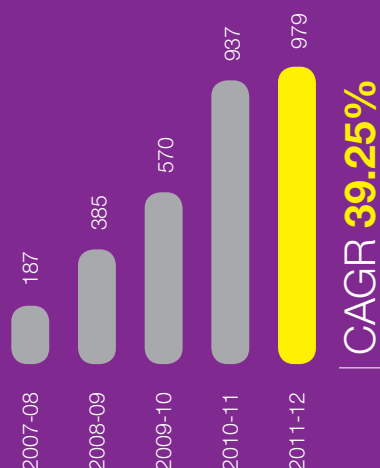
Cash Profit

(₹ in Millions)



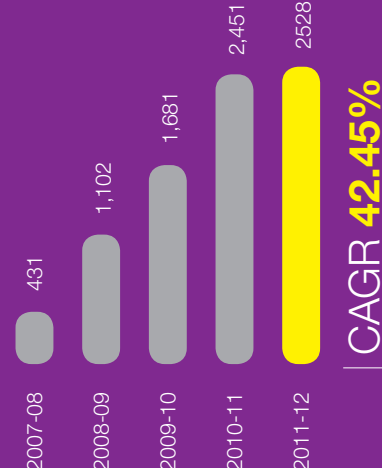
EBIDTA

(₹ in Millions)



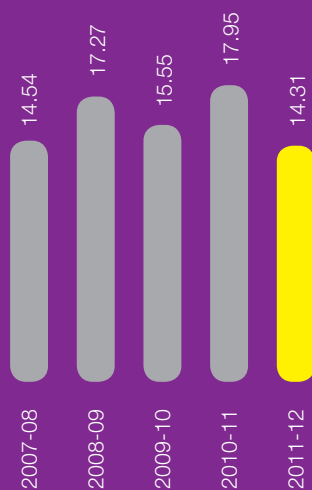
Gross Block

(₹ in Millions)



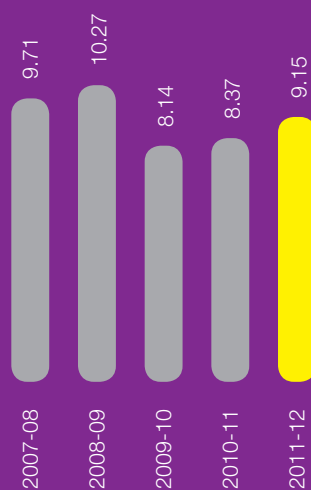
EBIDTA Margin

(%)



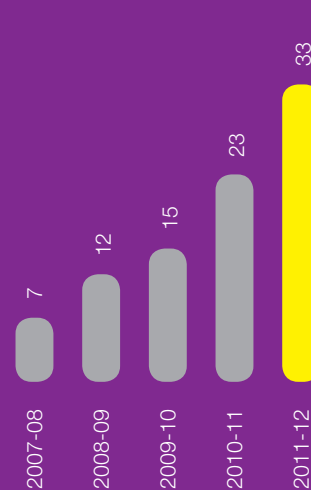
Net Profit Margin

(%)



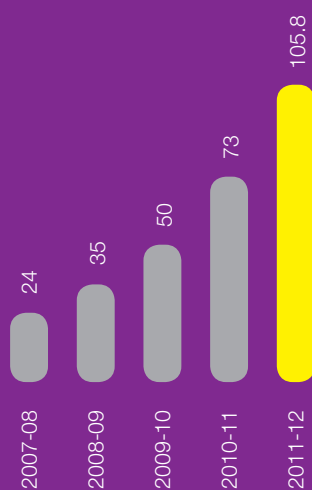
Basic EPS

(Face Value - ₹ 1/- each) (in ₹)



Book Value

(Face Value - ₹ 1/- each) (in ₹)



Dividend Payout

(%)



Debt Equity Ratio



Walking / Waking

Can ideas walk on firm steps? Our achievement is the proof.
Besides, as we go along, we awaken to new business insights.

RIL/

1982

- + Incorporated as Responsive Polymers

2004

- + Machinery and production capabilities upgraded

2007

- + Responsive Polymers is renamed as Responsive Industries Ltd. (RIL)
- + Undertaken capacity expansion to increase the production of PVC leather cloth, PVC flooring, PVC sheeting and PVC rigid pipes



1992

- + Setting up the first high-grade vinyl and PVC processing plant, based on global technologies
- + Undertaken the expansion of facilities in order to cater to domestic demand

2000

- + Focus on export markets increased
- + International certifications of products and processes received

2009

- + Product portfolio widened through innovation

Axiom/

1999

- + Incorporated as Axiom Impex International Ltd.

2008

- + Investments from FMO and Banyan Tree Netherlands Sovereign received

2010

- + Axiom Impex International Ltd. is renamed as Axiom Cordages Ltd.



2004

- + Undertaken capacity expansion and product innovation



2006

- + Business expansion undertaken



Accreditations and Associations



RIL/

ISO 9001, 2008

ISO 9001:2008

For consistently providing quality products to customers



US FDA

Received the DMF Registration for rigid blister films, used for pharmaceutical packaging

ISO 14001, 2004

ISO 14001:2004

For the implementation of environmental management system and adherence to environmental norms



U.S. Green Building Council

The Council provides education and training to employees of member organisations in green initiatives related to constructions



World Floor Covering Association

The Association provides practical solutions and tools to member organisations to help modernise their business



Indian Green Building Council

RIL participates in the green building movement to facilitate India's emergence as one of the world leaders in green buildings



Star Net Association of USA

The Association permits RIL to become the preferred vendor for top-notch U.S. contractors

Axiom/

International Maritime Organisation (IMO)

The IMO is responsible for developing and maintaining the regulatory framework for shipping. It is responsible for safety and security, along with multiple issues (environmental, legal, technical and other shipping concerns)



Our Capacities



Our manufacturing units are located at Boisar, Thane district, Mumbai. Equipped by latest technology, the units are strategically located with easy access to ports, roadways and railways.



RIL/

- + Experienced plant managers and operating engineers
- + A well equipped testing and research laboratory for quality testing and assurance
- + 6 MW power from the MSEB grid, with an option to draw an additional 20% power; and a 750 KVA diesel generator for back-up power support
- + A 750,000 litres annual capacity with water purification plant
- + Primary raw materials include PVC resins, plasticisers, stabilisers, coated cotton fabric, lubricants, pigments and solvents, with PVC resins comprising the major bulk of the raw materials
- + Imports about 40% of the raw materials, the rest are sourced locally

Axiom/

- + A 60-acre rope manufacturing unit
- + Uninterrupted power supply
- + Highly trained support staff for operations, marketing, internal controls and management
- + State-of-the-art machines, imported from Germany and Korean manufacturers
- + Primary raw materials are Nylon, HDPE granules and PP granules, which are sourced locally
- + An upcoming facility at Tarapur Industrial Complex.

Applauded

The Responsive Industries Limited Annual Report 2010-11 was awarded at the prestigious LACP Vision Awards (USA), 2011 - the world's largest annual reports competition, with over 5,500 companies participating from 25 countries globally.



- + Won Gold at the LACP 2011 Vision Awards
- + Ranked 33 in the Regional Top 50 Rank (Asia-Pacific Region)
- + Features among the 'Top 10 Indian Reports'



Organisational Architecture

Chairman

Head project and
Railway Sales

Gen. Manager Admin
Gen. Manager Rigid Blister
Manager Admin / HR

GM Sales

Regional Sales Managers
Manager – Logistics
Area Sales Executives
Sales Executives

Head Accounts

Mgr. Accounts
Mgr. IT
Assistant Executives

Head Corporate
Affairs

Company Secretary
Assistant Executives

Head Purchase
and Logistics

Assistant Executives

Head Production

Production Manager
R & D In charge
Section Supervisors
Assistants

Ideas / Insights

The members of the Board drive their ideas and insights to enhance stakeholder returns.

Mr. Atit Agarwal

On the Board:

- + Chairman & Whole-time Director of Responsive Industries Limited
- + Chairman & Whole-time Director of Axiom Cordages Limited

Qualifications:

- + Bachelor of Science Degree in International Marketing from Bentley University
- + Master of Business Administration in finance from McCallum Graduate School of Business (Bentley University)

Experience:

Rich and diverse experience of multiple industries, including commercial banking

Role:

- + Visualises the overall business strategy

- + Provides the inspiration and guideline behind product development in line with evolving requirements and aspirations of clients across the world
- + Focuses on widening the customer base, quality enhancement, technology up-gradation and innovation, improving efficiency and performance
- + Leverages his global business insight and enduring relationships with multiple clients to strengthen the visibility of the RIL and Axiom brands globally
- + His vision has transformed RIL and Axiom into a rapidly growing globally acclaimed enterprise over the last decade, winning several accreditations.

Mrs. Swati Agarwal

On the Board:

- + Non-Executive Director at Responsive Industries Limited
- + Whole-Time Director at Axiom Cordages Limited

Qualifications:

Bachelor's degree in management studies

Experience:

8 years of industry experience

Role:

Responsible for overseeing general administration at both RIL & Axiom

Mr. S. S. Thakur**On the Board:**

Independent Non-Executive Director at Responsive Industries Limited

Qualifications:

- + M.Com, CAIIB

Experience:

- + Former Controller, Foreign Exchange, Reserve Bank of India (RBI)
- + Played a significant role in the formulation of key provisions of the Foreign Exchange Regulation Act (FERA), 1973, and in designing policies and procedures for administration of FERA
- + Former Senior Advisor, UN International Civil Service
- + Functioned as an Advisor to the Governor, Bank of Zambia and played a key role in relaxation of exchange controls on current and capital account transactions and in formulating and implementing market – oriented banking and foreign exchange policies.
- + Former Chairman, HDFC Bank

- + Ex - Chairman, Central Depository Services (India) Ltd. (CDSL)

Other Directorships:

- + KEC International Ltd.
- + Kotak Mahindra Old Mutual Life Insurance Co. Ltd.
- + DSP Black Rock Trustee Company Pvt. Ltd.
- + MCX Stock Exchange India Ltd.
- + Shrenuj & Co. Ltd.
- + Kamat Hotels (India) Ltd.
- + Quantum Advisors Pvt. Ltd.
- + Quantum Information Services Pvt. Ltd.
- + Urban Infrastructure Venture Capital Ltd.
- + KLG Capital Services Ltd.
- + Harirani Investment and Trading Pvt. Ltd.
- + HDFC Securities Ltd.
- + Atlas Documentary Facilitators Pvt. Ltd.
- + Equitymaster Agora Research Pvt. Ltd.

Mr. V. K. Chopra**On the Board:**

Independent Non-Executive Director at Responsive Industries Limited

Qualifications & Achievements:

- + Chartered Accountant, CAIIB

Experience:

- + Former Banker at the Central Bank of India, Oriental Bank of Commerce, SIDBI and Corporation Bank
- + Former whole time member of SEBI.
- + Experience in the Commercial Banking, Foreign Exchange and Capital Market & Financial Market related areas

Other Directorships:

- + Pantaloon Retail India Limited
- + Rolta India Limited

- + Dewan Housing Finance Corporation Limited
- + Metlife India Insurance Co. Ltd., Bangalore
- + Havells India Ltd.- Noida
- + Religare Asset Management Co. Ltd.
- + SIDBI Venture Capital Ltd.
- + Reliance Capital Pension Fund Ltd.
- + Jaiprakash Associates Ltd., Noida
- + Milestone Capital Advisors Ltd.
- + India Infoline Finance Limited
- + SPANCO Limited
- + Peagus Assets Reconstruction Private Limited
- + First Blue Home Finance Limited
- + Milestone Home Finance Company Private Limited

Mr. Michael Freedman

On the Board:

Independent Non-Executive Director of Responsive Industries Limited

Qualifications & Achievements:

Graduate of New York University Stern School of Business

Experience:

- + Vast experience in the commercial flooring industry
- + Developed successful products for Armstrong, Marley Flexco Inc., LG Floors and Responsive

- + Formulated unique programmes and developed partnerships
- + Helped new companies and products in USA achieve leadership position in the flooring industry
- + Introduced LG Floors to North America
- + Regional sales manager in Marley Flexco Inc.; contract specialist for Armstrong, Commercial Flooring, extensively collaborating with architecture and design communities

Mr. Rajesh Pandey

On the Board:

- + Independent Non-Executive Director at Responsive Industries Limited
- + Director at Axiom Cordages Limited

Qualifications:

Bachelors degree in Chemical Engineering

Experience:

- + 16 years of experience in manufacturing

- + 13 years of experience in the field of rope manufacturing

Role:

- + Oversees chemical engineering at RIL
- + Responsible for production and supervision of day-to-day factory operations at both RIL and Axiom

Mr. Bharat Mahalik

On the Board:

Director at Axiom Cordages Limited

Qualifications:

Bachelor's degree in Commerce

Experience:

12 years industry experience in general administration

Role:

Oversees administrative affairs at Axiom

Mr. Sankaran Krishnamurthy

On the Board:

- + Independent Director at Axiom Cordages Limited

Qualification:

- + Graduate in Mathematics from Madras University

Experience:

- + Former Dy. MD of State Bank of India
- + Former MD & CEO of SBI Life Insurance Co. Ltd.
- + 18 years experience in Corporate Finance and Project Appraisal

- + Experienced in SME lending

- + Pioneered 'Entrepreneur Scheme' and development of Ancillary units under Bhopal Local Head office

- + Advised a Pune-based IT company on insurance solutions

Other Directorships:

- + Aptus Value Housing Finance India Ltd.
- + Sri Kaveri Medical Care (Trichy) Ltd.
- + KMC Speciality Hospitals (India) Ltd.
- + Kavery Hospital (Hosur) Ltd.

Mr. Subramaniam Santhanakrishnan

On the Board:

- + Independent Director at Axiom Cordages Limited

Qualifications & Achievements:

- + Postgraduate from Madras University
- + Certified Associate of Indian Institute of Bankers(CAIB)
- + Qualified trainer (Dip. in Trg and Development) from ISTD and DSM from Bombay University
- + Contributed several articles in financial journals on banking and credit

Experience:

- + Former Dy. MD of State Bank of India
- + Executive Chairman of Credit Information Bureau of India Ltd. (CIBIL)

Other Directorships:

- + Easy Access Financial Services Ltd.
- + ICICI Home Finance Ltd.
- + Dhanlaxmi Bank Ltd.
- + Sundaram Clayton Ltd.
- + TVS Credit Service Ltd.
- + Reliance Capital Trustee Co. Ltd.

Mr. Sanjiv Singhal

On the Board:

- + Nominee Director at Axiom Cordages Limited

Qualifications & Achievements:

- + MBA from Wharton Business School, USA
- + MA with distinction from the University of Essex, UK
- + BA with Honours from Delhi University
- + Honoured with the Chevening Scholarship from the British Council to spend 10 weeks at the London School of Economics in 2001
- + Authored the book, Internet Banking: The Second Wave

Experience:

- + 13 years of banking experience in Citibank and Standard Chartered Bank; headed Structured Finance for South East Asia and for India in Standard Chartered Bank
- + 3 years as an entrepreneur in distribution and automobile component manufacturing business

Other Directorships:

- + GEI Industrial Systems Ltd
 - + Trimax IT Infrastructure Limited
 - + Deepak Fasteners Limited
 - + Banyantree Finance Pvt. Ltd.
 - + Dee Development Engineers Ltd.
 - + Beaver Engineering and Holding Ltd
 - + HBL Power Systems Limited
-

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Analysis Report

Directors' Report

To the Members

Your Directors have pleasure in presenting this Thirtieth Annual Report on the business and operations of your Company with the Audited Statement of Accounts for the year ended 31st March 2012.

FINANCIAL PERFORMANCE

(₹ in Millions)

Financial Results	2011-12	2010-11
Sales and Other Income	10760.16	7267.53
Profit before Interest, Depreciation & Tax	1210.60	996.29
Less: Interest (Net)	61.50	38.04
Profit before Depreciation & Tax	1149.10	958.25
Less: Depreciation	542.29	283.49
Profit before Tax	606.81	674.76
Less: Provision for Taxation	117.34	122.04
Net Profit after Tax	489.47	552.72
Less: Prior Period Adjustment	-	4.17
Balance Brought Forward from previous year	1675.87	1157.72
Profit available for appropriations	2165.34	1706.27
Appropriations		
Transfer to General Reserve	-	-
Proposed Dividend – Equity Shares	26.69	26.16
Corporate Dividend Tax	4.32	4.24
Balance carried to Balance Sheet	2134.33	1675.87

**A Dividend
of 10% ie.
0.10 per
Equity Share
of ₹ 1/- each
fully paid up
for the year
ended 31st
March 2012**

OPERATIONS

Your Company has posted a turnover of ₹ 10760.16 Millions, an increase of about 48 % as compared to ₹ 7267.53 Millions in the previous financial year. The Company recorded a net profit of ₹ 489.47 Millions as against ₹ 548.55 Millions in the corresponding previous financial year depicting a decline of 10.77%.

DIVIDEND

Considering the profitability for the year under consideration and the future capital requirements of the Company, your Directors recommended a Dividend of 10% ie. 0.10 per Equity Share of ₹ 1/- each fully paid up for the year ended 31st March 2012 and seek your approval for the same.

ALLOTMENT OF EQUITY SHARES

The Board in their meeting held on 15th February 2012 has allotted 5267700 Equity Shares of ₹ 1/- each fully paid up at a premium of ₹ 110/- per share to the Promoters on Preferential basis. The said Equity shares have been listed on BSE & NSE and admitted to dealings on both the Exchanges on 23rd May 2012 & 7th May 2012 respectively.

CONSOLIDATED FINANCIAL STATEMENTS

The Ministry of Corporate Affairs (MCA) by General Circular No. 2/2011 dated 8th February 2011, issued a direction under Section 212(8) of the Companies Act, 1956 that the provisions of Section 212 shall not apply to companies in relation to their subsidiaries, subject to fulfilling certain conditions mentioned in the said circular with immediate effect. The Board of Directors of your Company at its meeting held on 24th May 2012, approved the Audited Consolidated Financial Statements for the financial year 2011-12 in accordance with the Accounting Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as Clause 32 of the Listing Agreement, which include financial information of its subsidiary, and forms part of this report. The Consolidated Financial Statements of your Company for the financial year 2011-12, are prepared in compliance with applicable Accounting Standards and where applicable Listing Agreement as prescribed by the Securities and Exchange Board of India.

The annual accounts and financial statements of the subsidiary Company of your Company and related detailed information shall be made available to members on request and are open for inspection at the Registered Office of your Company. Your Company has complied with all the conditions as stated in the circular and accordingly has not attached the financial statements of its subsidiary Company for the financial year 2011-12. A statement of summarised financials of the subsidiary of your Company including capital, reserves, total assets, total liabilities,

Directors'

Report

details of investment, turnover, etc., pursuant to the General Circular issued by Ministry of Corporate Office, forms part of this report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Atit Agarwal retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Accordingly, his re-appointment forms part of the notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by section 217(2AA) of the Companies Act, 1956, your Board of Directors hereby state:

- that in preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2012 and of the profit of the Company for the year ended on that date;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- that the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The Company has complied with all the mandatory requirements of Corporate Governance, as stipulated in clause 49 of the Listing Agreement with the stock exchanges. A separate report on Corporate Governance and a certificate from M/s. P. P. Shah & Co., Practicing Company Secretaries regarding compliance with the conditions of Corporate Governance is given in a separate section and forms part of the Annual Report. Further, a declaration signed by the Chairman cum Whole Time Director, affirming compliance with the code of conduct by all the Board members and senior management personnel along with certificate from CEO/CFO required under clause 49(V) of the Listing Agreement is also given therein.

PLEDGE OF SHARES

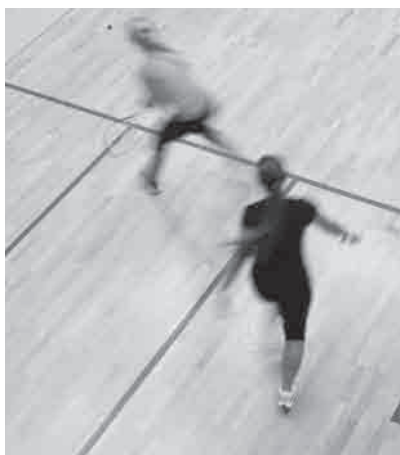
None of the equity shares of the Directors of the Company are pledged with any banks or financial institutions.

PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration exceeding the specified limit, during the year under consideration, hence details prescribed under section 217(2A) of the Companies Act, 1956, read with Companies (particulars of employees) Rules, 1975 are not applicable.

PUBLIC DEPOSITS

The Company has not accepted any public deposits during the year under review.



AUDITORS

M/s. Haribhakti & Co., Chartered Accountants, who are the statutory auditors of the Company, hold office in accordance with the provisions of the Act upto the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to clause 49 of the Listing Agreement with the stock exchanges, the Management Discussion & Analysis Report for the year under review is given under a separate section and forms part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988. The required information relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure to the Directors' Report.

GROUP

Pursuant to intimation from the promoters, the names of the promoters & entities comprising the "Group" are disclosed in the Annual report for the purpose of SEBI

(Substantial Acquisition of Shares & Takeovers) Regulations, 2011.

RECOGNITION AND AWARDS

During the Financial year 2011-12 your Company received following Recognition and Awards:

- Emerging Company of the year for 2011 by Economic Development Forum.
- Bharat Navnirman Ratna Award by Indian Organisation for Commerce and Industry.
- Global Achiever's Awards for Young Entrepreneur 2012 by Economic Development Forum.
- Certificate of Excellence by Inc.500

INDUSTRIAL RELATIONS

The industrial relations at the manufacturing facilities of your Company have been cordial during the year. Your Directors wish to place on record the commitment and involvement of the employees at all levels and look forward to their co-operation.

ACKNOWLEDGEMENTS

Your Directors express their thanks and appreciation to the shareholders, customers, bankers and all other business associates for the continuous support given by them to the Company and their confidence in its management and to the employees of the Company for their valuable contributions.

AWARDED
EMERGING
COMPANY OF THE
YEAR FOR 2011
BY ECONOMIC
DEVELOPMENT
FORUM.

For and on behalf of the Board
For **Responsive Industries Limited**

Annexure - A To The Directors' Report

INFORMATION PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

A) CONSERVATION OF ENERGY:

- a) Energy conservation measures taken N.A.
- b) Additional investments proposal, if any being implemented for reduction of consumption of energy N.A.
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods N.A.
- d) Total energy consumption

Power & Fuel Consumption	Financial Year 2011-12	Financial Year 2010-11
1 Electricity		
(a) Purchased		
Units	22533978	19801734
Total amount (₹ in Millions)	148.67	114.78
Rate / Unit (₹)	6.60	5.80
(b) Own Generation		
(i) Through Diesel Generation		
Units	NIL	NIL
Units per Liter of Diesel Oil	NIL	NIL
Cost/Units	NIL	NIL
(ii) Through Steam Turbine/Generator		
Units	NIL	NIL
Units per Liter of Diesel Oil	NIL	NIL
Cost/Units	NIL	NIL
2 Coal (Specify quantity and where used)		
Quantity (Tonnes)	NIL	NIL
Average Rate	NIL	NIL
3 Furnace Oil		
Quantity (in Liters)	3682170	2775900
Total Amount (₹ In Millions)	138.16	73.51
Average Rate (₹)	37.52	26.48
4 Other/Internal Generation (Please give details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate/Unit	NIL	NIL

B) TECHNOLOGY ABSORPTION:

Efforts made in technology absorption

NIL

NIL

C) FOREIGN EXCHANGE EARNINGS & OUTGO:

		(₹ in Millions)
Total Exchange Earned	5,791.90	4,565.97
Total Outgo	4,483.73	4,027.40

Annexure - B

PERSONS CONSTITUTING GROUP COMING WITHIN THE DEFINITION OF “GROUP” FOR THE PURPOSE OF REGULATION 10 (a) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, INCLUDE THE FOLLOWING:

Sr. No.	Name of the Entity
1.	Wellknown Business Ventures Pvt. Ltd.
2.	Mavi Business Ventures Ltd.
3.	Efficient Builders Ltd.
4.	Axiom Cordages Limited
5.	Goldstreet Infrastructure LLP
6.	Fairpoint Industries LLP
7.	OneSource Trading Company LLP
8.	AASuperior Enterprises LLP
9.	Goldstreet Enterprises LLP
10.	Fairpoint Tradecom LLP
11.	Onesource Enterprises LLP
12.	Mavi Enterprises LLP

For and on behalf of the Board
For **Responsive Industries Limited**

Place: Mumbai
Date: 24th May 2012

Atit Agarwal
Chairman



Corporate Governance Report

(AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT
ENTERED INTO WITH STOCK EXCHANGES)

I. COMPANY'S PHILOSOPHY

Your Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders value while safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong corporate governance values intrinsic in all operations. The Company is led by a distinguished Board, which includes independent directors. The Board provides a strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfil its oversight responsibilities and to provide management the strategic direction it needs to create long-term shareholders value.

II. BOARD OF DIRECTORS

Composition

The Board of the Company has an optimum combination of Executive, Non Executive and Independent Directors. The composition of the Board of the Directors is in conformity with the Code of Corporate Governance under the Listing Agreement. Details of the Directors and their directorships/memberships in Committees of other Companies (excluding our Company) are as under:

Name of Director	Category	No. of Directorships in other Public Limited Companies*	Committee Positions	
			Chairman**	Member**
Mr. Atit Agarwal	Whole-time Director	1	-	-
Mrs. Swati Agarwal	Non-Executive	1	-	-
Mr. Rajesh Pandey	Non-Executive	1	-	-
Mr. Shobha Singh Thakur	Independent	8	3	4
Mr. Vijay Kumar Chopra	Independent	11	4	6
Mr. Michael Freedman	Independent	-	-	-
Mr. Santosh Shinde #	Non-Executive	-	-	-
Mr. Akil Hirani #	Independent	-	-	-

* Private Limited Companies, Foreign Companies and Companies under section 25 of the Companies Act, 1956 are excluded for this purpose.

**Only Audit Committee and Shareholders' / Investors' Grievance Committee have been considered for the purpose of the Committee positions as per listing agreement.

Cessation of Directorship on 14/11/2011.

Board Meetings

During the year, 7 (Seven) Board Meetings were held on 20th May 2011, 10th June 2011, 21st July 2011, 16th September 2011, 14th November 2011, 7th February 2012, 15th February 2012 and the particulars of attendance of the Directors are as under:

Name of Director	No. of Board meetings attended	Attendance at AGM held on 20/6/2011
Mr. Atit Agarwal	7	Yes
Mrs. Swati Agarwal	4	Yes
Mr. Rajesh Pandey	5	No
Mr. Shobha Singh Thakur	6	-
Mr. Vijay Kumar Chopra	4	-
Mr. Michael Freedman	4	-

Corporate Governance Report

III. AUDIT COMMITTEE

Terms of reference

The broad terms of reference of the Audit Committee are those as set in clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The Committee reviews the reports of the Internal Auditors and discuss the same with them periodically. The Committee also meets Statutory Auditors to discuss their findings and suggestions on financial accounts.

Audit Committee Composition

The Audit Committee consists of 3 Independent Directors having requisite knowledge of Finance, Accounts and Company Law. The Company Secretary of the Company acts as Secretary of the Committee.

Audit Committee Meetings

During the year under review, the Committee met 4 times on 20th May 2011, 21st July 2011, 14th November 2011 and 7th February 2012.

Names of the Committee Members along with their attendance are given below:

Name of Members	Designation	No. of meetings attended
Mr. Shobha Singh Thakur	Chairman	4
Mr. Rajesh Pandey	Member	4
Mr. Santosh Shinde	Member*	0
Mr. Micheal Freedman	Member*	1

* Mr. Michael Freedman was inducted as member of audit Committee in place of Mr. Santosh Shinde w.e.f. 7th February 2012.

IV. REMUNERATION COMMITTEE:

The Remuneration Committee of the Company is constituted to evaluate and recommend remuneration and benefits for the Executive Directors.

Terms of Reference:

Terms of reference of the Remuneration Committee, include the matters relating to the remuneration payable to the Whole Time Directors and commission, if any, to be paid to the Non -Executive directors, apart from sitting fees. The Committee's recommendation in this regard needs to be placed before the Board for approval.

Remuneration Committee Composition:

The Remuneration Committee consists of three Independent

Directors, namely Shri S. S.Thakur, Shri V. K.Chopra and Mr. Michael Freedman.

V. SHARE TRANSFER AND SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Terms of Reference:

The Shareholders'/Investors' Grievance Committee deals with matters relating to transfer of shares, issue of duplicate/new shares, sub-divided and consolidated share certificates and redressal of shareholders'/investors grievances.

Share Transfer and Shareholders'/Investors' Grievance Committee Meetings:

The above Committee met 4 times during the financial year ended 31st March 2012.

Name of the Committee Members along with their attendance is given below:

Name of Members	Designation	No. of meetings attended
Mr. Rajesh Pandey	Chairman	4
Mr. S. S. Thakur	Member	4
Mr. Santosh Shinde *	Member	3
Mr. Michael Freedman*	Member	1

* Mr. Michael Freedman was inducted as member of the Committee in place of Mr. Santosh Shinde w.e.f. 30th January 2012.

The Company Secretary of the Company has been designated as Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges.

Details of Investor Complaints

Number of Complaints from 01.04.2011 to 31.03.2012			
Pending as on 01.04.2011	Received	Redressed	Pending as on 31.03.2012
Nil	Nil	Nil	Nil



VI. GENERAL BODY MEETINGS:

(i) Location and time of last three Annual General Meetings

The last three Annual General Meetings of the Company were held at the Registered Office of the Company at Village Betegaon, Boisar (East), Mahagaon Road, Taluka Palghar, Dist. Thane – 401 501.

Year	Date	Time	Type of Meeting	Special Resolutions Passed
2010-11	20.06.2011	10.30 a.m.	Annual General Meeting	Issue of equity shares under section 81(1A) of the Companies Act, 1956.
2009-10	10.09.2010	10.30 a.m.	Annual General Meeting	Issue of equity shares under section 81(1A) of the Companies Act, 1956
2008-09	30.09.2009	10.00 a.m.	Annual General Meeting	1. Issue of equity shares under section 81(1A) of the Companies Act, 1956. 2. Amendment in Articles of Association of the Company.

There was one Special Resolution passed by the Company through Postal Ballot regarding issue of shares on preferential basis during the last year. No Special Resolution is proposed to be passed through Postal Ballot at the ensuing Annual General Meeting.

Corporate Governance

Report

(ii) Extra-Ordinary General Meetings held during last three years

The Extra-ordinary General Meetings of the Company during the last three years were held at the Registered Office of the Company at Village Betegaon, Boisar (East), Mahagaon Road, Taluka Palghar, Dist. Thane – 401 501.

Year	Date	Time	Type of Meeting	Special Resolutions Passed
2010-11	31.01.2011	10.00 a.m.	Extra-ordinary General Meeting	Modification to the special Resolution passed under section 81(1A) of the Companies Act, 1956 in the Annual General Meeting held on September 10, 2010.
2009-10	28.05.2009	11.00 a.m.	Extra-ordinary General Meeting	1. Alteration of Capital Clause in the Memorandum of Association. 2. Substitution of Articles of Association. 3. Ratification for modification of number of shares to be issued upon conversion of 0% CCDs.
	27.11.2009	10.00 a.m.	Extra-ordinary General Meeting	For further issue of securities under Section 81(1A)

VII. CODE OF CONDUCT

The Code of Conduct for the Directors and employees of the Company has been laid by the Board and necessary declaration has been obtained from them.

Company in which they are interested, that may have potential conflict with the interest of the Company.

- (ii) The Company has complied with the requisite regulations relating to capital markets. No Penalties have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the last three years.

VIII. DISCLOSURES

- (i) There are no transactions of materially significant nature that have been entered into by the Company with the Promoters, Directors, their relatives and the Management and in any

IX. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to all the Stock Exchanges, where the shares are listed. The results are published normally in Free Press Journal and Navshakti.

The results are also displayed on the Company's website
"www.responsiveindustries.com"

The Management Discussion & Analysis Report forms part of the Annual Report.

X. GENERAL SHAREHOLDER INFORMATION**1. Annual General Meeting**

Date:	4th August 2012
Time:	10:30 A.M.
Venue:	Village Betegaon, Mahagaon Road, Boisar (E), Tal.: Palghar, Dist.: Thane-401501, Maharashtra.

**2. Financial Calendar
(Tentative)**

Financial Year of the Company	1st April 2012 to 31st March 2013.
Results for the Quarter ending:	
30th June 2012	On or before 14th August 2012.
30th September 2012	On or before 14th November 2012.
31st December 2012	On or before 14th February 2013.
31st March 2013	On or before 15th May 2013 or 30th May 2013.

3. Date of Book Closure

1st August 2012 to 4th August
2012. (Both days inclusive)

**4. Listing of Equity Shares on
the Stock Exchange**

- Bombay Stock Exchange Ltd.
P. J. Towers, Dalal Street, Fort
Mumbai 400 001
 - National Stock Exchange of
India Ltd.
Exchange Plaza,
Bandra - Kurla Complex,
Bandra (East), Mumbai 400 051
- Listing Fees as applicable have
been paid.

5. Stock code/Symbol

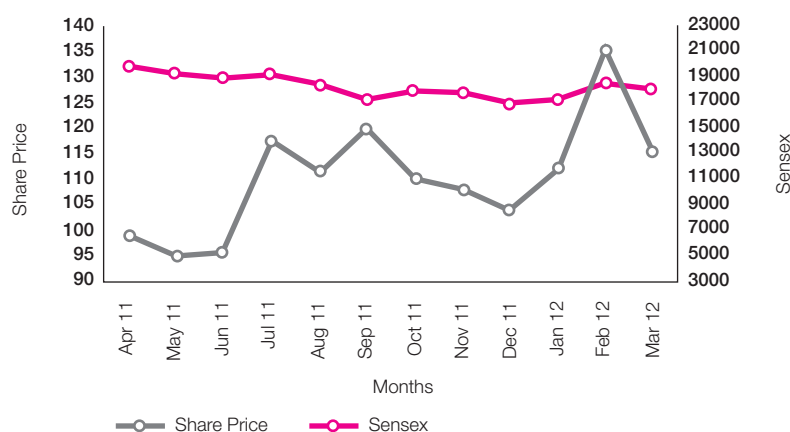
(a) Stock Exchange	Stock Code
1. Bombay Stock Exchange Ltd.	505509
2. National Stock Exchange of India Ltd	RESPONIND
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE 688D01026

Corporate Governance Report

6. Stock Market Data

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High(₹)	Low(₹)
April-2011	99.00	91.15	99.00	91.90
May-2011	95.00	88.15	98.30	89.35
June-2011	95.60	84.50	95.95	91.05
July-2011	117.50	91.90	117.50	93.00
Aug -2011	111.20	102.50	110.95	102.00
Sep-2011	120.00	104.85	120.00	105.00
Oct-2011	110.00	104.00	109.00	104.70
Nov -2011	108.00	94.00	108.00	96.15
Dec-2011	103.50	87.05	103.25	83.00
Jan-2012	112.00	98.00	119.00	89.50
Feb -2012	135.00	93.00	145.00	93.75
Mar -2012	115.00	79.90	117.35	78.00

7. Performance of Responsive Industries Limited share price in comparison to BSE Sensex



8. Registrar and Share Transfer Agents

Shareholders correspondence should be addressed to the Registrar and Share Transfer Agents of the Company at the following Address:

Link Intime India Private Ltd.,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W),
Mumbai, 400078.

Tel No.: 91(022) 25963838
Fax No.: 91(022) 25946969
E-mail: mumbai@linkintime.co.in
Web: www.linkintime.co.in

9. Share Transfer System

The shares received for transfers duly completed in all respect in physical form are registered and dispatched normally within three weeks. Demat confirmations are normally sent within two weeks. All transfer requests received are processed and approved by the Shareholders'/Investors' Grievance Committee.

As required under clause 47 (c) of the Listing Agreements entered into by the Company with the Stock Exchanges, a certificate is obtained every six months from a Practicing Company Secretary with regard to, inter alia, effecting transfer, transmission, sub-division, consolidation, renewal and exchange of equity shares within one month of their lodgment. The certificate is also forwarded to BSE and NSE where the equity shares are listed.

10. Distribution of Shareholding as on 31st March 2012

Range	No. of Shareholders	% of total shareholders	No. of Shares held	% of shareholding
1 to 5000	384	90.15	5375993	2.03
5001 to 10000	15	3.53	90585	0.04
10001 to 20000	5	1.17	58647	0.02
20001 to 30000	2	0.47	75191	0.02
30001 to 40000	1	0.24	31000	0.01
40001 to 50000	1	0.23	45912	0.01
50001 to 100000	1	0.23	64085	0.02
100001 and above	17	3.99	261171287	97.85
Total	426	100.00	266912700	100.00

11. Shareholding Pattern as on 31st March 2012

Sr No.	Category	No. of shares held	Percentage of Shareholding
1	Promoter and Promoter Group	161268010	60.42
2	Foreign Institutional Investors	11469980	4.30
3	Financial Institutions	1378095	0.52
4	Other Bodies Corporate	92472432	34.64
5	Overseas Corporate Bodies	-	-
6	Clearing Member	49737	0.02
7	Public	273819	0.10
8	Non Resident Indians	627	0.00
	Grand Total	266912700	100.00

12. Dematerialisation of shares and liquidity

As of 31st March 2012, 266912200 equity shares representing 99.99% of the paid up equity capital of the Company have been dematerialised with the following depositories.

Corporate Governance

Report



Description	ISIN No.	Depositories
Fully Paid	INE 688D01026	National Securities Depository Ltd (NSDL), Trade World, A Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400013 Central Depository Services (India) Ltd.(CDSL) Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai 400 023.

13. Outstanding GDRs/ ADRs/Warrants or any convertible Instruments

As of date the Company has not issued these types of securities.

14. Registered Office & Plant Location

Village Betegaon , Mahagaon Road, Boisar (E), Tal. Palghar, Dist. Thane - 401501.

15. Address for correspondence

Shareholders should address correspondence to the Company's Registrars and Share Transfer Agents at the address mentioned below. Shareholders could also contact the Registered Office of the Company at the address mentioned below.

Registrar & Share Transfer Agents:

Link Intime India Private Ltd.,
C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400078.

Registered Office:

Village Betegaon, Mahagaon Road, Boisar (E), Tal. Palghar, Dist. Thane - 401501

16. Secretarial Audit for Reconciliation of Capital

A qualified Practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the total issued and listed capital. The audit confirms that the issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

17. Practicing Company Secretary's Certificate On Corporate Governance

As required under clause 49 of the Listing Agreement, M/s. P.P. SHAH & Co., Practicing Company Secretaries have verified the compliance of the Corporate Governance norms by the Company. Their certificate is annexed hereto.

Declaration on Compliance

with the Code of Conduct under Clause 49 of the Listing Agreement

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management Personnel, which is displayed on the Company's website.

I confirm that all the Members of the Board of the Company and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to each one of them, for the Financial year ended, 31st March 2012.

Place: Mumbai
Date: 24th May 2012

Atit Agarwal
Chairman & Whole-time Director

Corporate Governance

Report

Certificate on Corporate Governance

To the Members

Responsive Industries Limited

We have examined the compliance of conditions of Corporate Governance by RESPONSIVE INDUSTRIES LIMITED ("the Company") for the year ended on 31st March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with 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 as stipulated in the said clause. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement.

We further state that our examination of 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 **P. P. Shah & Co.**
Practicing Company Secretary

Place: Mumbai
Date: 24th May 2012

Pradip C. Shah
Partner
FCS - 1483

CEO/CFO Certification

I, Mr. Atit Agarwal, Whole-time Director of Responsive Industries Limited hereby certify that

- (a) I have reviewed the financial statements and the cash flow statement for the Financial year 31st March 2012 and that to the best of my knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year 2011-12 which are fraudulent, illegal or violate of the Company's code of conduct;
- (c) I am responsible 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 I 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 to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
 - i. There have been no significant changes in internal control over the financial reporting during the year;
 - ii. There have been no significant changes in accounting policies during the year; and
 - iii. There have been no 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 the financial reporting.

Place: Mumbai
Date: 24th May 2012

Atit Agarwal
Chairman

Management Discussion and Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is engaged in manufacturing of PVC products, which are widely used both for household and commercial purposes. Confirming fears of a slowdown, India's economy grew by just 5.3 percent in the fourth quarter ending March this year, mainly due to poor performance of the manufacturing sector, as against 6.9 percent in the same three months period of the previous fiscal.

The Indian economy has been adversely affected due to the impact of global financial meltdown, moderating consumption demand and depreciating currency. During the financial year downfall recorded in the manufacturing sector. Indian plastic product sector witnessed strong double-digit growth, with strong offtake from key user industries like packaging, automotive and infrastructure sector.

During the year under review, the Company's performance was satisfactory and the Company was able to meet the demand of PVC product satisfactorily. Despite the slow down, your Company is seeing bright future for its business and will strive for better performance in coming years.

B. OPPORTUNITIES AND THREATS

The Company is among the market leaders in PVC products segment. The consumption of PVC products like PVC Leather Cloth is increased with reasonable percentage in both commercial and household purposes and for other PVC products like PVC Sheeting, PVC Rigid, the consumption in commercial purposes has been increased. With this growing demand of PVC products in the domestic market as well as the overseas markets for commercial and household application, the Company is expecting several

opportunities for profitable growth. The Company has all geared up to meet these challenges and continue to be among the leaders in this sector.

The threats that the Company faces are from the unorganised sector in the domestic markets due to cheaper imports and European & other countries competition in the overseas market. However, the strong product development and market efforts have enabled the Company to stay ahead.

C. PRODUCT WISE PERFORMANCE.

The Company is engaged only in one segment of products i.e. PVC products. The product wise performance during the year is shown below:

1. PVC Leather Cloth

The production during the year 2011-12 is 52,005.00 (Qty. in '000) as against the production of 40367.00 (Qty. in '000) for the previous year 2010-11. The sales during the year 2011-12 is ₹ 4999.00 Millions as against the sales of ₹ 2493.00 Millions for the year 2010-11.

2. PVC Flooring

The production during the year 2011-12 is 14,338.00 (Qty. in '000) as against the production of 13364.00 (Qty. in '000) for the previous year 2010-11. The sales during the year 2011-12 is ₹ 4601.00 Millions as against the sales of ₹ 4008.52 Millions for the year 2010-11.

3. PVC Sheeting

The production during the year 2011-12 is 7616.00 (Qty. in '000) as against the production of 5622.00 (Qty. in '000) for the previous year 2010-11. The sales during the year 2011-12 is ₹ 508.00 Millions as against the sales of ₹ 219.10 Millions for the year 2010-11.

4. PVC Rigid

The production during the year 2011-12 is 5356.00 (Qty. in '000) as against the production of 4328.00 (Qty. in '000) for the previous year 2010-11. The sales during the year 2011-12 is ₹ 489.00 Millions as against the sales of ₹ 359.70 Millions for the year 2010-11.

D. OUTLOOK

With Company's increased capacity utilisation, strong product development, market efforts, the Company is optimistic about its growth in the coming years too.

E. RISK AND CONCERNS

Your Company has a clearly documented risk management policy. The management team of the Company regularly identifies, reviews and assesses such risk and decides appropriate guideline for mitigating the same.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has instituted adequate internal control procedure commensurate with the nature of its business and the size of its operations

Management Discussion and Analysis Report

NET SALES OF ₹ 10705.97 MILLIONS FOR THE YEAR ENDED 31ST MARCH 2012 AS COMPARED TO ₹ 7178.61 MILLIONS IN THE PREVIOUS YEAR.

for the smooth conduct of the business. Internal audit is conducted at regular intervals at the plants and covers the key areas of operations. It is an independent objective and assurance function responsible for evaluating and improving the effectiveness of risk management control, and governance processes.

G. FINANCIAL & OPERATIONAL PERFORMANCE

Your Company achieved Net Sales of ₹ 10705.97 Millions for the year ended 31st March 2012 as compared to ₹ 7178.61 Millions in the previous year. Further, your Company recorded net profit after tax of ₹ 489.47 Millions as compared to ₹ 548.55 Millions for the previous year.

In term of geographical markets performance of the Company is as follows.

Sales	(₹ in Millions)	
	Year Ended 31st March 2012	Year ended 31st March 2011
Local	4891.70	2589.24
Export	5814.27	4589.37
Total	10705.97	7178.61

H. HUMAN RESOURCES

Your Company has employee strength of around 1300 in its factories and regional offices. Your Company's industrial relation continued to be harmonious during the year review. Your Company conducts regular in house training program for employee at all level.

business operations with all its stakeholders. Your Company strives to provide maximum possible information in this report to keep the stakeholders updated about the business performance.

I. TRANSPARENCY IN SHARING INFORMATION

Transparency refers to sharing information and acting an open manner. Processes and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Your Company believes in total transparency in sharing information about its

CAUTIONARY STATEMENT

Statement in the management Discussion and analysis describing the Company's objectives, projections, expectations may constitute a 'forward looking statements' within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed and implied. Important factors that could make a difference to your Company operation include economic condition affecting demand/supply and price conditions in the domestic markets in Government Regulation, tax law and other statutes and other incidental factors.



Financials

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Auditors' Report

To

The Members of Responsive Industries Limited

1. We have audited the attached Balance Sheet of Responsive Industries Limited ('the Company') as at 31st March 2012 and also the Profit and Loss account and the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, (CARO) as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956,
 - v. On the basis of the written representations received from the directors, as on 31st March 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required.
 - vii. Based on our audit conducted as above, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2012;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For **HARIBHAKTI & CO.**
Chartered Accountants
FRN 103523W

Sumant Sakhardande
Partner
Membership No.034828

Place: Mumbai
Date: 24th May, 2012

Annexure to Auditors' Report

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Responsive Industries Limited on the financial statements for the year ended 31st March 2012

- | | |
|--|---|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.</p> <p>(c) There was no substantial disposal of fixed assets during the year.</p> | <p>to correct major weaknesses in internal control system of the Company.</p> |
| <p>(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.</p> | <p>(v) (a) According to the information and explanations given to us, we are of the opinion that there is no transaction that need to be entered into the register under section 301 of the Companies Act, 1956.</p> <p>Accordingly, clauses (v) (b) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company and hence, not reported upon.</p> |
| <p>(iii) (a) As informed, the Company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.</p> <p>Accordingly, clauses (iii) (b), (c), (d), (e), (f) and (g) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company and hence, not reported upon.</p> | <p>(vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.</p> <p>(vii) In our opinion, the Company has an internal audit system which is commensurate with the size and nature of its business.</p> <p>(viii) To the best of our knowledge, the Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.</p> |
| <p>(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure</p> | <p>(ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.</p> <p>(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.</p> <p>(c) According to the information and explanation given to us, there are no dues of income tax,</p> |

sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

- (x) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to information and explanation given to us and based on document and records provided to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.

(xvi) The Company has not obtained any term loan.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) According to the information and explanations given to us, during the period covered by our audit report, the Company had not issued any debentures. However, the Company has not created any security or charge in respect of debentures issued in earlier years.

(xx) The Company has not raised any money by way of public issue during the year.

(xxi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **HARIBHAKTI & CO.**
Chartered Accountants
FRN 103523W

Place: Mumbai
Date: 24th May, 2012

Sumant Sakhardande
Partner
Membership No.034828

Balance Sheet

as at 31st March 2012

(₹ in Millions)

			(Rs in millions)		
Particulars	Note	As at		As at	
		31st March 2012		31st March 2011	
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	2	266.91		261.65	
Reserves and surplus	3	3,574.40	3,841.31	2,536.49	2,798.14
Share Application Money pending allotment	4		-		584.72
Non-current liabilities					
Long term borrowings	5	3,550.82		11.00	
Deferred tax liabilities (Net)	6	456.78		103.18	
Other Long term liabilities	7	5.00		5.00	
Long-term provisions	8	8.09	4,020.69	5.21	124.39
Current liabilities					
Short term borrowings	9	1,583.59		1,281.54	
Trade payables	10	237.87		110.96	
Other current liabilities	11	273.45		307.31	
Short-term provisions	12	42.73	2,137.64	46.33	1,746.14
Total			9,999.64		5,253.39
ASSETS					
Non-current assets					
Fixed assets					
- Tangible assets	13	7,193.08		1,836.52	
- Capital work-in-progress		69.37	7,262.45	2,342.91	4,179.43
Non-current investments	14	268.03		390.99	
Long-term loans and advances	15	67.67	335.70	11.38	402.37
Current assets					
Current investments	16	461.14		7.76	
Inventories	17	588.00		395.32	
Trade receivables	18	683.23		144.63	
Cash and bank balances	19	212.68		77.18	
Short-term loans and advances	20	101.99		46.70	
Other Current Assets	21	354.45	2,401.49	-	671.59
Total			9,999.64		5,253.39
Significant Accounting Policies forming part of the accounts	1				

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Place: Mumbai
Date: 24th May, 2012

Statement of Profit and Loss

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Note	Year ended 31st March 2012	Year ended 31st March 2011
REVENUES			
Revenue from operations	22	10,707.55	7,249.55
Other income	23	52.61	17.99
Total Revenue (I)		10,760.16	7,267.54
EXPENSES			
Cost of Materials Consumed	24	8,780.92	5,628.43
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(110.71)	8.53
Employee benefit expenses	26	90.52	83.37
Finance Costs	27	61.49	38.05
Depreciation and amortization expenses		542.29	283.49
Other expenses	28	788.83	550.93
Total expenses (II)		10,153.34	6,592.80
Profit before tax and prior period items (I-II)		606.82	674.74
Prior period items	29	-	(4.16)
Profit before tax		606.82	670.58
Current tax		119.00	141.24
MAT Credit Entitlement		(354.45)	-
Deferred Tax		353.59	(19.20)
Tax of Earlier years		(0.79)	-
Profit (Loss) for the period		489.47	548.54
Earnings per equity share [Face Value of ₹ 1 each (PY ₹ 1 each)]	30		
Basic		1.87	2.14
Diluted		1.87	2.09
Significant Accounting Policies forming part of the Accounts	1		

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Place: Mumbai
Date: 24th May, 2012

Cash Flow Statement

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Year ended 31st March 2012	Year ended 31st March 2011
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Prior Period Items	606.82	674.74
Add / (Less) : Adjustments for		
Depreciation and Amortization	542.29	283.49
Interest Income	(12.03)	(9.06)
Interest Expenses	61.49	38.05
Dividend Income	(11.39)	(3.77)
Loss / (profit) on sale of investments	(19.43)	-
Loss / (profit) from foreign exchange fluctuation (net)	7.58	(10.82)
Loss / (profit) on sale/discarding of fixed assets	(0.67)	0.46
Sundry balances written back	(6.07)	(4.00)
Sundry balances written off	6.40	3.26
Provision for gratuity	3.65	1.05
Provision for Doubtful Debts	-	9.78
Provision for Diminution in Investments	-	2.00
Provision for bad and doubtful debts reversed	(2.45)	-
Operating Profit Before Working Capital changes	1,176.19	985.18
Add / (Less) : Adjustments for change in working capital		
Increase / (Decrease) in other long term liabilities and long term provisions	(0.77)	-
Increase / (Decrease) in trade payables	132.04	5.53
Increase / (Decrease) in other current liabilities and short term provision	(33.61)	170.11
(Increase) / Decrease in long term loans and advances	(56.28)	(2.23)
(Increase) / Decrease in other current assets	-	-
(Increase) / Decrease in Inventory	(192.68)	(70.38)
(Increase) / Decrease in trade receivables	(543.63)	322.19
(Increase) / Decrease in short term loans and advances	(55.29)	38.65
Cash generated from Operations	425.97	1,449.05
Add / (Less) : Direct taxes paid	(122.67)	(170.41)
Net Cash Inflow / (Outflow) from Operating activities (A)	303.30	1,278.64
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets / Capital WIP	(3,628.62)	(1,176.47)
Proceeds from sale of fixed assets	3.94	0.39
Interest Received	12.03	9.06
Dividend Received	11.39	3.77
Sale / (Acquisition) of Investments (Net)	(310.96)	169.24
Net Cash Inflow / (Outflow) from Investing activities (B)	(3,912.22)	(994.01)

Cash Flow Statement

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Year ended 31st March 2012	Year ended 31st March 2011
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase in Equity Share Capital (including share premium)	-	699.98
Refund of Share Application Money	-	(175.51)
Net Increase / (Decrease) in non current long term borrowings	3,539.82	(690.17)
Net Increase / (Decrease) in current short term borrowings	296.46	(186.16)
Interest Paid	(61.50)	(38.04)
Dividend paid (Including Tax on Dividend)	(30.41)	(28.91)
Net Cash Inflow / (Outflow) from Financing activities (C)	3,744.37	(418.81)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	135.45	(134.18)
Add: Cash and Cash Equivalents at the beginning of the year	77.19	211.37
Cash and Cash Equivalents at the end of the year	212.64	77.19

Components of Cash and Cash Equivalents at the end of year

(₹ in Millions)

Particulars	As at 31st March 2012	As at 31st March 2011
Cash in hand	1.80	2.12
Balance with scheduled banks in current accounts	76.68	38.84
Fixed deposit with original maturity for more than 3 months but less than 12 months	134.20	36.22
Add: Unrealized Gain / (Loss) in Bank Accounts	(0.04)	0.01
Cash and Cash Equivalents (closing)	212.64	77.19

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sumant Sakhardande
Partner
Mem.No. 034828

Place: Mumbai
Date: 24th May, 2012

For and on behalf of the Board

Atit Agarwal
Director

Rajesh Pandey
Director

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Notes

to the financial statements for the year ended 31st March 2012

1. I. Company Overview

Responsive Industries Limited ('RIL' or 'the Company'), is a major producer and supplier of various products like Vinyl flooring, Rigid PVC, Leather Cloth & Soft Sheetings. Applications for Vinyl Flooring include Printing Flooring & Other Flooring and in case of Rigid PVC, it includes Packaging of Pharmaceutical Products in Pharma industry.

II. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared in accordance with Generally Accepted Accounting Principles under the historical cost convention on an accrual basis and in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

The Company follows the mercantile system of accounting in general and recognizes income and expenditure on accrual basis except as otherwise stated.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

c) Inventories

Inventories are valued at lower of cost or net realizable value. Materials-in-transit are valued at cost-to-date. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition including excise duty payable on goods produced. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. The cost formulae used for determination of cost is 'First in First Out' (FIFO)

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d) Cash Flow Statement:

The Cash Flow Statement is prepared by the "indirect method" set-out in Accounting Standard 3 on "Cash Flow Statement" and presents the Cash Flows by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered, highly liquid bank balances.

e) Revenue Recognition

- (i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.
- (ii) Revenue from sale of goods is recognized when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of Sales Tax/Value Added Tax. Excise Duty recovered is presented as a reduction from gross turnover.
- (iii) Revenue in respect of export sales is recognized on the basis of dispatch of goods for exports.(i.e. on the date of Bill of Lading).

Notes

to the financial statements for the year ended 31st March 2012

- (iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (v) Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.
- (vi) Other Income is accounted for on accrual basis, when certainty of receipt is established.

f) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of acquisition comprise all costs incurred to bring the assets to their location and working condition upto the date assets are put to use. Cost of construction comprise of those costs that relate directly to specific assets and those that are attributable to the construction activity in general and can be allocated to specific assets upto the date the assets are put to use.

g) Depreciation & Amortization

Depreciation on fixed assets is provided on Straight-line method, at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. The Company provides pro-rata depreciation for additions / deletions made during the reporting period, except for the asset each costing ₹ 5000 or less, for which depreciation is provided at hundred percent.

h) Impairment of Fixed Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

The gains or losses resulting from such translations are included in the Profit and Loss Account. Revenue, expense and cash flow items denominated in foreign currency are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled, except to the extent, relating to fixed assets are adjusted to carrying value of fixed assets.

j) Investments

Investments that are readily realizable and intended to be held generally for not more than a year are classified as current investment. All other investments are classified as long term investment. Current investment is carried at lower of cost and fair value determined on

Notes

to the financial statements for the year ended 31st March 2012

an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

k) Employee Benefits

Employee benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident fund and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the Profit and Loss Account in the period in which the service is rendered.

Employee benefits under defined benefit plans, such as gratuity which fall due for payment after a period of twelve months from rendering service or after completion of employment, are measured by the project unit cost method, on the basis of actuarial valuation carried out by third party actuaries at each balance sheet date. The Company's obligations recognized in the balance sheet represent the present value of obligations as reduced by the fair value of plan assets, where applicable. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

l) Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such assets upto the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

m) Segment Reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment Transfers:

The Company generally accounts for inter segment transfers at cost.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

n) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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, except when the results would be anti-dilutive.

Notes

to the financial statements for the year ended 31st March 2012

p) Accounting For Taxation on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Income taxes are accrued at the same period in which the related revenue and expense arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

q) Provisions, Contingent Liabilities & Contingent Assets

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

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
2. SHARE CAPITAL		
Authorised share capital		
42,00,00,000 (PY42,00,00,000 of ₹ 1/- each) Equity shares of ₹ 1/- each	420.00	420.00
	420.00	420.00
Issued, Subscribed and Fully Paid up		
26,69,12,700 (26,16,45,000 of ₹ 1/- each) Equity shares of ₹ 1/- each fully paid up	266.91	261.65
	266.91	261.65

a. Reconciliation of shares outstanding at the beginning and at the end of the year

Opening balance	261,645,000	24,792,000
Add: Issue of shares under sub-division	-	223,128,000
Add: Issue of shares against conversion of Compulsorily convertible debentures	-	13,725,000
Add: Issue of shares to Holding Company against Share Application Money received	5,267,700	-
Closing balance of shares	266,912,700	261,645,000

b. Shares held by holding company and associate company

Holding Company - [Wellknown Business Ventures Private Limited]	148,425,340	143,157,640
Subsidiary Company - [Axiom Cordages Limited]	4,418,330	4,418,330

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

Particulars	31st March 2012	31st March 2011
1) Wellknown Business Ventures Private Limited		
- Number of share hold	148,425,340	143,157,640
- % of total equity share capital	55.61%	54.71%
2) Fossebridge Limited		
- Number of share hold	32,901,800	32,901,800
- % of total equity share capital	12.33%	12.57%
3) Xatis International Limited		
- Number of share hold	32,705,720	32,705,720
- % of total equity share capital	12.25%	12.50%
4) Brenzett Limited		
- Number of share hold	24,215,382	26,715,382
- % of total equity share capital	9.07%	10.21%

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
d. Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:		
	Bonus	Other than cash
2011-12	-	-
2010-11	-	223,128,000
2009-10	-	-
2008-09	-	-
2007-08	157,440,000	-

Note : The company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The company declares dividend in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3. RESERVE AND SURPLUS

Capital reserves		
Opening balance	1.38	1.38
Add: during the year	-	-
Less during the year	-	-
	1.38	1.38
Securities premium account		
Opening balance	859.15	172.90
Add: during the year	579.45	686.25
Less: utilized for issue of bonus shares	-	-
	1,438.60	859.15
General reserves		
Opening balance	0.10	0.10
Add: during the year	-	-
Less during the year	-	-
	0.10	0.10
Surplus/(debit) balance of profit and loss A/c		
Opening balance	1,675.87	1,157.72
Add: profit during the year as per Profit and Loss statement	489.47	548.54
Less: Appropriation		
- Proposed dividend		
- on Equity Shares	26.69	26.16
- Tax on proposed dividend		
- on Equity Shares	4.33	4.24
	2,134.32	1,675.86
Total	3,574.40	2,536.49

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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4. SHARE APPLICATION MONEY PENDING ALLOTMENT

Number of shares proposed to be issued against share application money	-	5,267,700
Face Value per share (₹ 1)		
Share Capital	-	5.27
Number of shares proposed to be issued	-	5,267,700
Securities premium per share (₹ 110)		
Securities premium	-	579.45
Total Share Application money against which the shares shall be allotted	-	584.72

Note: The company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares pursuant to such share application money.

Note: The shares shall be allotted once the approval from the respective stock exchanges is obtained.

5. LONG TERMS BORROWINGS

Secured		
- From Banks		
Vehicle Loans (Refer Note 1)	3.71	11.00
- From Others		
Foreign Currency Loan (Refer Note 2)	3,547.11	-
	3,550.82	11.00

Note 1: The loans are repayable in equal installments aggregating to ₹ 3.71 Millions (PY ₹ 11.00 Millions).

The interest rate on above is ranging between 8.50 to 10.60%.

Loans against vehicles from Banks are secured by way of hypothecation of specific vehicles acquired under the arrangements.

Note 2: This is a External Commercial Borrowings which is secured by way of first pari passu charge on all fixed assets of the company and second ranking pari passu charge on all current assets of the company.

6. DEFERRED TAX LIABILITIES (Net)

Opening	103.18	122.39
Deferred tax liability		
- On depreciation	463.72	110.06
Deferred tax assets		
- Provision for Doubtful Debts	(3.58)	(4.49)
- Provision for Diminution in Investments	(0.65)	(0.66)
- Provision for gratuity	(2.71)	(1.73)
	456.78	103.18

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
7. OTHER LONG TERM LIABILITIES		
Rent Deposit Payable	5.00	5.00
Others Liabilities	-	-
	5.00	5.00
8. LONG TERM PROVISIONS		
Provision for gratuity	8.09	5.21
	8.09	5.21
9. SHORT TERMS BORROWINGS		
Loans repayable on demand		
From Banks		
Packing Credit Foreign Currency Loans (Refer Note 1)	380.83	580.87
EBRD (Post Shipment) Loan (Refer Note 1)	417.07	-
Buyer's Credit (Refer Note 2)	414.68	87.05
Working Capital Loan (Refer Note 3)	371.01	-
From Other Parties		
Supplier's Credit in Foreign Currency	-	613.62
	1,583.59	1,281.54

Note 1: PCFC Loan amounting to ₹ 47.86 Millions & EBRD (Post Shipment) Loan of ₹ 223.96 Millions secured by first ranking pari passu hypothecation charge on entire current assets of the company and second ranking pari passu charge on fixed assets of the company i.e. Plant & Machinery and Land & Building.

PCFC Loan amounting to ₹ 332.98 Millions & EBRD (Post Shipment) Loan of ₹ 81.40 Millions secured by first pari passu hypothecation charge on entire current assets of the company and first hypothecation charge on entire Plant & Machinery of the Company.

EBRD (Post Shipment Loan) secured by first pari passu charge on hypothecation of stocks and book-debts and other current assets with other consortium banks.

Note 2: Buyer's Credit amounting to ₹ 143.47 Millions secured by first pari passu charge on entire assets with other banks and second ranking pari passu charge on entire movable fixed assets of the Company.

Buyer's Credit amounting to ₹ 271.21 Millions secured by hypothecation of goods procured under Letter of Credit and additional charge on hypothecated stocks and book debts.

Note 3: Working Capital Loan of ₹ 371.01 Millions secured by hypothecation of Investments in Mutual Funds

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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10. TRADE PAYABLES

Amount due to Micro and Small Enterprises	-	5.46
Others	237.87	105.50
	237.87	110.96

11. OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debt	155.09	7.62
Interest accrued but not due on borrowings	4.52	0.08
Interest accrued and due on borrowings	0.73	-
Advance received from Customers	12.48	143.25
Share Application money received and due for refund along with interest	-	0.01
Accrued compensation to employees	7.03	4.93
Withholding taxes payable	1.22	2.13
Creditors for expenses	18.42	82.43
Other liabilities	73.96	66.85
	273.45	307.31

12. SHORT TERM PROVISIONS

Provision for gratuity	0.25	-
Provision for taxation (net of advance tax)	11.46	15.93
Proposed dividend	26.69	26.16
Tax on proposed dividend	4.33	4.24
	42.73	46.33

13. FIXED ASSETS

Statement of fixed assets as at 31st March 2012

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 1st April 2011	Additions during the year	Deductions during the year	Increase / (Decrease) in foreign exchange fluctuations (net)	As at 31st March 2012	Up to 31st March 2011	For the Year during the year	Up to 31st March 2012	As at 31st March 2012
(₹ in Millions)									
(i) Tangible Assets									
Land	78.10	-	-	-	78.10	-	-	-	78.10
Factory Building	147.70	4.87	-	-	152.57	22.66	5.02	27.68	124.89
Plant & Machinery	2,607.47	5,890.26	-	(0.03)	8,497.70	1,050.33	526.18	1,576.51	6,921.19
Electrical Installation	24.32	4.08	-	-	28.40	7.59	2.88	10.47	17.93
Furniture and Fixtures	1.21	-	-	-	1.21	0.26	0.07	0.33	0.88
Office equipments	7.08	1.67	0.31	-	8.44	0.88	0.36	1.20	7.24
Computer	7.09	1.04	-	-	8.13	3.57	1.21	4.78	3.35
Motor Cars	36.26	0.24	5.83	-	30.67	8.26	2.98	8.42	22.25
Motor Trucks	31.71	-	-	-	31.71	11.08	3.58	14.66	17.05
Weighing Scale	0.25	-	-	-	0.25	0.04	0.01	0.05	0.20
Total	2,941.19	5,902.16	6.14	(0.03)	8,837.18	1,104.67	542.29	1,644.10	7,193.08
Previous Year	2,896.91	45.61	1.33	-	2,941.19	821.66	283.49	1,104.67	1,836.52
									2,075.24

Notes

to the financial statements for the year ended 31st March 2012

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
14. NON-CURRENT INVESTMENTS		
Investments in equity instruments (quoted, non-trade investment)		
Syschem India Limited	0.19	0.27
[95,266 shares (P.Y.1,38,000 shares)]		
Energy Development Company Limited	-	1.31
[NIL shares (P.Y.13,000 shares)]		
Jai Corp Limited	-	1.17
[NIL shares (P.Y.1,000 shares)]		
Wellworth Overseas Limited	-	0.09
[NIL shares (P.Y.1,00,000 shares)]		
Reliance Industrial Infrastructure Limited	-	26.42
[NIL shares (P.Y.20,600 shares)]		
Investments in other instruments (unquoted, non-trade investment)		
Jaiho Industries Limited	6.03	6.03
[40,20,000 shares (P.Y.40,20,000 shares)]		
Less: Provision for Diminution in Investment	(2.00)	(2.00)
JKL Realty Private Limited	0.03	-
[3,000 (P.Y. NIL) Equity Shares of ₹ 10/- each fully paid up]		
Nima Realty Private Limited	0.03	-
[3,000 (P.Y. NIL) Equity Shares of ₹ 10/- each fully paid up]		
In Subsidiary		
Axiom Cordages Limited	6.00	6.00
[1,64,00,000 (P.Y. 1,64,00,000) Equity Shares of ₹ 10/- each fully paid up]		
0% Compulsory Convertible Debentures of Axiom Cordages Limited	257.70	257.70
[2,577 (P.Y. 2,577) Debentures of ₹ 1,00,000/- each fully paid up]		
Other Instruments		
In Partnership Firms		
Investment In Maharashtra Holdings	0.02	-
Investment In Mangaon Holdings	0.03	-
Barclays Securities (India) Private Limited - PMS	-	44.00
[NIL (P.Y.44) Equity Linked Debentures at ₹ 10,00,000 each]		
Benchmark AMC A/c BDP Series 66	-	50.00
	268.03	390.99
Aggregate amount of		
a) Quoted non-current investments as per books	0.19	29.27
b) Market value of Quoted non-current investments	0.14	13.89
c) Unquoted non-current investments as per books	269.83	363.73
d) Provision for diminution in value of non-current investments	(2.00)	(2.00)

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
-------------	-----------------	-----------------

Note1: Disclosure regarding Investment in Partnership Firms

a) Capital Contribution in Maharashtra Holdings (Total Capital - ₹ 50,000)

Name of Partners	Share of Partner
Mr. Krishnakumar Satyanarayan Agarwal	8.75%
Mrs. Amita Krishnakumar Agarwal	8.75%
Ms. Vidhushree Agarwal	8.75%
Mr. Omprakash Agarwal	8.75%
Mrs. Shantidevi Agarwal	8.75%
Ms. Nishita Agarwal	8.75%
Mr. Satyanarayan Agarwal	8.75%
Mrs. Radhabai Agarwal	8.75%
M/s Responsive Industries Limited	30.00%

b) Capital Contribution in Mangaon Holdings (Total Capital - ₹ 50,000)

M/s Responsive Industries Limited	50.00%
M/s Wellknown Business Ventures Private Limited	30.00%
Mr. Sharadkumar Agarwal	10.00%
Mrs. Jyoti Agarwal	10.00%

15. LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE STATED)

Capital Advances	55.46	-
Security deposits	11.77	10.91
Loans and advances to related parties	-	-
Loans and advances to staff	0.35	0.35
Prepaid expenses	0.09	0.12
	67.67	11.38

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
-------------	-----------------	-----------------

16. CURRENT INVESTMENTS

Investments in Mutual Funds (unquoted, non-trade investment)		
JM Contra Fund - Dividend Plan ₹ 10/- per unit	-	5.00
[NIL (P.Y. 4,88,998) units of ₹ 10/- each fully paid up]		
JM Multi Strategy Fund - Dividend Plan	2.51	-
[1,91,109 (P.Y. NIL) units of ₹ 10/- each fully paid up]		
(NAV ₹ 11.24 per Unit)		
ICICI Prudential Banking & PSU Debt Fund Prem Plus	154.99	-
[1,53,88,840 (P.Y. NIL) units of ₹ 10/- each fully paid up]		
(NAV ₹ 10.0715 per Unit)		
Deutsche Mutual Fund collection A/c	25.00	-
[20,10,228 (P.Y. NIL) units of ₹ 10/- each fully paid up]		
(NAV ₹ 12.7892 per Unit)		
DWS Short Maturity Fund Collection A/c	103.03	-
[98,99,160 (P.Y. NIL) units of ₹ 10/- each fully paid up]		
(NAV ₹ 10.4415 per Unit)		
Axis Treasury Advantage Fund Collection A/c	175.61	-
[1,53,352 (P.Y. NIL) units of ₹ 10/- each fully paid up]		
(NAV ₹ 1191.8596 per Unit)		
Citi Financial Consumer Finance (India) Limited	-	2.00
[NIL (P.Y. 1) Non-Convertible Debentures of ₹ 20,00,000]		
HDFC Mutual Fund	-	0.76
	461.14	7.76
Aggregate amount of		
a) Quoted current investments as per books	-	-
b) Unquoted current investments as per books	461.14	7.76
c) Market value of Quoted current investments	-	-

17. INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)

a) Raw Materials	427.43	346.13
b) Goods-in-transit	107.89	-
c) Work in Process	46.83	44.01
d) Finished Goods	-	-
e) Stores & Spares	2.36	2.09
f) Packing Materials	3.49	3.09
	588.00	395.32

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
-------------	-----------------	-----------------

18. TRADE RECEIVABLES

Unsecured		
- More than 6 months from the date they are due for payment		
Good	-	0.29
Considered Doubtful	11.05	13.50
Less: Provision for Doubtful Debts	(11.05)	(13.50)
	-	0.29
Other Trade Receivables	683.23	144.34
Less: Provision for Doubtful Debts	-	-
	683.23	144.34
	683.23	144.63

19. CASH AND BANK BALANCES

Cash on hand	1.80	2.12
Balance with banks		
- in current accounts	75.09	38.34
- in EEFC accounts	1.59	0.50
Fixed deposits		
- maturity within 12 months	134.20	36.22
- maturity beyond 12 months	-	-
	212.68	77.18

Note: The above Fixed Deposits is on Lien against Letter of Credit

20. SHORT-TERM LOANS AND ADVANCES

(unsecured and considered good)		
Loans and advances to related parties [refer to note (ii) below mentioned]	0.13	0.05
Loans and advances to staff	2.04	2.24
Advances recoverable in cash or kind	4.19	0.89
Advance to suppliers	34.93	20.18
Deposits	11.80	1.27
Prepaid expenses	6.88	6.08
Balances with Customs, Central Excise, etc.	42.02	15.99
	101.99	46.70

i) Loans and advances to related parties

Name of Related Parties		
Axiom Cordages Limited	0.14	0.05
	0.14	0.05

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
21. OTHER CURRENT ASSETS		
MAT Credit Entitlement	354.45	-
	354.45	-
22. REVENUE FROM OPERATIONS		
Operating Revenue		
Gross Sales	11,082.70	7,557.39
Less: Excise Duty	(376.72)	(378.78)
Net Sales	10,705.98	7,178.61
Other Operating Income	1.57	70.94
	10,707.55	7,249.55
23. OTHER INCOME		
Dividend from Subsidiary company	3.28	3.28
Dividend from other companies	8.11	0.49
Interest on Fixed Deposits	10.66	1.33
Other Interest Income	1.38	7.73
Rent Income	0.60	0.60
Profit on Sale of Investments	19.43	-
Other miscellaneous income	9.15	4.56
	52.61	17.99
24. COST OF MATERIALS CONSUMED		
Opening Stock	346.13	261.58
Add: Purchases	8,862.22	5,712.98
	9,208.35	5,974.56
Less: Closing Stock	427.43	346.13
	8,780.92	5,628.43

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Closing Stocks:		
Finished Goods	-	-
Goods in Transit	107.89	-
Stock in process	46.83	44.01
	154.72	44.01
Less: Opening Stocks		
Finished Goods	-	11.87
Goods in Transit	-	-
Stock in process	44.01	40.67
	44.01	52.54
	(110.71)	8.53

26. EMPLOYEE BENEFIT EXPENSES

Salaries and wages	76.69	72.83
Provision for Gratuity	3.65	1.33
Provident fund and others	2.25	2.39
Staff welfare expenses	7.93	6.82
	90.52	83.37

27. FINANCE COSTS

Interest expenses	39.80	26.47
Other Borrowing Costs	21.69	11.58
	61.49	38.05

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
28. OTHER EXPENSES		
Manufacturing Expenses		
Power & Fuel	283.47	188.16
Loading & Unloading Charges	39.25	34.57
Packing Materials consumed	67.06	55.00
Stores and Spares consumed	52.69	49.65
Repairs & Maintenance (Trucks)	0.33	0.00
Repairs & Maintenance (Machinery)	15.64	19.61
Repairs & Maintenance (Buildings)	1.47	0.34
Other Manufacturing Expenses	2.09	0.85
Sales and marketing cost		
Freight & Forwarding Charges	90.74	70.40
Brokerage, Commission & Discount	9.46	6.81
Loading Charges	30.65	33.75
Other Selling & Distribution Expenses	10.65	9.77
Administrative Expenses		
Auditor's Remuneration	1.75	1.70
Books & periodicals expenses	0.03	0.02
Communication expenses	6.38	5.33
Conveyance and traveling	25.15	15.44
Insurance charges	4.48	2.71
Legal and professional expenses	10.26	21.27
Loss on Exchange Fluctuations (Net)	101.81	-
Membership and subscription charges	0.44	0.45
Printing and stationery	5.33	3.67
Provision for Doubtful Debts	-	10.20
Provision for Diminution in Investments	-	2.00
Rates & Taxes	2.20	1.30
Rent expenses	7.91	4.38
Repairs and maintenance		
- Others	6.49	3.33
Loss on sale/ discard of fixed asset	0.26	0.46
Miscellaneous expenses	12.84	9.76
	788.83	550.93

29. PRIOR PERIOD ITEMS

a) Prior period income	-	-
	-	-
b) Prior period expenses		
Provision for Gratuity for earlier years	-	4.16
	-	4.16
Net prior period items (a-b)	-	(4.16)

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
30. EARNINGS PER SHARE (EPS)		
Net Profit after tax (₹)	489.47	548.56
Weighted average number of equity shares for Basic EPS	262,307,061	256,756,644
Weighted average number of equity shares for Diluted EPS	262,307,061	263,041,984
Face value of Equity Share (₹)	1.00	1.00
Basic Earnings Per Share (₹)	1.87	2.14
Diluted Earnings Per Share (₹)	1.87	2.09
31. PROPOSED DIVIDEND		
i) Dividend on		
Equity Shares	26.69	26.16
	26.69	26.16
ii) Dividend Distribution Tax on		
Equity Shares	4.33	4.24
	4.33	4.24
32. CONTINGENT LIABILITIES		
Details of Contingent Liabilities	-	-
33. AUDITORS' REMUNERATION AS ON 31st MARCH 2012 (EXCLUDING SERVICE TAX)		
Statutory Audit Fees	1.70	1.70
Tax Audit Fees	-	-
Income-tax matters	-	-
Certification fees	0.05	0.10
Other services	-	-
Out of pocket expenses	0.04	0.05
	1.79	1.85

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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34. DISCLOSURES ON RELATED PARTIES TRANSACTIONS

i) Nature and Relationship of Related Parties

a) Subsidiary Company

Axiom Cordages Limited

b) Fellow Subsidiary Company

Sun Plastrochem Limited

c) Holding Company

Wellknown Business Ventures Private Limited

d) Investment in Partnership Firm

1) Maharashtra Holdings

2) Mangaon Holdings

e) Key Management Personnel

1) Mr. Atit Agarwal Whole-Time Director

2) Mrs. Swati Agarwal Director

3) Mr. Rajesh Pandey Director

4) Mr. Shobha Singh Thakur Independent Director

5) Mr. Vijay Kumar Chopra Independent Director

6) Mr. Michael Freedman Independent Director

f) Relatives of Key Management Personnel

1) Mr. Abhishek Agarwal

2) Omprakash Agarwal H.U.F.

3) Sharadkumar Agarwal H.U.F.

g) Entities where Key Management Personnel have significant influence

1) One Source Trading Company LLP

2) One Source Enterprises LLP

3) AA Superior Enterprises LLP

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
ii) Transactions during the year with Related Parties		
Relationship		
a) Subsidiary Company		
Loan Repaid	928.93	576.42
Loan Accepted	928.93	576.42
Sales	38.38	38.56
Purchases	636.93	585.51
Purchase of Capital Work-in-progress	969.92	-
Rent Income	0.60	0.60
Dividend Paid	0.44	0.44
Dividend Received	3.28	3.28
b) Fellow Subsidiary Company	-	-
c) Holding Company		
Refund of Share Application Money	0.01	10.00
Dividend Paid	14.32	14.32
d) Investment in Partnership Firms		
Capital Advance given	55.46	-
e) Key Management Personnel		
Remuneration	1.90	1.20
Rent expenses	-	0.03
Commission Paid	0.98	-
Dividend Paid	0.21	0.08
f) Relatives of Key Management Personnel	-	-
g) Entities where Key Management Personnel have Significant Influence		
Dividend Paid	-	-
Rent Expenses	1.98	0.90
Security Deposit	10.10	-

iii) Closing Outstanding Balances of Related Parties as on 31st March 2012

Name of Entities	Relationship	Nature	31st March 2012	31st March 2011
Axiom Cordages Limited	Subsidiary Company	Rent Deposit payable	5.00	5.00
		Amount receivable	0.14	0.05
Sun Plastrochem Limited	Fellow Subsidiary Company	Amount payable	5.00	5.00
Rajesh Pandey	Key Management Personnel	Rent Expense Payable	-	0.03
Atit Agarwal	Key Management Personnel	Director remuneration payable	0.10	0.02
Maharashtra Holdings	Investment in Partnership Firm	Capital Advance	-	55.46
One Source Trading Company LLP	Entities where key management have significant influence	Rent Expense Payable	0.47	0.07
One Source Enterprises LLP	Entities where key management have significant influence	Advance Rent given	1.53	-
AA Superior Enterprises LLP	Entities where key management have significant influence	Rent Expense Payable	0.60	-
		Security Deposit	10.10	-

Note 1: Related Parties as disclosed by Management and relied upon by auditors

Note 2: No amount pertaining to related parties have been provided for as doubtful debts. Also, no amount has been written off / back which was due from / to related parties

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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35. DISCLOSURE FOR LEASES

Assets taken on Operating Lease

As Lessee: Future Rental obligations in respect of premises taken on lease - Operating Lease

Not later than one year	3.39	4.68
Later than one year and not later than five years	-	1.08
Later than five year	-	-
Lease Payments recognized during the year in Profit and Loss Account	7.91	4.38

a) Assets given on Operating Lease

Class of Assets		
Commercial Premises		
Gross Block	13.29	13.29
Accumulated Depreciation	-	-
Net Block	13.29	13.29
Depreciation for the year	-	-

b) Future minimum lease payments receivables under non-cancellable operating lease as on 31st March 2012

Not later than one year	0.60	0.60
Later than one year and not later than five years	-	-
Later than five year	-	-
Lease income recognized during the year in Profit and Loss Account	0.60	0.60

36. VALUE OF IMPORTS DURING THE YEAR (C.I.F. BASIS) AS ON 31st MARCH 2012

Raw Materials	2,638.42	2,885.15
Stores and Components	1.60	3.88
Capital goods	1,817.18	1,113.97

37. EXPENDITURE IN FOREIGN CURRENCY DURING THE YEAR ENDED 31st MARCH (ON PAYMENT BASIS):

Freight - Exports	22.38	23.39
Testing Charges	1.58	0.19
Exhibition Expenses	1.36	-
Foreign Travelling	1.21	0.82

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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38. EARNINGS IN FOREIGN CURRENCY AS ON 31st MARCH 2012 (ON ACCRUAL BASIS)

Export Sales - FOB	5,791.90	4,565.97
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39. UNHEDGED FOREIGN CURRENCY EXPOSURE AS ON 31st MARCH 2012

Nature of payment	Currency	Amount in foreign Currency 31st March 2012	31st March 2012	31st March 2011
Payable - Creditors	USD	0.84	42.68	617.60
Payable - Creditors	EURO	0.28	18.76	-
Payable - Advance from Debtors	USD	0.02	0.84	132.33
Receivable - Debtors	USD	8.47	431.13	3.07
Receivable - Advance to Creditors	EURO	0.00	0.21	10.69

40. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS DURING THE YEAR ENDED 31st MARCH 2012

No. of Equity Shareholders	No. of shares	Year to which dividend relates	31st March 2012	31st March 2011
3	8,000,000	2010-11	9.23	8.00

41. DIRECTOR'S REMUNERATION FOR THE YEAR ENDED 31st MARCH 2012

a) Executive Director				
- Salary			1.90	1.20
- Other Funds			-	-
- Other Perquisites			-	-
			1.90	1.20
b) Non - Executive Director				
- Sitting Fees			0.09	0.02
- Commission			0.98	-
			1.07	0.02

Note: As the liabilities for gratuity are provided on actuarial basis for the Company as a whole the amounts pertaining to the Directors is not ascertainable & therefore not included above.

42. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 15 (REVISED) EMPLOYEE BENEFITS

i) Defined Contribution Plans as on 31st March 2012

Employer's Contribution to Provident Fund	1.47	2.12
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Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
ii) Defined Benefit Plans		
a) Change in Defined Benefit Obligation ('DBO')		
Opening present value obligation as on 1st April	5.49	4.16
Interest cost for the year on opening DBO	0.45	0.34
Service cost for the Year	0.66	0.29
Benefit paid	(0.80)	(0.28)
Actuarial losses (gains)	2.53	0.98
Closing defined benefit Obligation	8.33	5.49
b) Amount Recognized in Balance Sheet		
PVO at the end of year	8.34	5.49
Fair Value of Plan Assets at the end of the year	-	-
Funded Status	8.34	5.49
Unrecognized Past Service Cost	-	-
Unrecognized Transitional Liability	-	-
Amount Recognized in Balance Sheet	8.34	5.49
c) Amount Recognized in Income Statement		
Current Service Cost	0.66	0.29
Past Service Cost	-	-
Interest on Obligation	0.45	0.34
Expected return on Plan Assets	-	-
Net actuarial losses / (gains) recognized	2.53	0.98
Expenses Recognized in Profit and Loss	3.64	1.61
d) Balance Sheet Reconciliation		
Opening Net Liability	5.49	4.16
Expenses as Above	3.65	1.61
Contribution	(0.80)	(0.28)
Net Liability Recognized in Balance Sheet	8.34	5.49
e) Actuarial Assumptions: for the year		
Discount Rate	8.75%	8.25%
Attrition Rate	2.00%	2.00%
Annual Increase in Salary Cost	6.00%	6.00%
f) Other Disclosures		
Defined Benefit Obligation	8.34	5.49
Plan Assets	-	-
Surplus / (Deficit)	8.34	5.49
Experience Adjustments of Plan Liabilities - Loss	2.53	0.98
Experience Adjustments of Plan Liabilities - Gain	-	-

iii) General Description of significant defined plans

Gratuity Plan

Gratuity is payable to all eligible employees of the Company on death or on resignation, or on retirement after completion of five years of service. In assessing the Company's Post Retirement Liabilities, the company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC 1994-96 ultimate tables.

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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43. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year

- Principal amount	-	5.46
- Interest amount	-	-

The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

- -

The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.

- -

The amount of interest accrued and remaining unpaid at the end of each accounting year; and

- -

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.

- -

Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

- -

44. SEGMENT REPORTING

a) Primary (Business) Segment:

As the Company's business consists of one reportable business segment of Plastic Products, hence, no separate disclosure pertaining to attributable Revenues, Profits, Assets, Liabilities and Capital employed are given.

b) Secondary (Geographical) Segment:

Secondary segment reporting is performed on the basis of geographical location of the customers. The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical segments. The following is the distribution of the Company's sales by geographical markets :

Sales		
India	4,891.70	2,589.24
Export	5,814.28	4,589.37
	10,705.98	7,178.61

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
The following is the carrying amount of segment assets by geographical area in which the assets are located		
Assets		
India	9,568.52	5,250.32
Outside India	431.13	3.07
	9,999.65	5,253.39

The following is the amount of Capital Expenditure incurred segment-wise

Capital Expenditure		
India	3,622.50	1,175.15
Outside India	-	-
	3,622.50	1,175.15

45. As notified by Ministry of Corporate Affairs, Revised Schedule VI under the Companies Act, 1956 is applicable to the Financial Statements for the financial year commencing on or after 1st April, 2011. Accordingly, the financial statements for the year ended 31st March 2012 are prepared in accordance with the Revised Schedule VI. The amounts and disclosures included in the financial statements of the previous year have been reclassified to conform to the requirements of Revised Schedule VI.

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sumant Sakhardande
Partner
Mem.No. 034828

Place: Mumbai
Date: 24th May, 2012

For and on behalf of the Board

Atit Agarwal
Director

Rajesh Pandey
Director

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Statutory & Financial Reports

Axiom

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Directors' Report

To the Members

Your Directors have pleasure in presenting the Thirteenth Annual Report together with Audited Accounts of the Company for the Financial Year ended on 31st March 2012.

FINANCIAL RESULTS

(₹ in Millions)

Description	Financial year 2011-12	Financial year 2010-11
Net Sales	6791.78	5232.01
Profit before Interest and Depreciation	1004.69	944.86
Less : Interest	59.07	73.44
Profit Before Depreciation	945.62	871.42
Less : Depreciation	251.14	247.39
Net Profit Before Tax	694.48	624.03
Less: Provision for Taxation		
Current Tax	138.00	132.08
MAT Credit Availed during the year	96.73	-
Mat Credit Entitlement of the earlier years	(159.97)	-
Deferred Tax	(6.86)	59.41
Tax of Earlier years	0.69	(5.29)
Net Profit after Taxation	625.89	437.83
Add: Profit brought forward from Previous Period	1160.58	727.18
Less: Appropriations		
Proposed Dividend	3.81	3.81
Tax on Dividend	0.62	0.62
Balance carried forward to Balance Sheet	1782.04	1160.58

**A Dividend
of 2% i.e
0.20 per
Equity Share
of ₹ 10 each
fully paid up
for the year
ended 31st
March 2012**

DIVIDEND

Your Directors are pleased to recommend dividend at the rate of 2% i.e ₹ 0.20 per equity share for the financial year ended on 31st March 2012, amounting to ₹ 3809432.

OPERATIONS

The total turnover of the Company during the period under review stood at ₹ 6791.78 Millions with Profit after Tax amounting to ₹ 625.89 Millions as compared to Turnover of ₹ 5232.01 Millions with Profit after Tax amounting to ₹ 437.83 Millions of previous year.

DIRECTORS

Mr. Atit Agarwal, Director of the Company retires by rotation at the forth coming Annual General Meeting of the Company and being eligible, offers himself for reappointment.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public during the year. Hence Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company.

PARTICULARS OF EMPLOYEES

None of the employees were in receipt of the remuneration in excess of that specified under provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read together with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements Under Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed;

Directors' Report



- (ii) appropriate accounting policies have been selected and applied constantly and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2012 and of the Profit of the Company for the year ended 31st March 2012;
- (iii) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

AUDITORS

The Company's Statutory Auditors M/s. Haribhakti & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation to the Shareholders, Customers, Banks and other Business Associates for their continued support and cooperation. The Board of Directors also takes the opportunity to acknowledge the dedicated efforts of the staff and officers and their contribution to the success achieved by the Company.

By order of the Board
For **Axiom Cordages Limited**

Place: Mumbai
Date: 23rd May 2012

Director

Annexure Forming Part of the Directors' Report

A) CONSERVATION OF ENERGY:

- a) Energy conservation measures taken N.A.
- b) Additional investments proposal, if any being implemented for reduction of consumption of energy N.A.
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods N.A.
- d) Total energy consumption

Power & Fuel Consumption	Financial Year 2011-12	Financial Year 2010-11
1 Electricity		
(a) Purchased		
Units	8217105	7294196
Total amount (₹ in Millions)	50.72	38.75
Rate / Unit (₹)	6.17	5.31
(b) Own Generation		
(i) Through Diesel Generation		
Units	NIL	NIL
Units per Liter of Diesel Oil	NIL	NIL
Cost/Units	NIL	NIL
(ii) Through Steam Turbine/Generator		
Units	NIL	NIL
Units per Liter of Diesel Oil	NIL	NIL
Cost/Units	NIL	NIL
2 Coal (Specify quantity and where used)		
Quantity (Tonnes)	NIL	NIL
Average Rate	NIL	NIL
3 Furnace Oil		
Quantity (in Litres)	NIL	NIL
Total Amount (₹ In Millions)	NIL	NIL
Average Rate (₹)	NIL	NIL
4 Other/Internal Generation (Please give details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate/Unit	NIL	NIL

Annexure

B) TECHNOLOGY ABSORPTION:

Efforts made in technology absorption

NIL

NIL

C) FOREIGN EXCHANGE EARNING & OUTGO:

	(₹ in Millions)	
Total Exchange Earned	3875.35	3176.08
Total Outgo	929.42	2421.00

By order of the Board
For **Axiom Cordages Limited**

Place: Mumbai
Date: 23rd May 2012

Director

Auditors' Report

To

The Members of Axiom Cordages Limited

1. We have audited the attached Balance Sheet of Axiom Cordages Limited ('the Company') as at 31st March 2012 and also the Profit and Loss account and the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, (CARO) as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of the written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required.
 - vii. Based on our audit conducted as above, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2012;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For **HARIBHAKTI & CO.**
Chartered Accountants
FRN 103523W

Sumant Sakhardande
Partner
Membership No.034828

Place: Mumbai
Date: 23rd May, 2012

Annexure to Auditors' Report

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Axiom Cordages Limited on the financial statements for the year ended 31st March 2012

- | | |
|---|--|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.</p> <p>(c) There was no substantial disposal of fixed assets during the year.</p> | <p>(v) (a) According to the information and explanations given to us, we are of the opinion that there is no transaction that need to be entered into the register under section 301 of the Companies Act, 1956.</p> <p>Accordingly, clauses (v) (b) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company and hence, not reported upon.</p> |
| <p>(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.</p> | <p>(vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.</p> <p>(vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.</p> <p>(viii) To the best of our knowledge, the Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.</p> |
| <p>(iii) (a) As informed, the Company has not granted/taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.</p> <p>Accordingly, clauses (iii) (b), (c), (d), (e), (f) and (g) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company and hence, not reported upon.</p> | <p>(ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.</p> <p>(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.</p> |
| <p>(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.</p> | <p>(c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.</p> |

- (x) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to information and explanation given to us and based on document and records provided to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) The Company has not obtained any term loan.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the Company had not issued any debentures. However, the Company has not created any security or charge in respect of debentures issued in earlier years.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **HARIBHAKTI & CO.**
Chartered Accountants
FRN 103523W

Sumant Sakhardande
Partner
Membership No. 034828

Place: Mumbai
Date: 23rd May, 2012

Balance Sheet

as at 31st March 2012

(₹ in Millions)

Particulars	Note	As at 31st March 2012		As at 31st March 2011	
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	2	190.47		190.47	
Reserves and surplus	3	1,821.10	2,011.57	1,199.63	1,390.10
Non-current liabilities					
Long term borrowings	4	1,395.72		1,488.78	
Deferred tax liabilities (Net)	5	153.69		160.55	
Long-term provisions	6	1.02	1,550.43	0.69	1,650.02
Current liabilities					
Short Term Borrowings	7	1,080.00		779.78	
Trade payables	8	51.69		149.95	
Other current liabilities	9	160.93		223.23	
Short-term provisions	10	31.54	1,324.16	29.09	1,182.05
Total		4,886.16		4,222.17	
ASSETS					
Non-current assets					
Fixed assets					
- Tangible assets	11	1,806.13		1,980.85	
- Capital work-in-progress		-	1,806.13	1,011.34	2,992.19
Non-current investments	12	66.78		94.28	
Long-term loans and advances	13	86.36	153.14	16.03	110.31
Current assets					
Current investments	14	800.00		-	
Inventories	15	237.95		140.69	
Trade receivables	16	1,421.08		758.75	
Cash and bank balances	17	285.41		127.87	
Short-term loans and advances	18	119.21		92.36	
Other Current Assets	19	63.24	2,926.89	-	1,119.67
Total		4,886.16		4,222.17	
Significant Accounting Policies forming part of the Accounts	1				

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Place: Mumbai
Date: 23rd May, 2012

Place: Mumbai
Date: 23rd May, 2012

Statement of Profit and Loss

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Note	Year ended 31st March 2012	Year ended 31st March 2011
REVENUES			
Revenue from operations	20	6,808.67	5,261.74
Other income	21	30.22	7.39
Total Revenue (I)		6,838.89	5,269.13
EXPENSES			
Cost of Materials Consumed	22	5,529.04	4,158.91
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	18.48	(17.11)
Employee benefit expenses	24	23.57	11.72
Finance Costs	25	59.07	73.44
Depreciation and amortisation expenses		251.14	247.39
Other expenses	26	263.11	170.75
Total expenses (II)		6,144.41	4,645.10
Prior period items		-	-
Profit before tax (I-II)		694.48	624.03
Less :			
Current tax		138.00	132.08
MAT Credit Availed during the year		96.73	-
MAT Credit Entitlement		(159.97)	-
Deferred tax		(6.86)	59.41
Tax of earlier years		0.69	(5.29)
Profit (Loss) for the year		625.89	437.83
Earnings per equity share [Face Value of ₹ 10 each (PY ₹ 10 each) (Refer to note no -27)]			
Basic		32.86	22.99
Diluted		18.51	12.95
Significant Accounting Policies forming part of the Accounts	1		

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Place: Mumbai
Date: 23rd May, 2012

Place: Mumbai
Date: 23rd May, 2012

Cash Flow Statement

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Year ended 31st March 2012	Year ended 31st March 2011
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Prior Period Items	694.48	624.03
Add / (Less) : Adjustments for		
Depreciation and Amortisation	251.14	247.39
Interest Income	(21.92)	(5.53)
Interest Expenses	59.07	73.44
Dividend Income	(0.45)	(0.45)
Loss / (profit) on sale of investments	17.90	-
Loss / (profit) from foreign exchange fluctuation (net)	10.97	(4.66)
Loss / (profit) on sale/discarding of fixed assets	-	0.13
Sundry balances written back	(1.85)	(1.41)
Sundry balances written off	5.31	2.13
Provision for gratuity	0.34	0.69
Provision for Diminution in Investments	-	6.00
Provision for Diminution in Investments reversed	(6.00)	-
Provision for bad and doubtful debts	0.16	0.41
Operating Profit Before Working Capital changes	1,009.15	942.17
Add / (Less) : Adjustments for change in working capital		
Increase / (Decrease) in other long term liabilities and long term provisions	(0.02)	-
Increase / (Decrease) in trade payables	(96.83)	(27.64)
Increase / (Decrease) in other current liabilities and short term provision	(62.27)	55.67
(Increase) / Decrease in long term loans and advances	(70.34)	(3.34)
(Increase) / Decrease in other current assets	-	-
(Increase) / Decrease in Inventory	(97.26)	(15.69)
(Increase) / Decrease in trade receivables	(689.73)	(176.13)
(Increase) / Decrease in short term loans and advances	(26.87)	(32.88)
Cash generated from Operations	(34.17)	742.16
Add / (Less) : Direct taxes paid	(136.25)	(102.95)
Net Cash Inflow / (Outflow) from Operating activities (A)	(170.42)	639.21
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets / Capital WIP	(34.96)	(1,032.80)
Proceeds from sale of fixed assets	969.92	0.09
Interest Received	21.92	5.53
Dividend Received	0.45	0.45
Decrease / (Increase) Loans and Advances to Subsidiaries / JVs (net)	-	-
Sale / (Acquisition) of Investments (Net)	(784.40)	-
Net Cash Inflow / (Outflow) from Investing activities (B)	172.93	(1,026.73)

Cash Flow Statement

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Year ended 31st March 2012	Year ended 31st March 2011
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Net Increase / (Decrease) in non current long term borrowings	(93.07)	(162.71)
Net Increase / (Decrease) in current short term borrowings	311.31	602.62
Interest Paid	(59.07)	(73.44)
Dividend paid (Including Tax on Dividend)	(4.43)	(4.44)
Net Cash Inflow / (Outflow) from Financing activities (C)	154.74	362.03
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	157.25	(25.49)
Add: Cash and Cash Equivalents at the beginning of	126.64	152.13
Cash and Cash Equivalents at the end of	283.89	126.64

Components of Cash and Cash Equivalents at the end of year

(₹ in Millions)

Particulars	As at 31st March 2012	As at 31st March 2011
Cash in hand	1.52	1.06
Balance with scheduled banks	58.88	89.57
Fixed deposits lien marked (as margin money)	225.01	37.24
Add: Unrealised Gain / (Loss) in Bank Accounts	(1.52)	(1.23)
Cash and Cash Equivalents (closing)	283.89	126.64

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Place: Mumbai
Date: 23rd May, 2012

Place: Mumbai
Date: 23rd May, 2012

Notes

to the financial statements for the year ended 31st March 2012

1. I. Company Overview

Axiom Cordages Limited ('ACL' or 'the Company'), a subsidiary of Responsive Industries Limited (RIL) is a major producer and supplier in the synthetic rope manufacturing industry. Application for synthetic ropes includes mooring and towing of ships & rigs and bays in the construction industry.

II. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared in accordance with Generally Accepted Accounting Principles under the historical cost convention on an accrual basis and in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

The Company follows the mercantile system of accounting in general and recognises income and expenditure on accrual basis except as otherwise stated.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

c) Inventories

Inventories are valued at lower of cost or net realisable value. Materials-in-transit are valued at cost-to-date. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition including excise duty payable on goods produced. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. The cost formulae used for determination of cost is 'First in First Out' (FIFO)

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d) Cash Flow Statement:

The Cash Flow Statement is prepared by the "indirect method" set-out in Accounting Standard 3 on "Cash Flow Statement" and presents the Cash Flows by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered, highly liquid bank balances.

e) Revenue Recognition

- (i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.
- (ii) Revenue from sale of goods is recognised when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of Sales Tax/Value Added Tax. Excise Duty recovered is presented as a reduction from gross turnover.
- (iii) Revenue in respect of export sales is recognised on the basis of dispatch of goods for exports.(i.e. on the date of Bill of Lading).

Notes

to the financial statements for the year ended 31st March 2012

- (iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (v) Dividend income is recognised when the shareholders' right to receive payment is established by the balance sheet date.
- (vi) Other Income is accounted for on accrual basis, when certainty of receipt is established.

f) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of acquisition comprise all costs incurred to bring the assets to their location and working condition upto the date assets are put to use. Cost of construction comprise of those costs that relate directly to specific assets and those that are attributable to the construction activity in general and can be allocated to specific assets upto the date the assets are put to use.

g) Depreciation & Amortisation

Depreciation on fixed assets is provided on Straight-line method, at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. The Company provides pro-rata depreciation for additions / deletions made during the reporting period, except for the asset each costing ₹ 5000 or less, for which depreciation is provided at hundred percent.

h) Impairment of Fixed Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to

their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

The gains or losses resulting from such translations are included in the Profit and Loss Account. Revenue, expense and cash flow items denominated in foreign currency are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled, except to the extent, relating to fixed assets are adjusted to carrying value of fixed assets.

j) Investments

Investments that are readily realisable and intended to be held generally for not more than a year are classified as current investment. All other investments are classified as long term

Notes

to the financial statements for the year ended 31st March 2012

investment. Current investment is carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

k) Employee Benefits

Employee benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident fund and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the Profit and Loss Account in the period in which the service is rendered.

Employee benefits under defined benefit plans, such as gratuity which fall due for payment after a period of twelve months from rendering service or after completion of employment, are measured by the project unit cost method, on the basis of actuarial valuation carried out by third party actuaries at each balance sheet date. The Company's obligations recognised in the balance sheet represent the present value of obligations as reduced by the fair value of plan assets, where applicable. Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

l) Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalised as part of the cost of such assets upto the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

m) Segment Reporting

Identification of segments:

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products

and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment Transfers:

The Company generally accounts for inter segment transfers at cost.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

n) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight-line basis over the lease term.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the

Notes

to the financial statements for the year ended 31st March 2012

weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except when the results would be anti-dilutive.

p) Accounting For Taxation on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Income taxes are accrued at the same period in which the related revenue and expense arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty

supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

q) Provisions, Contingent Liabilities & Contingent Assets

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

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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2. SHARE CAPITAL

Authorised share capital		
8,00,00,000 (8,00,00,000) Equity shares of ₹ 10 each	800.00	800.00
Total authorised share capital	800.00	800.00
Issued, subscribed and paid up share capital		
1,90,47,160 (1,90,47,160) Equity shares of ₹ 10 each fully paid up	190.47	190.47
Total issued, subscribed and paid up share capital	190.47	190.47

a. Reconciliation of shares outstanding at the beginning and at the end of the year

Opening balance	1,90,47,160	1,90,47,160
Add: Issue of shares as bonus	-	-
Closing balance of shares	1,90,47,160	1,90,47,160

b. Shares held by holding company and associate company

Holding Company - [Responsive Industries Limited]	1,64,00,000	1,64,00,000
Ultimate Holding Company - [Wellknown Business Ventures Private Limited]	26,24,000	26,24,000

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

Particulars	31st March 2012	31st March 2011
1) Responsive Industries Limited		
- Number of shares hold	1,64,00,000	1,64,00,000
- % of total equity share capital	86.10%	86.10%
2) Wellknown Business Ventures Private Limited		
- Number of shares hold	26,24,000	26,24,000
- % of total equity share capital	13.78%	13.78%

d. Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	Bonus	Other than cash
2010-11	-	-
2009-10	-	-
2008-09	-	-
2007-08	1,85,82,400	-
2006-07	-	-

Note : The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The company declares dividend in Indian rupees. The dividend

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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proposed by Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3. RESERVE AND SURPLUS

Capital reserves		
Opening balance	2.51	2.51
Add: during the year	-	-
Less during the year	-	-
	2.51	2.51
Securities premium account		
Opening balance	36.54	36.54
Add: during the year	-	-
Less: utilised for issue of bonus shares	-	-
	36.54	36.54
Surplus/(debit) balance of profit and loss A/c		
Opening balance	1,160.58	727.18
Add: profit during the year as per Profit and Loss statement	625.89	437.83
Less: loss during the year as per Profit and Loss statement		
Less: Appropriation		
- Proposed dividend		
- on Equity Shares	3.81	3.81
- Tax on proposed dividend		
- on Equity Shares	0.62	0.62
	1,782.04	1,160.58
Total	1,821.10	1,199.63

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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4. LONG TERMS BORROWINGS

Secured		
- From Banks		
Vehicle Loans (Refer Note 1)	11.54	18.56
- From Others		
Foreign Currency Loan (Refer Note 2)	114.48	200.52
Unsecured		
Compulsorily Convertible Debentures		
0.01% (PY. 0.01%) 2,577 (P. Y. 2,577) Compulsorily Convertible Debentures of ₹ 1,00,000/- each (Refer Note 3)	257.70	257.70
0.01% (PY. 0.01%) 6,043 (P.Y. 6,043) Compulsorily Convertible Debentures of ₹ 1,00,000/- each (Refer Note 3)	604.30	604.30
0.01% (PY. 0.01%) 1,192 (P.Y. 1,192) Compulsory Convertible Debentures of ₹ 100,000/- each (Refer Note 4)	119.20	119.20
0.01% (PY. 0.01%) 2,885 (P.Y. 2,885) Compulsory Convertible Debentures of ₹ 100,000/- each (Refer Note 4)	288.50	288.50
	1,395.72	1,488.78

Note 1: The loans are repayable in equal installments aggregating to ₹ 11.54 Millions (PY ₹ 18.56 Millions)

Note 2: This is a External Commercial Borrowings which is secured by way of (i) first rank pari passu over the Immovable Property of the Company by way of equitable mortgage; and (ii) charge first rank pari passu over all the present and the future movable assets of the Company.

Note 3: The above mentioned 0.01% debentures are compulsorily convertible into Equity shares on the date which shall be earlier of (i) the date falling 19 years from the closing date i.e. 16th October, 2008; and (ii) the date falling 45 days from the date of transfer of the debentures to the Promoters by the Investor pursuant to the exercise of the put option in relation to the Debentures and/or the Equity Shares then held by the Investor.

Note 4: The above mentioned 0.01% debentures are compulsorily convertible into Equity shares on the date which shall be earlier of (i) the date falling 19 years from the closing date i.e. 12th November, 2009; and (ii) the date falling 45 days from the date of transfer of the debentures to the Promoters by the Investor pursuant to the exercise of the put option in relation to the Debentures and/or the Equity Shares then held by the Investor.

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
5. DEFERRED TAX LIABILITIES (Net)		
Opening	160.55	101.14
Deferred tax liability		
- On depreciation	154.21	163.01
Deferred tax assets		
- Short Term Capital Gain / (Loss)	-	(0.10)
- Provision for Doubtful Debts	(0.19)	(0.14)
- Provision for gratuity	(0.33)	(0.23)
- Provision for Diminution in Investments	-	(1.99)
	153.69	160.55
6. LONG TERM PROVISIONS		
Provision for gratuity	1.02	0.69
Others (specify nature)	-	-
	1.02	0.69
7. SHORT TERMS BORROWINGS		
Secured		
Loans repayable on demand	-	-
From Banks		
Packing Credit Foreign Currency Loans (Refer Note 1)	953.99	390.76
Buyer's Credit (Refer Note 2)	126.01	16.94
Unsecured		
From Other Parties	-	-
Supplier's Credit in Foreign Currency	-	372.08
	1,080.00	779.78

Note 1: PCFC Loan amounting to ₹ 724.57 Millions is secured by Floating charge on Book Debts & Movable Property and further secured by second ranking pari passu charge on entire movable Fixed Assets of the Company both present & future.

PCFC Loan amounting to ₹ 229.42 Millions secured by way of pledge of approved Mutual Funds (Debt Funds / FMPs)

Note 2: Buyer's Credit amounting to ₹ 126.01 Millions secured by first pari passu charge on entire assets with other banks and second ranking pari passu charge on entire movable fixed assets of the Company.

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
-------------	-----------------	-----------------

8. TRADE PAYABLES

Amount due to Micro and Small Enterprises	-	-
Others	51.69	149.95
	51.69	149.95

9. OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debt	129.06	192.78
Interest accrued but not due on borrowings	0.04	0.04
Interest accrued and due on borrowings	2.60	2.00
Advance received from Customers	3.56	2.14
Share Application money received and due for refund along with interest	0.34	2.84
Accrued compensation to employees	1.91	1.09
Withholding taxes payable	1.05	0.64
Creditors for expenses	11.64	4.67
Other liabilities	10.73	17.03
	160.93	223.23

10. SHORT TERM PROVISIONS

Provision for gratuity	0.02	-
Provision for taxation (net of advance tax)	27.09	24.66
Proposed dividend	3.81	3.81
Tax on proposed dividend	0.62	0.62
	31.54	29.09

Notes

to the financial statements for the year ended 31st March 2012

11. FIXED ASSETS

Statement of fixed assets as at 31st March 2012

₹ in Millions)										
Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 1st April 2011	Additions during the year	Deductions during the year	Increase / (Decrease) in foreign exchange fluctuations (net)	As at 31st March 2012	Up to 31st March 2011	For the Year during the year	Up to 31st March 2012	As at 31st March 2012	As at 31st March 2011
(i) Tangible Assets										
Factory Building	58.07	-	-	-	58.07	4.43	1.94	-	6.37	53.64
Plant & Machinery	2,356.87	51.08	-	(0.28)	2,407.67	459.88	244.66	-	704.54	1,703.13
Electrical Installation	4.90	-	-	-	4.90	1.36	0.23	-	1.59	3.31
Furniture and Fixtures	0.37	-	-	-	0.37	0.13	0.02	-	0.15	0.22
Office equipments	1.58	6.72	-	-	8.30	0.29	0.19	-	0.48	7.82
Computer	0.16	0.04	-	-	0.20	0.10	0.03	-	0.13	0.07
Motor Cars	11.39	18.85	-	-	30.24	1.14	2.06	-	3.20	27.04
Motor Trucks	17.74	-	-	-	17.74	2.94	2.01	-	4.95	12.79
Weighing Scale	0.04	0.01	-	-	0.05	0.00	0.00	-	0.00	0.05
Total	2,451.12	76.70	-	(0.28)	2,527.54	470.27	251.14	-	721.41	1,806.13
Previous Year	1,680.87	770.81	0.56	-	2,451.12	223.23	247.39	0.35	470.27	1,980.85
										1,457.64

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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12. NON-CURRENT INVESTMENTS

Non-current investments - [At Cost]		
Investments in equity instruments (quoted, non-trade investment)		
(I) In holding company		
Responsive Industries Limited	66.45	66.45
[44,18,330 shares (P.Y.44,18,330) shares of ₹ 1/- each]		
(II) In other companies		
Mavi Industries Limited	0.33	0.33
[36,750 shares (P.Y.36,750 shares) of ₹ 10/- each]		
Creative Eyes Limited	-	0.27
[NIL (P.Y.10,000 shares) of ₹ 5/- each]		
Energy Development Limited	-	0.51
[NIL shares (P.Y.5,000 shares) of ₹ 10/- each]		
Power Grid Corporation Limited	-	0.08
[NIL shares (P.Y.500 shares) of ₹ 10/- each]		
Reliance Industrial Infrastructure Limited	-	2.64
[NIL shares (P.Y.1,000 shares) of ₹ 10/- each]		
Investments in other instruments (unquoted, non-trade investment)		
Barclays Securities (India) Private Limited - PMS	-	30.00
[NIL Units (P.Y.30 Units) of ₹ 10 lacs each]		
Less: Provision for Diminution in Investment	-	(6.00)
	-	24.00
	66.78	94.28
Aggregate amount of		
a) Quoted non-current investments as per books	66.78	70.27
b) Market value of Quoted non-current investments	379.18	408.98
c) Unquoted non-current investments as per books	-	30.00
d) Provision for diminution in value of non-current investments	-	(6.00)

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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13. LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE STATED)

Security deposits	83.52	13.52
Loans and advances to staff	0.33	0.01
Prepaid expenses	0.01	0.00
Other Loans & Advances	2.50	2.50
	86.36	16.03

14. CURRENT INVESTMENTS

Investment in Mutual Funds (Unquoted, non traded investment)

Birla Sunlife Fixed Term Plan - Series DE		
[3,00,00,000 (P.Y.NIL) of ₹ 10/- each	300.00	-
(NAV ₹ 10.6476 per Unit)		
DWS Fixed Term Fund - Series 87	280.00	-
[2,80,00,000 (P.Y.NIL) of ₹ 10/- each		
(NAV ₹ 10.5963 per unit)		
DWS Fixed Term Fund - Series 88	110.00	-
[1,10,00,000 (P.Y.NIL) of ₹ 10/- each		
(NAV ₹ 10.4945 per unit)		
Motilal Oswal Gilt Fund - Growth	5.00	-
[5,00,000 (P.Y.NIL) of ₹ 10/- each		
(NAV ₹ 10.134 per unit)		
Morgan Stanley Mutual Fund- Liquid Fund Collection	105.00	-
[1,04,948 (P.Y.NIL) of ₹ 1000/- each		
(NAV ₹ 1,000.4971 per unit)		
	800.00	-
Aggregate amount of		
a) Quoted current investments as per books	110.00	-
b) Unquoted current investments as per books	690.00	-
c) Market value of Quoted current investments	110.07	-
d) Provision for diminution in value of current investments	-	-

15. INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)

a) Raw Materials	212.75	97.12
b) Work in Process	21.84	29.86
c) Finished Goods	-	10.46
d) Stores & Spares	2.84	2.87
e) Packing Materials	0.52	0.38
	237.95	140.69

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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16. TRADE RECEIVABLES

Unsecured		
- More than 6 months from the date they are due for payment		
Good	-	-
Considered Doubtful	0.57	0.41
Less: Provision for Doubtful Debts	(0.57)	(0.41)
	-	-
Other Trade Receivables	1,421.08	758.75
	1,421.08	758.75

17. CASH AND BANK BALANCES

Cash on hand	1.52	1.06
Balance with banks		
- in current accounts	18.79	86.34
- in EEFC accounts	40.09	3.23
Fixed deposits		
- maturity within 12 months	225.01	37.24
- maturity beyond 12 months	-	-
	285.41	127.87

Note: The above Fixed Deposits is on Lien.

18. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)

Loans and advances to related parties	-	-
Loans and advances to staff	1.05	0.02
Advances recoverable in cash or kind	10.76	2.90
Advance to suppliers	95.21	81.36
Deposits	0.12	0.45
Prepaid expenses	2.31	2.37
Balances with Customs, Central Excise, etc.	9.76	5.26
	119.21	92.36

19. OTHER CURRENT ASSETS

MAT Credit Entitlement	63.24	-
	63.24	-

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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20. REVENUE FROM OPERATIONS

Operating Revenue		
Gross Sales	7,223.20	5,557.56
Less: Excise Duty	(431.42)	(325.55)
Net Sales	6,791.78	5,232.01
Other Operating Income	16.89	29.73
	6,808.67	5,261.74

21. OTHER INCOME

Dividend from Holding company	0.44	0.44
Dividend from other companies	0.01	0.01
Interest on Fixed Deposits	21.92	1.11
Other Interest Income	-	4.42
Other miscellaneous income	7.85	1.41
	30.22	7.39

22. COST OF MATERIALS CONSUMED

Opening Stock	97.12	99.10
Add: Purchases	5,644.67	4,156.93
	5,741.79	4,256.03
Less: Closing Stock	212.75	97.12
	5,529.04	4,158.91

23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Closing Stocks:		
Finished Goods	-	10.46
Stock in process	21.84	29.86
	21.84	40.32
Less: Opening Stocks		
Finished Goods	10.46	10.66
Stock in process	29.86	12.55
	40.32	23.21
	18.48	(17.11)

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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24. EMPLOYEE BENEFIT EXPENSE

Salaries and wages	22.73	10.71
Gratuity	0.34	0.69
Provident fund and others	0.18	0.17
Staff welfare expenses	0.32	0.15
	23.57	11.72

25. FINANCE COSTS

Interest expenses	33.04	66.05
Other Borrowing Costs	26.03	7.39
	59.07	73.44

26. OTHER EXPENSES

Manufacturing Expenses		
Power & Fuel	51.23	38.90
Loading & Unloading Charges	13.47	12.90
Stores, Spares & Packing Material Consumed	23.26	20.21
Repairs & Maintenance (Machinery)	4.98	5.25
Repairs & Maintenance (Buildings)	3.94	0.00
Other Manufacturing Expenses	41.85	4.94
Sales and marketing cost		
Freight & Forwarding Charges	26.95	25.60
Brokerage, Commission & Discount	-	0.06
Loading Charges	14.28	12.99
Other Selling & Distribution Expenses	11.31	2.28
Administrative Expenses		
Auditor's Remuneration	1.20	0.80
Books & periodicals expenses	0.01	0.02
Communication expenses	1.49	1.38
Conveyance and traveling	4.00	4.07
Electricity charges	2.11	1.74
Insurance charges	3.39	1.79
Loss on foreign currency transaction and translation	5.98	-
Legal and professional expenses	15.64	17.91
Membership and subscription charges	0.26	0.18
Printing and stationery	1.82	0.68
Provision for Doubtful Debts	0.16	0.41
Provision for Diminution in Investments	-	6.00
Rates & Taxes	0.17	0.16
Rent expenses	9.97	9.21
Repairs and maintenance		
- Others	0.05	0.09
Security charges	0.11	0.10
Vehicle expenses	0.17	0.07
Loss on Sale of Investments	17.90	-
Loss on sale/ discard of fixed asset	-	0.13
Miscellaneous expenses	7.41	2.88
	263.11	170.75

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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27. EARNINGS PER SHARE (EPS)

Net Profit after tax	625.89	437.83
Weighted average number of equity shares for Basic EPS	1,90,47,160	1,90,47,160
Weighted average number of equity shares for Diluted EPS	3,38,11,113	3,38,11,113
Face value of Equity Share (₹)	10.00	10.00
Basic Earnings Per Share (₹)	32.86	22.99
Diluted Earnings Per Share (₹)	18.51	12.95

28. PROPOSED DIVIDEND

i) Dividend on		
Equity Shares	3.81	3.81
	3.81	3.81
ii) Dividend Distribution Tax on		
Equity Shares	0.62	0.62
	0.62	0.62

29. CONTINGENT LIABILITIES

Details of Contingent Liabilities not provided for in respect of,	-	-
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30. AUDITORS' REMUNERATION AS ON 31st MARCH (EXCLUDING SERVICE TAX)

Statutory Audit Fees	1.00	0.80
Tax Audit Fees	-	-
Income-tax matters	-	-
Certification fees	-	0.10
Other services	0.20	-
Out of pocket expenses	0.01	0.00
	1.21	0.90

31. DISCLOSURES ON RELATED PARTIES TRANSACTIONS

i) Nature and Relationship of Related Parties

- a) **Holding Company**
Responsive Industries Limited
- b) **Ultimate Holding Company**
Wellknown Business Ventures Private Limited
- c) **Key Management Personnel**
 - 1) Mr. Atit Agarwal Whole-Time Director
 - 2) Mrs. Swati Agarwal Whole-Time Director
 - 3) Mr. Rajesh Pandey Director
- d) **Relatives of Key Management Personnel**
 - 1) Sharadkumar Agarwal H.U.F.
 - 2) Omprakash Agarwal H.U.F.

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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e) Entities where Key Management Personnel have significant influence

- 1) One Source Trading Company LLP
- 2) One Source Enterprises LLP
- 3) AA Superior Enterprises LLP

ii) Transactions during the year with Related Parties

Relationship		
a) Holding Company		
Loan Repaid	928.93	576.42
Loan Accepted	928.93	576.42
Sales	636.93	585.51
Purchases	38.38	38.56
Sale of Capital Work-in-Progress	969.92	-
Rent Expenses	0.60	0.60
Dividend Received	0.44	0.44
Dividend Paid	3.28	3.28
b) Ultimate Holding Company		
Dividend Paid	0.52	0.52
c) Key Management Personnel		
Remuneration	3.18	3.18
Dividend Paid	0.00	0.00
d) Relatives of Key Management Personnel		
Loans and Advances given	70.00	12.00
Loans and Advances received back	70.00	12.00
e) Entities where Key Management Personnel have significant influence		
Dividend Paid	-	-
Reimbursement of Expenses	-	-
Amount received on behalf of	-	-

iii) Closing Outstanding Balances of Related Parties as on 31st March 2012

Name of Entities	Relationship	Nature	31st March 2012	31st March 2011
Mr. Atit Agarwal	Key Management Personnel	Amount Payable	0.06	-
Mr. Rajesh Pandey	Key Management Personnel	Amount Payable	0.05	0.06
Responsive Industries Limited	Holding Company	Deposit Receivable	5.00	5.00
		Amount Payable	0.14	0.05

Note 1: Related Parties as disclosed by Management and relied upon by auditors.

Note 2: No amount pertaining to related parties have been provided for as doubtful debts. Also, no amount has been written off / back which was due from / to related parties.

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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32. DISCLOSURE FOR LEASES

Assets taken on Operating Lease

Future minimum lease payments under non-cancellable operating lease as on 31st March 2012

Not later than one year	8.64	9.02
Later than one year and not later than five years	-	-
Later than five year	-	-
Lease Payments recognised during the year in Profit and Loss Account	9.97	9.21

33. VALUE OF IMPORTS DURING THE YEAR (C. I. F. BASIS) AS ON 31st MARCH 2012

Raw Materials	886.76	1,350.55
Stores and Components	4.93	2.45
Capital goods	-	1,007.58

34. EXPENDITURE IN FOREIGN CURRENCY DURING THE YEAR ENDED 31st MARCH 2012

Freight - Exports	19.98	19.73
Bank Charges	1.12	0.58
Export Commission	-	0.05
Legal & Professional Charges	6.87	2.95
Exhibition Expenses	0.45	0.04
Interest on ECB	9.25	9.87
Interest on CCD's	0.06	29.65

35. EARNINGS IN FOREIGN CURRENCY AS ON 31st MARCH 2012

Export Sales - FOB	3,875.35	3,176.08
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36. UNHEDGED FOREIGN CURRENCY EXPOSURE AS ON 31st MARCH 2012

Nature of payment	Currency	Amount in foreign Currency 31st March 2012	31st March 2012	31st March 2011
Payable - Creditors	USD	0.37	18.76	482.33
Payable - Advance from Debtors	USD	0.02	1.03	1.82
Receivable - Debtors	USD	27.91	1,419.85	614.52
Receivable - Advance to Creditors	USD	0.04	1.82	-
Receivable - Advance to Creditors	POUND	-	-	16.82

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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37. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS DURING THE YEAR ENDED 31st MARCH 2012

No. of Equity Shareholders	No. of shares	Year to which dividend relates	31st March 2012	31st March 2011
2	200	2010-11	0.00	0.00

38. DIRECTOR'S REMUNERATION FOR THE YEAR ENDED 31st MARCH 2012

a) Executive Director				
- Salary			3.18	3.18
- Other Funds			-	-
- Other Perquisites			-	-
			3.18	3.18
b) Non - Executive Director				
- Sitting Fees			0.08	-
			0.08	-

Note: As the liabilities for gratuity are provided on actuarial basis for the Company as a whole the amounts pertaining to the Directors is not ascertainable & therefore not included above.

39. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD – 15 (REVISED) EMPLOYEE BENEFITS

i) Defined Contribution Plans as on 31st March 2012

Employer's contribution to Provident Fund	0.18	0.17
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ii) Defined Benefit Plans

a) Change in Defined Benefit Obligation ('DBO')		
Opening present value obligation as on 1st April	0.69	0.57
Interest cost for the year on opening DBO	0.06	0.06
Service cost for the Year	0.20	0.10
Benefit paid	-	-
Actuarial losses (gains)	0.08	(0.04)
Closing defined benefit Obligation	1.03	0.69
b) Amount Recognised in Balance Sheet		
PVO at the end of year	1.03	0.69
Fair Value of Plan Assets at the end of the year	-	-
Funded Status	(1.03)	(0.69)
Unrecognised Past Service Cost	-	-
Unrecognised Transitional Liability	-	-
Amount Recognised in Balance Sheet	(1.03)	(0.69)
c) Amount Recognised in Income Statement		
Current Service Cost	0.20	0.10
Past Service Cost	-	-
Interest on Obligation	0.06	0.06
Expected return on Plan Assets	-	-
Net actuarial losses / (gains) recognised	0.08	(0.04)
Expenses Recognised in Profit and Loss	0.34	0.12

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
d) Balance Sheet Reconciliation		
Opening Net Liability	0.69	0.57
Expenses as Above	0.34	0.12
Contribution	-	-
Net Liability Recognised in Balance Sheet	1.03	0.69
e) Actuarial Assumptions: for the year		
Discount Rate	8.75%	8.25%
Attrition Rate	2.00%	2.00%
Annual Increase in Salary Cost	6.00%	6.00%
f) Other Disclosures		
Defined Benefit Obligation	1.03	0.69
Plan Assets	-	-
Surplus / (Deficit)	1.03	0.69
Experience Adjustments of Plan Liabilities - Loss	(0.08)	-
Experience Adjustments of Plan Liabilities - Gain	-	0.04

iii) General Description of significant defined plans

Gratuity Plan

Gratuity is payable to all eligible employees of the Company on death or on resignation, or on retirement after completion of five years of service. In assessing the Company's Post Retirement Liabilities, the company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC 1994-96 ultimate tables.

40. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	-	-
- Interest amount	-	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes

to the financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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41. SEGMENT REPORTING

a) Primary (Business) Segment:

As the Company's business consists of one reportable business segment of Manufacturing and Selling of Synthetic Ropes of different polymers & combination and hence, no separate disclosure pertaining to attributable Revenues, Profits, Assets, Liabilities and Capital employed are given.

b) Secondary (Geographical) Segment:

Secondary segment reporting is performed on the basis of geographical location of the customers. The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical segments. The following is the distribution of the Company's sales by geographical markets :

Sales		
India	2,896.37	2,036.11
Export	3,895.33	3,195.82
	6,791.70	5,231.93

The following is the carrying amount of segment assets by geographical area in which the assets are located

Assets		
India	3,466.32	3,607.68
Outside India	1,419.85	614.52
	4,886.17	4,222.20

The following is the amount of Capital Expenditure incurred segment-wise

Capital Expenditure		
India	35.24	1,032.24
Outside India	-	-
	35.24	1,032.24

42. As notified by Ministry of Corporate Affairs, Revised Schedule VI under the Companies Act, 1956 is applicable to the Financial Statements for the financial year commencing on or after 1st April, 2011. Accordingly, the financial statements for the year ended 31st March 2012 are prepared in accordance with the Revised Schedule VI. The amounts and disclosures included in the financial statements of the previous year have been reclassified to conform to the requirements of Revised Schedule VI.

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Place: Mumbai
Date: 23rd May, 2012

Place: Mumbai
Date: 23rd May, 2012

Consolidated Financials

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Auditors' Report

on the consolidated financial statements

To

**The Board of Directors,
Responsive Industries Limited**

1. We have audited the attached Consolidated Balance Sheet of Responsive Industries Limited ('the Company') and its Subsidiary (Collectively referred to as "the group") as at 31st March 2012 and also the consolidated Profit and Loss account and the consolidated Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the company's management

in accordance with the requirements of Accounting Standards (As)21, "Consolidated Financial Statements" as noticed pursuant to the Companies (Accounting Standards) Rules, 2006.

4. In our opinion and to the best of our information and according to the explanations given to us, the said consolidated financial statements give a true and fair view in conformity with the accounting principles accepted in India.
 - a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2012;
 - b) In the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date;
 - c) In the case of the Consolidated Cash flow statements, of the cash flow of the Group for the year ended on that date.

For **HARIBHAKTI & CO.**
Chartered Accountants
FRN 103523W

Sumant Sakhardande
Partner
Membership No.034828

Place: Mumbai
Date: 24th May, 2012

Consolidated Balance Sheet

as at 31st March 2012

(₹ in Millions)

(Rs in millions)					
Particulars	Note	As at 31st March 2012		As at 31st March 2011	
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	2	262.50		257.23	
Reserves and surplus	3	5,231.79	5,494.29	3,644.29	3,901.52
Share Application Money pending allotment	4		-		584.72
Minority Interest			284.78		212.93
Non-current liabilities					
Long term borrowings	5	4,688.83		1,242.08	
Deferred tax liabilities (Net)	6	610.47		263.74	
Other Long term liabilities	7	-		-	
Long-term provisions	7	9.11	5,308.41	5.90	1,511.72
Current liabilities					
Short term borrowings	8	2,663.59		2,061.31	
Trade payables	9	289.56		260.91	
Other current liabilities	10	434.25		530.47	
Short-term provisions	11	74.27	3,461.67	75.42	2,928.11
Total			14,549.15		9,139.00
ASSETS					
Non-current assets					
Fixed assets					
- Tangible assets	12	8,999.20		3,817.37	
- Intangible assets	13	-		-	
- Capital work-in-progress		69.37	9,068.57	3,354.26	7,171.63
Non-current investments	13	4.66		155.12	
Long-term loans and advances	14	149.03	153.69	22.42	177.54
Current assets					
Current investments	15	1,261.14		7.76	
Inventories	16	824.57		534.63	
Trade receivables	17	2,104.31		903.38	
Cash and cash equivalents	18	498.08		205.04	
Short-term loans and advances	19	221.10		139.02	
Other Current Assets	20	417.69	5,326.89	-	1,789.83
Total			14,549.15		9,139.00
Significant Accounting Policies forming part of the Accounts	1				

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Place: Mumbai
Date: 24th May, 2012

Consolidated Statement of Profit and Loss

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Note	Year ended 31st March 2012	Year ended 31st March 2011
REVENUES			
Revenue from operations	21	16,840.92	11,887.22
Other income	22	78.51	21.06
Total Revenue (I)		16,919.43	11,908.28
EXPENSES:			
Cost of Materials Consumed	23	13,634.65	9,163.26
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(92.23)	(8.58)
Employee benefit expenses	25	114.09	95.10
Finance Costs	26	120.57	111.49
Depreciation and amortisation expenses		793.42	530.87
Other expenses	27	1,051.37	721.07
Total expenses (II)		15,621.87	10,613.21
Profit before tax and prior period items (I-II)		1,297.56	1,295.07
Prior period items	28	-	(4.16)
Profit before tax		1,297.56	1,290.91
Current tax		257.00	273.33
Less: MAT Credit Availed during the year		96.73	-
MAT Credit Entitlement		(514.43)	-
Deferred tax		346.73	40.21
Tax of earlier years		(0.10)	(5.29)
Profit (Loss) for the year before Minority Interest		1,111.63	982.66
Minority Interest		(71.85)	(76.45)
Profit (Loss) for the year		1,039.78	906.21
Earnings per equity share [Face Value of ₹ 1 each (PY ₹ 1 each)]	30		
Basic		4.24	3.83
Diluted		4.24	3.74
Significant Accounting Policies forming part of the Accounts	1		

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Place: Mumbai
Date: 24th May, 2012

Consolidated Cash Flow Statement

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Year ended 31st March 2012	Year ended 31st March 2011
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Prior Period Items	1,297.56	1,295.07
Add / (Less) : Adjustments for		
Depreciation and Amortization	793.44	530.87
Interest Income	(33.95)	(14.59)
Interest Expenses	120.57	111.48
Dividend Income	(8.12)	(0.50)
Loss / (profit) on sale of investments	(1.53)	-
Loss / (profit) from foreign exchange fluctuation (net)	18.53	(15.48)
Loss / (profit) on sale/discarding of fixed assets	(0.67)	0.58
Sundry balances written back	(7.94)	(5.41)
Sundry balances written off	11.70	5.39
Provision for gratuity	3.99	1.74
Provision for Doubtful Debts	0.16	10.19
Provision for Diminution in Investments	-	8.00
Provision for Diminution in Investments reversed	(6.00)	-
Provision for bad and doubtful debts reversed	(2.45)	-
Operating Profit Before Working Capital changes	2,185.29	1,927.34
Add / (Less) : Adjustments for change in working capital		
Increase / (Decrease) in other long term liabilities and long term provisions	(0.78)	-
Increase / (Decrease) in trade payables	35.22	(22.11)
Increase / (Decrease) in other current liabilities and short term provision	(95.97)	225.78
(Increase) / Decrease in long term loans and advances	(126.62)	(5.57)
(Increase) / Decrease in other current assets	-	-
(Increase) / Decrease in Inventory	(289.94)	(86.07)
(Increase) / Decrease in trade receivables	(1,233.35)	146.06
(Increase) / Decrease in short term loans and advances	(82.07)	5.78
Cash generated from Operations	391.78	2,191.21
Add / (Less) : Direct taxes paid	(258.93)	(273.36)
Net Cash Inflow / (Outflow) from Operating activities (A)	132.85	1,917.85
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets / Capital WIP	(2,693.65)	(2,209.27)
Proceeds from sale of fixed assets	3.94	0.48
Interest Received	33.95	14.59
Dividend Received	8.12	0.50
Sale / (Acquisition) of Investments (Net)	(1,095.37)	169.24
Net Cash Inflow / (Outflow) from Investing activities (B)	(3,743.01)	(2,024.46)

Consolidated Cash Flow Statement

for the year ended 31st March 2012

(₹ in Millions)

Particulars	Year ended 31st March 2012	Year ended 31st March 2011
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase in Equity Share Capital (including share premium)	-	699.98
Refund of Share Application Money	-	(175.51)
Net Increase / (Decrease) in non current long term borrowings	3,446.75	(852.88)
Net Increase / (Decrease) in current short term borrowings	607.77	416.46
Interest Paid	(120.57)	(111.48)
Dividend paid (Including Tax on Dividend)	(31.11)	(29.63)
Net Cash Inflow / (Outflow) from Financing activities (C)	3,902.84	(53.06)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	292.68	(159.67)
Add: Cash and Cash Equivalents at the beginning of	203.85	363.52
Cash and Cash Equivalents at the end of	496.53	203.85

Components of Cash and Cash Equivalents at the end of year

(₹ in Millions)

Particulars	As at 31st March 2012	As at 31st March, 2011
Cash in hand	3.33	3.18
Balance with scheduled banks in current accounts	135.55	128.41
Fixed deposit with original maturity for more than 3 months but less than 12 months	359.20	73.46
Add: Unrealised Gain / (Loss) in Bank Accounts	(1.55)	(1.20)
Cash and Cash Equivalents (closing)	496.53	203.85

As per our attached report of even date

For and on behalf of the Board

For **HARIBHAKTI & CO.**
Chartered Accountants

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Place: Mumbai
Date: 24th May, 2012

Notes

to consolidated financial statements for the year ended 31st March 2012

1. I. Basis of Consolidation

The Consolidated Financial results comprise of the results of Responsive Industries Limited and its Subsidiary Axiom Cordages Limited, which are consolidated in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI) and have been prepared on the following basis

- i) The financial statements of the Company and its Subsidiary have been combined on a line-by-line basis by adding together the balances of items like Assets, Liabilities, Income and Expenditure after fully eliminating the intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- ii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iii) The excess of cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognised in the financial statements as goodwill.
- iv) The excess of Company's portion of equity of subsidiary over the cost to the Company of its investments at the dates it become subsidiary is recognised in the financial statements as capital reserves.
- v) Minority Interest is the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their shares in the equity, subsequent to the dates of investments as stated above.

II. Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared in accordance with Generally Accepted Accounting Principles under the historical

cost convention on an accrual basis and in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

The Company follows the mercantile system of accounting in general and recognises income and expenditure on accrual basis except as otherwise stated.

a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

b) Inventories

Inventories are valued at lower of cost or net realisable value. Materials-in-transit are valued at cost-to-date. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition including excise duty payable on goods produced. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. The cost formulae used for determination of cost is 'First in First Out' (FIFO)

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

c) Cash Flow Statement

The Cash Flow Statement is prepared by the "indirect method" set-out in Accounting Standard 3 on "Cash Flow Statement" and presents the

Notes

to consolidated financial statements for the year ended 31st March 2012

Cash Flows by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered, highly liquid bank balances.

d) Revenue Recognition

- (i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.
- (ii) Revenue from sale of goods is recognised when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of Sales Tax/ Value Added Tax. Excise Duty recovered is presented as a reduction from gross turnover.
- (iii) Revenue in respect of export sales is recognised on the basis of dispatch of goods for exports.(i.e. on the date of Bill of Lading).
- (iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (v) Dividend income is recognised when the shareholders' right to receive payment is established by the balance sheet date
- (vi) Other Income is accounted for on accrual basis, when certainty of receipt is established.

e) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of acquisition comprise all costs incurred to bring the assets to their location and working condition upto the date assets are put to use. Cost of construction comprise of those costs that relate directly to specific assets and those that are attributable to the construction activity in general and can be allocated to specific assets upto the date the assets are put to use.

f) Depreciation & Amortisation

Depreciation on fixed assets is provided on Straight-line method, at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. The Company provides pro-rata depreciation for additions / deletions made during the reporting period, except for the asset each costing ₹ 5000 or less, for which depreciation is provided at hundred percent.

g) Impairment of Fixed Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

The gains or losses resulting from such translations are included in the Profit and

Notes

to consolidated financial statements for the year ended 31st March 2012

Loss Account. Revenue, expense and cash flow items denominated in foreign currency are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled, except to the extent, relating to fixed assets are adjusted to carrying value of fixed assets.

i) Investments

Investments that are readily realisable and intended to be held generally for not more than a year are classified as current investment. All other investments are classified as long term investment. Current investment is carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

j) Employee Benefits

Employee benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident fund and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the Profit and Loss Account in the period in which the service is rendered.

Employee benefits under defined benefit plans, such as gratuity which fall due for payment after a period of twelve months from rendering service or after completion of employment, are measured by the project unit cost method, on the basis of actuarial valuation carried out by third party actuaries at each balance sheet date. The Company's obligations recognised in the balance sheet represent the present value of obligations as reduced by the fair value of plan assets, where applicable. Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

k) Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs"

are capitalised as part of the cost of such assets upto the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

l) Segment Reporting

Identification of segments:

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment transfers:

The Company generally accounts for inter segment transfers at cost.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

m) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight-line basis over the lease term.

n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Notes

to consolidated financial statements for the year ended 31st March 2012

The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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, except when the results would be anti-dilutive.

o) Accounting For Taxation on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Income taxes are accrued at the same period in which the related revenue and expense arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such

deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

p) Provisions, Contingent Liabilities & Contingent Assets

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

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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2. SHARE CAPITAL

Authorised share capital		
42,00,00,000 (PY42,00,00,000 of ₹ 1/- each) Equity shares of ₹ 1/- each	420.00	420.00
	420.00	420.00
Issued, Subscribed and Fully Paid up (refer to note (i) below mentioned)		
26,69,12,700 (26,16,45,000 of ₹ 1/- each) Equity shares of ₹ 1/- each fully paid up	262.50	257.23
	262.50	257.23

a. Reconciliation of shares outstanding at the beginning and at the end of the year

Opening balance	25,72,27,670	2,43,50,267
Add: Issue of shares under sub-division	-	21,91,52,403
Add: Issue of shares against conversion of Compulsorily convertible debentures	-	1,37,25,000
Add: Issue of shares to Holding Company against Share Application Money received	52,67,700	-
Closing balance of shares	26,24,95,370	25,72,27,670

b. Shares held by holding company and associate company

Holding Company - [Wellknown Business Ventures Private Limited]	14,84,25,340	14,31,57,640
Subsidiary Company - [Axiom Cordages Limited]	44,18,330	44,18,330

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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c. Details of shareholders holding more than 5% shares in the company

Particulars	31st March 2012	31st March 2011
1) Wellknown Business Ventures Private Limited		
- Number of share hold	14,84,25,340	14,31,57,640
- % of total equity share capital	55.61%	54.71%
2) Fossebridge Limited		
- Number of share hold	3,29,01,800	3,29,01,800
- % of total equity share capital	12.33%	12.57%
3) Xatis International Limited		
- Number of share hold	3,27,05,720	3,27,05,720
- % of total equity share capital	12.25%	12.50%
4) Brenzett Limited		
- Number of share hold	2,42,15,382	2,67,15,382
- % of total equity share capital	9.07%	10.21%

d. Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	Bonus	Other than cash
2011-12	-	-
2010-11	-	21,91,52,403
2009-10	-	-
2008-09	-	-
2007-08	15,74,40,000	-

Note : The company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The company declares dividend in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
number of equity shares held by the shareholders.		
3. RESERVE AND SURPLUS		
Capital reserves		
Opening balance	1.38	1.38
Add: during the year	-	-
Less during the year	-	-
	1.38	1.38
Capital reserve on Consolidation		
Opening balance	303.16	303.16
Add: during the year	-	-
Less during the year	-	-
	303.16	303.16
Securities premium account		
Opening balance	858.99	172.74
Add: during the year	579.45	686.25
Less: utilised for issue of bonus shares	-	-
	1,438.44	858.99
General reserves		
Opening balance	0.10	0.10
Add: during the year	-	-
Less during the year	-	-
	0.10	0.10
Surplus/(debit) balance of profit and loss A/c		
Opening balance	2,480.66	1,605.56
Add: profit during the year as per Profit and Loss statement	1,039.78	906.21
Less: loss during the year as per Profit and Loss statement		
Less: Appropriation		
- Proposed dividend		
- on Equity Shares	26.78	26.25
- Tax on proposed dividend		
- on Equity Shares	4.95	4.86
	3,488.71	2,480.66
Total	5,231.79	3,644.29

4. SHARE APPLICATION MONEY PENDING ALLOTMENT

Number of shares proposed to be issued against share application money	-	52,67,700
Face Value per share	-	-
Share Capital	-	5.27
Number of shares proposed to be issued	-	52,67,700
Securities premium per share	-	-
Securities premium	-	579.45
Total Share Application money against which the shares shall be allotted	-	584.72

Note: The company has sufficient authorised capital to cover the share capital amount resulting from allotment of

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
shares pursuant to such share application money.		
Note: The shares shall be allotted once the approval from the respective stock exchanges is obtained.		
5. LONG TERMS BORROWINGS		
Secured		
- From Banks		
Vehicle Loans (Refer Note 1)	15.24	29.56
- From Others		
Foreign Currency Loan (Refer Note 2)	3,661.59	200.52
Unsecured		
Compulsorily Convertible Debentures		
0.01% (PY. 0.01%) 6,043 (P.Y. 6,043) Compulsorily Convertible Debentures of ₹ 1,00,000/- each (Refer Note 3)	604.30	604.30
0.01% (PY. 0.01%) 1,192 (P.Y. 1,192) Compulsory Convertible Debentures of ₹ 100,000/- each (Refer Note 4)	119.20	119.20
0.01% (PY.0.01%) 2,885 (P.Y. 2,885) Compulsory Convertible Debentures of ₹ 100,000/- each. (Refer Note 4)	288.50	288.50
	4,688.83	1,242.08

Note 1: The loans are repayable in equal installments aggregating to ₹ 3.71 Millions (PY ₹ 11.00 Millions)

The interest rate on above is ranging between 8.50 to 10.60%

Loans against vehicles from Banks are secured by way of hypothecation of specific vehicles acquired under the arrangements

Note 2: This is a External Commercial Borrowings of ₹ 114.48 Millions which is secured by way of (i) first rank pari passu over the Immovable Property of the Company by way of equitable mortgage; and (ii) charge first rank pari passu over all the present and the future movable assets of the Company.

This is a External Commercial Borrowings of ₹ 3,547.11 Millions which is secured by way of first pari passu charge on all fixed assets of the company and second ranking pari passu charge on all current assets of the company.

The loan is repayable in 4 quarterly installments

Note 3: The above mentioned 0.01% debentures are compulsorily convertible into Equity shares on the date which shall be earlier of (i) the date falling 19 years from the closing date i.e. 16th October, 2008; and (ii) the date falling 45 days from the date of transfer of the debentures to the Promoters by the Investor pursuant to the exercise of the put option in relation to the Debentures and/or the Equity Shares then held by the Investor.

Note 4: The above mentioned 0.01% debentures are compulsorily convertible into Equity shares on the date which shall be earlier of (i) the date falling 19 years from the closing date i.e. 12th November, 2009; and (ii) the date falling 45 days from the date of transfer of the debentures to the Promoters by the Investor pursuant to the exercise of the put option

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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in relation to the Debentures and/or the Equity Shares then held by the Investor.

6. DEFERRED TAX LIABILITIES (Net)

Opening	263.74	223.53
Deferred tax liability		
- On depreciation	617.93	273.07
Deferred tax assets		
- Short Term Capital Loss	-	(0.10)
- Provision for Doubtful Debts	(3.77)	(4.62)
- Provision for Diminution in Investments	(0.98)	(0.89)
- Provision for gratuity	(2.71)	(3.72)
	610.47	263.74

7. LONG TERM PROVISIONS

Provision for gratuity	9.11	5.90
Others (specify nature)	-	-
	9.11	5.90

8. SHORT TERMS BORROWINGS

Loans repayable on demand		
From Banks		
Packing Credit Foreign Currency Loans PCFC (Refer Note 1)	1,334.82	971.62
EBRD (Post Shipment) Loan (Refer Note 1)	417.07	-
Buyer's Credit (Refer Note 2)	540.69	103.99
Working Capital Loan (Refer Note 3)	371.01	-
From Other Parties		
Supplier's Credit in Foreign Currency	-	985.70
	2,663.59	2,061.31

Note 1: PCFC Loan amounting to ₹ 47.86 Millions & EBRD (Post Shipment) Loan of ₹ 223.96 Millions secured by first ranking pari passu hypothecation charge on entire current assets of the company and second ranking pari passu charge on fixed assets of the company i.e. Plant & Machinery and Land & Building.

PCFC Loan amounting to ₹ 332.98 Millions & EBRD (Post Shipment) Loan of ₹ 81.40 Millions secured by first pari passu hypothecation charge on entire current assets of the company and first hypothecation charge on entire Plant & Machinery of the Company.

PCFC Loan amounting to ₹ 724.57 Millions is secured by Floating charge on Book Debts & Movable Property and further secured by second ranking pari passu charge on entire movable Fixed Assets of the Company both present & future.

PCFC Loan amounting to ₹ 229.42 Millions secured by way of pledge of approved Mutual Funds (Debt Funds / FMPs)

EBRD (Post Shipment Loan) secured by first pari passu charge on hypothecation of stocks and book-debts and other current assets with other consortium banks.

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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Note 2: Buyer's Credit amounting to ₹ 143.47 Millions secured by first pari passu charge on entire assets with other banks and second ranking pari passu charge on entire movable fixed assets of the Company.

Buyer's Credit amounting to ₹ 271.21 Millions secured by hypothecation of goods procured under Letter of Credit and additional charge on hypothecated stocks and book debts.

Buyer's Credit amounting to ₹ 126.01 Millions secured by first pari passu charge on entire assets with other banks and second ranking pari passu charge on entire movable fixed assets of the Company.

Note 3: Working Capital Loan of ₹ 371.01 Millions secured by hypothecation of Investments in Mutual Funds

9. TRADE PAYABLES

Amount due to Micro and Small Enterprises	-	5.46
Others	289.56	255.45
	289.56	260.91

10. OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debt	284.15	200.40
Interest accrued but not due on borrowings	4.56	0.12
Interest accrued and due on borrowings	3.33	2.00
Advance received from Customers	16.04	145.39
Share Application money received and due for refund along with interest	0.34	2.84
Accrued compensation to employees	8.95	6.02
Withholding taxes payable	2.28	2.77
Creditors for expenses	29.92	87.05
Other liabilities	84.68	83.88
	434.25	530.47

11. SHORT TERM PROVISIONS

Provision for gratuity	0.26	-
Provision for leave salary	-	-
Provision for taxation (net of advance tax)	38.56	40.59
Proposed dividend	30.50	29.97
Tax on proposed dividend	4.95	4.86
	74.27	75.42

Notes

to consolidated financial statements for the year ended 31st March 2012

12. FIXED ASSETS

Statement of fixed assets as at 31st March 2012

(₹ in Millions)										
GROSS BLOCK						DEPRECIATION			NET BLOCK	
Particulars	As at 1st April 2011	Additions during the year	Deductions during the year	Increase / (Decrease) in foreign exchange fluctuations (net)	As at 31st March 2012	Up to 31st March 2011	For the Year during the year	Up to 31st March 2012	As at 31st March 2012	As at 31st March 2011
(i) Tangible Assets										
Land	78.10	-	-	-	78.10	-	-	-	78.10	78.10
Factory Building	205.78	4.87	-	(0.28)	210.37	27.09	6.95	34.04	176.33	178.69
Plant & Machinery	4,964.33	5,941.34	-	(0.03)	10,905.64	1,510.21	770.85	2,281.06	8,624.58	3,454.12
Electrical Installation	29.22	4.08	-	-	33.30	8.95	3.11	12.06	21.24	20.27
Furniture and Fixtures	1.58	-	-	-	1.58	0.39	0.10	0.49	1.09	1.19
Office equipments	8.67	8.38	0.31	-	16.74	1.17	0.55	1.68	15.06	7.50
Computer	7.25	1.07	-	-	8.32	3.67	1.23	4.90	3.42	3.58
Motor Cars	47.64	19.09	5.83	-	60.90	9.40	5.03	11.61	49.29	38.24
Motor Trucks	49.43	-	-	-	49.43	14.01	5.59	19.60	29.83	35.42
Weighing Scale	0.30	0.01	-	-	0.31	0.04	0.01	0.05	0.26	0.26
Total	5,392.30	5,978.84	6.14	(0.31)	11,364.69	1,574.93	793.42	2,365.49	8,999.20	3,817.37
Previous Year	4,577.77	816.42	1.89	-	5,392.30	1,044.89	530.87	1,574.93	3,817.37	3,532.88

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
13. NON-CURRENT INVESTMENTS		
Investments in equity instruments (quoted, non-trade investment)		
In other companies		
Mavi Industries Limited	0.33	0.33
[36,750 shares (P.Y.36,750 shares) of ₹ 10/- each]		
Creative Eyes Limited	-	0.27
[NIL (P.Y.10,000 shares) of ₹ 5/- each]		
Power Grid Corporation Limited	-	0.08
[NIL shares (P.Y.500 shares) of ₹ 10/- each]		
Energy Development Company Limited	-	1.82
[NIL shares (P.Y.18,000 shares)]		
Jai Corp Limited	-	1.17
[NIL shares (P.Y.1,000 shares)]		
Wellworth Overseas Limited	-	0.09
[NIL shares (P.Y.1,00,000 shares)]		
Reliance Industrial Infrastructure Limited	-	29.06
[NIL shares (P.Y.21,600 shares)]		
Syschem India Limited	0.19	0.27
[95,266 shares (P.Y.1,38,000 shares)]		
Investments in other instruments (unquoted, non-trade investment)		
Jaiho Industries Limited	6.03	6.03
[40,20,000 shares (P.Y.40,20,000 shares)]		
Less: Provision for Diminution in Investment	(2.00)	(2.00)
JKL Realty Private Limited	0.03	-
[3,000 (P.Y. NIL) Equity Shares of ₹ 10/- each fully paid up]		
Nima Realty Private Limited	0.03	-
[3,000 (P.Y. NIL) Equity Shares of ₹ 10/- each fully paid up]		
Other investments		
In Partnership Firms		
Investment In Maharashtra Holdings	0.02	-
Investment In Mangaon Holdings	0.03	-
Other Instruments		
[NIL (P.Y. 1) Non-Convertible Debentures of ₹ 20,00,000]		
Barclays Securities (India) Private Limited - PMS	-	74.00
[NIL (P.Y.74) Equity Linked Debentures at ₹ 10,00,000 each]		-
Less: Provision for Diminution in Investment	-	(6.00)
Benchmark AMC A/c BDP Series 66	-	50.00
	4.66	155.12
Aggregate amount of		
a) Quoted non-current investments as per books	0.51	33.09
b) Market value of Quoted non-current investments	0.45	15.50
c) Unquoted non-current investments as per books	6.13	130.03
d) Provision for diminution in value of non-current investments	(2.00)	(8.00)

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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Note1: Disclosure regarding Investment in Partnership Firms

a) Capital Contribution in Maharashtra Holdings (Total Capital - ₹ 50,000/-)

Name of Partners	Share of Partner
Mr. Krishnakumar Satyanarayan Agarwal	8.75%
Mrs. Amita Krishnakumar Agarwal	8.75%
Ms. Vidhushree Agarwal	8.75%
Mr. Omprakash Agarwal	8.75%
Mrs. Shantidevi Agarwal	8.75%
Ms. Nishita Agarwal	8.75%
Mr. Satyanarayan Agarwal	8.75%
Mrs. Radhabai Agarwal	8.75%
M/s Responsive Industries Limited	30.00%

b) Capital Contribution in Mangaon Holdings (Total Capital - ₹ 50,000/-)

Name of Partners	Share of Partner
M/s Responsive Industries Limited	50.00%
M/s Wellknown Business Ventures Private Limited	30.00%
Mr. Sharadkumar Agarwal	10.00%
Mrs. Jyoti Agarwal	10.00%

14. LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE STATED)

Capital advances	55.46	-
Security deposits	90.29	19.43
Loans and advances to related parties [refer note no.(i) below mentioned]	-	-
Advance to suppliers	-	-
Loans and advances to staff	0.68	0.36
Prepaid expenses	0.10	0.13
Other Loans & Advances	2.50	2.50
	149.03	22.42

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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15. CURRENT INVESTMENTS

Investments in Mutual Funds (unquoted, non-trade investment)

JM Contra Fund - Dividend Plan ₹ 10/- per unit [NIL (P.Y. 4,88,998) units of ₹ 10/- each fully paid up]	-	5.00
JM Multi Strategy Fund - Dividend Plan [19,119 (P.Y. NIL) units of ₹ 10/- each fully paid up]	2.51	-
Birla Sunlife Fixed Term Plan - Series DE [3,00,00,000 (P.Y.NIL) of ₹ 10/- each	300.00	-
DWS Fixed Term Fund - Series 87 [2,80,00,000 (P.Y.NIL) of ₹ 10/- each	280.00	-
DWS Fixed Term Fund - Series 87 [1,10,00,000 (P.Y.NIL) of ₹ 10/- each	110.00	-
Motilal Oswal Gilt Fund - Growth [5,00,000 (P.Y.NIL) of ₹ 10/- each	5.00	-
Morgan Stanley Mutual Fund- Liquid Fund Collection [105,00,000 (P.Y.NIL) of ₹ 10/- each	105.00	-
ICICI Prudential Banking & PSU Debt Fund Prem Plus [1,53,88,840 (P.Y. NIL) units of ₹ 10/- each fully paid up] (NAV ₹ 10.0715 per Unit)	154.99	-
Deutsche Mutual Fund collection A/c [20,10,228 (P.Y. NIL) units of ₹ 10/- each fully paid up] (NAV ₹ 12.7892 per Unit)	25.00	-
DWS Short Maturity Fund Collection A/c [98,99,160 (P.Y. NIL) units of ₹ 10/- each fully paid up] (NAV ₹ 10.4415 per Unit)	103.03	-
Axis Treasury Advantage Fund Collection A/c [1,53,352 (P.Y. NIL) units of ₹ 10/- each fully paid up] (NAV ₹ 1191.8596 per Unit)	175.61	-
HDFC Mutual Fund	-	0.76
Citi Financial Consumer Finance (India) Limited	-	2.00
	1,261.14	7.76
Aggregate amount of		
a) Quoted current investments as per books	110.00	-
b) Unquoted current investments as per books	1,151.14	7.76
c) Market value of Quoted current investments	110.07	-

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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16. INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)

a) Raw Materials	638.80	441.86
b) Goods-in-transit	107.89	-
c) Work in Process	68.68	73.87
d) Finished Goods	-	10.46
e) Stores & Spares	5.20	4.96
f) Packing Materials	4.00	3.48
	824.57	534.63

17. TRADE RECEIVABLES

Unsecured		
- More than 6 months from the date they are due for payment		
Good	-	0.29
Considered Doubtful	11.62	13.91
Less: Provision for Doubtful Debts	(11.62)	(13.91)
	-	0.29
Other Trade Receivables	2,104.31	903.09
Less: Provision for Doubtful Debts	-	-
	2,104.31	903.38

18. CASH AND BANK BALANCES

Cash on hand	3.33	3.18
Balance with banks		
- in current accounts	93.88	124.67
- in EEFC accounts	41.67	3.73
Fixed deposits		
- maturity within 12 months	359.20	73.46
- maturity beyond 12 months	-	-
	498.08	205.04

Note: The above Fixed Deposits is on Lien against Letter of Credit

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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19. SHORT-TERM LOANS AND ADVANCES

(unsecured and considered good)		
Loans and advances to related parties [refer to note (ii) below mentioned]	-	-
Loans and advances to staff	3.09	2.26
Advances recoverable in cash or kind	14.96	3.80
Advance to suppliers	130.15	101.54
Deposits	11.93	1.72
Prepaid expenses	9.19	8.45
Balances with Customs, Central Excise, etc.	51.78	21.25
	221.10	139.02

i) Loans and advances to related parties

Name of Related Parties		
Axiom Cordages Limited	0.14	0.05
	0.14	0.05

20. OTHER CURRENT ASSETS

MAT Credit Entitlement	417.69	-
	417.69	-

21. REVENUE FROM OPERATIONS

Operating Revenue		
Gross Sales	17,630.59	12,490.88
Less: Excise Duty	(808.13)	(704.33)
Net Sales	16,822.46	11,786.55
Other Operating Income	18.46	100.67
	16,840.92	11,887.22
Gain on Foreign Exchange fluctuation	-	95.93
Commission Received	4.99	0.34
Profit on Sale of Assets	0.92	-
Insurance Claim Received	0.65	4.40
Discount Received	1.03	-
Duty Drawback received	10.86	-
	18.45	100.67

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
22. OTHER INCOME		
Dividend from other companies	8.12	0.50
Interest on Fixed Deposits	32.58	2.45
Other Interest Income	1.38	12.14
Profit on Sale of Investments	19.43	-
Other miscellaneous income	17.00	5.97
	78.51	21.06

23. COST OF MATERIALS CONSUMED

Opening Stock	443.25	360.67
Add: Purchases	13,831.58	9,245.84
	14,274.83	9,606.51
Less: Closing Stock	640.18	443.25
	13,634.65	9,163.26

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Closing Stocks:		
Finished Goods	-	10.46
Goods in Transit	107.89	-
Stock in process	68.67	73.87
	176.56	84.33
Less: Opening Stocks		
Finished Goods	10.46	22.53
Goods in Transit	-	-
Stock in process	73.87	53.22
	84.33	75.75
	(92.23)	(8.58)

25. EMPLOYEE BENEFIT EXPENSES

Salaries and wages	99.42	83.54
Provision for Gratuity	3.99	2.02
Provident fund and others	2.43	2.56
Staff welfare expenses	8.25	6.98
	114.09	95.10

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
26. FINANCE COSTS		
Interest expenses	72.84	92.52
Other Borrowing Costs	47.73	18.97
	120.57	111.49

27. OTHER EXPENSES

Manufacturing Expenses		
Power & Fuel	334.70	227.05
Loading & Unloading Charges	52.72	47.47
Packing Materials consumed	67.06	55.00
Stores and Spares consumed	75.95	69.87
Repairs & Maintenance (Trucks)	0.33	0.00
Repairs & Maintenance (Machinery)	20.62	24.85
Repairs & Maintenance (Buildings)	5.41	0.34
Other Manufacturing Expenses	43.94	5.79
Sales and marketing cost		
Freight & Forwarding Charges	117.69	96.00
Brokerage, Commission & Discount	9.46	6.87
Loading Charges	44.93	46.74
Other Selling & Distribution Expenses	21.97	12.05
Administrative Expenses		
Auditor's Remuneration	2.95	2.50
Books & periodicals expenses	0.03	0.04
Communication expenses	7.88	6.72
Conveyance and traveling	29.16	19.51
Electricity charges	2.11	1.74
Insurance charges	7.87	4.50
Legal and professional expenses	25.89	39.18
Loss on Exchange Fluctuations (Net)	107.78	-
Membership and subscription charges	0.70	0.63
Printing and stationery	7.15	4.35
Provision for Doubtful Debts	0.16	10.61
Provision for Diminution in Investments	-	8.00
Rates & Taxes	2.36	1.45
Rent expenses	17.28	12.99
Repairs and maintenance		
- Others	6.54	3.42
Security charges	0.11	0.10
Vehicle expenses	0.17	0.07
Loss on Sale of Investments	17.90	-
Loss on sale/ discard of fixed asset	0.26	0.58
Miscellaneous expenses	20.29	12.65
	1,051.37	721.07

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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28. PRIOR PERIOD ITEMS

a) Prior period income	-	-
	-	-
b) Prior period expenses		
Provision for Gratuity for earlier years	-	4.16
	-	4.16
Net prior period items (a-b)	-	(4.16)

29. EARNINGS PER SHARE (EPS)

Net Profit after tax (₹)	1,111.63	982.67
Weighted average number of equity shares for Basic EPS	26,23,07,061	25,67,56,644
Weighted average number of equity shares for Diluted EPS	26,23,07,061	26,30,41,984
Face value of Equity Share (₹)	1.00	1.00
Basic Earnings Per Share (₹)	4.24	3.83
Diluted Earnings Per Share (₹)	4.24	3.74

30. PROPOSED DIVIDEND

i) Dividend on		
Equity Shares	26.78	26.25
	26.78	26.25
ii) Dividend Distribution Tax on		
Equity Shares	4.95	4.26
	4.95	4.26

31. CONTINGENT LIABILITIES

Details of Contingent Liabilities	-	-
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32. AUDITORS' REMUNERATION AS ON 31st MARCH 2012 (EXCLUDING SERVICE TAX)

Statutory Audit Fees	2.70	2.50
Tax Audit Fees	-	-
Income-tax matters	-	-
Certification fees	0.05	0.20
Other services	0.20	-
Out of pocket expenses	0.05	0.05
	3.00	2.75

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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33. DISCLOSURES ON RELATED PARTIES TRANSACTIONS

i) Nature and Relationship of Related Parties

a) Fellow Subsidiary Company

Sun Plastrochem Limited

b) Holding Company

Wellknown Business Ventures Private Limited

c) Investment in Partnership Firm

1) Maharashtra Holdings

2) Mangaon Holdings

d) Key Management Personnel

1) Mr. Atit Agarwal Whole-Time Director

2) Mrs. Swati Agarwal Director

3) Mr. Rajesh Pandey Director

4) Mr. Shobha Singh Thakur Independent Director

5) Mr. Vijay Kumar Chopra Independent Director

6) Mr. Michael Freedman Independent Director

e) Relatives of Key Management Personnel

1) Mr. Abhishek Agarwal

2) Omprakash Agarwal H.U.F.

3) Sharadkumar Agarwal H.U.F.

f) Entities where Key Management Personnel have significant influence

1) One Source Trading Company LLP

2) One Source Enterprises LLP

3) AA Superior Enterprises LLP

4) Maharashtra Holdings

5) Mangaon Holdings

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
ii) Transactions during the year with Related Parties		
Relationship		
a) Fellow Subsidiary Company	-	-
b) Holding Company		
Refund of Share Application Money	0.01	10.00
Dividend Paid	14.84	14.84
c) Investment in Partnership Firms		
Capital Advance given	55.46	-
d) Key Management Personnel		
Remuneration	5.08	4.38
Commission Paid	0.98	-
Rent expenses	-	0.03
Dividend Paid	0.21	0.08
e) Relatives of Key Management Personnel		
Loans and Advances given	70.00	12.00
Loans and Advances received back	70.00	12.00
f) Entities where Key Management Personnel have Significant Influence		
Rent Expenses	1.98	0.90
Security Deposit Paid	10.10	-

iii) Closing Outstanding Balances of Related Parties as on 31st March 2012

Name of Entities	Relationship	Nature	31st March 2012	31st March 2011
Sun Plastochem Limited	Fellow Subsidiary Company	Amount payable	5.00	5.00
Rajesh Pandey	Key Management Personnel	Rent Expense Payable	0.05	0.03
		Director remuneration payable	-	0.06
Atit Agarwal	Key Management Personnel	Director remuneration payable	0.16	0.02
One Source Trading Company LLP	Entities where key management have significant influence		0.47	0.07
One Source Enterprises LLP	Entities where key management have significant influence	Advance Rent given	1.53	-
AA Superior Enterprises LLP	Entities where key management have significant influence	Rent Expense Payable	0.60	-
		Security Deposit	10.10	-

Note 1: Related Parties as disclosed by Management and relied upon by auditors

Note 2: No amount pertaining to related parties have been provided for as doubtful debts. Also, no amount has been written off / back which was due from / to related parties

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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34. DISCLOSURE FOR LEASES

Assets taken on Operating Lease

As Lessee: Future Rental obligations in respect of premises taken on lease - Operating Lease

Not later than one year	11.43	13.11
Later than one year and not later than five years	-	1.08
Later than five years	-	-
Lease Payments recognised during the year in Profit and Loss Account	17.28	12.99

a) Assets given on Operating Lease

Class of Assets		
Commercial Premises		
Gross Block	13.29	13.29
Accumulated Depreciation	-	-
Net Block	13.29	13.29
Depreciation for the year	-	-

35. VALUE OF IMPORTS DURING THE YEAR (C. I. F. BASIS) AS ON 31st MARCH 2012

Raw Materials	2,849.87	3,611.64
Stores and Components	6.53	6.33
Capital goods	1,817.18	2,121.55

36. EXPENDITURE IN FOREIGN CURRENCY DURING THE YEAR ENDED 31st MARCH 2012 (ON PAYMENT BASIS):

Freight - Exports	42.36	43.13
Bank Charges	1.12	0.58
Export Commission	-	0.05
Legal & Professional Charges	6.87	2.95
Testing Charges	1.58	0.19
Exhibition Expenses	1.81	0.04
Interest on ECB	9.25	9.87
Interest on CCD's	0.06	29.65
Foreign Travelling	1.21	0.82

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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37. EARNINGS IN FOREIGN CURRENCY AS ON 31st MARCH 2012 (ON ACCRUAL BASIS)

Export Sales - FOB	8,991.94	4,546.24
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38. UNHEDGED FOREIGN CURRENCY EXPOSURE AS ON 31st MARCH 2012

Nature of payment	Currency	Amount in foreign Currency 31st March 2012	31st March 2012	31st March 2011
Payable - Creditors	USD	1.21	61.44	1,099.93
Payable - Creditors	POUND	0.28	18.76	-
Payable - Advance from Debtors	USD	0.04	1.87	134.15
Receivable - Debtors	USD	36.38	1,850.98	617.59
Receivable - Advance to Creditors	USD	0.04	1.82	-
Receivable - Advance to Creditors	POUND	0.00	0.21	27.50

39. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS DURING THE YEAR ENDED 31st MARCH 2012

No. of Equity Shareholders	No. of shares	Year to which dividend relates	31st March 2012	31st March 2011
3	80,00,000	2010-11	9.23	8.00

40. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD – 15 (REVISED) EMPLOYEE BENEFITS

i) Defined Contribution Plans as on 31st March 2012

Employer's Contribution to Provident Fund	1.65	2.28
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Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
ii) Defined Benefit Plans		
a) Change in Defined Benefit Obligation ('DBO')		
Opening present value obligation as on 1st April	6.18	4.73
Interest cost for the year on opening DBO	0.51	0.40
Service cost for the Year	0.87	0.40
Benefit paid	(0.80)	(0.28)
Actuarial losses (gains)	2.61	0.94
Closing defined benefit Obligation	9.37	6.19
b) Amount Recognised in Balance Sheet		
PVO at the end of year	9.38	6.18
Fair Value of Plan Assets at the end of the year	-	-
Funded Status	7.31	4.80
Unrecognised Past Service Cost	-	-
Unrecognised Transitional Liability	-	-
Amount Recognised in Balance Sheet	7.31	4.80
c) Amount Recognised in Income Statement		
Current Service Cost	0.87	0.40
Past Service Cost	-	-
Interest on Obligation	0.51	0.40
Expected return on Plan Assets	-	-
Net actuarial losses / (gains) recognised	2.61	0.94
Expenses Recognised in Profit and Loss	3.99	1.74
d) Balance Sheet Reconciliation		
Opening Net Liability	6.18	4.73
Expenses as Above	3.99	1.73
Contribution	(0.80)	(0.28)
Net Liability Recognised in Balance Sheet	9.37	6.18
e) Actuarial Assumptions: for the year		
Discount Rate	0.09	0.08
Attrition Rate	0.02	0.02
Annual Increase in Salary Cost	0.07	0.06
f) Other Disclosures		
Defined Benefit Obligation	9.38	6.18
Plan Assets	-	-
Surplus / (Deficit)	9.38	6.18
Experience Adjustments of Plan Liabilities - Loss	2.45	0.98
Experience Adjustments of Plan Liabilities - Gain	-	0.04

iii) General Description of significant defined plans

Gratuity Plan

Gratuity is payable to all eligible employees of the Company on death or on resignation, or on retirement after completion of five years of service. In assessing the Company's Post Retirement Liabilities, the company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC 1994-96 ultimate tables.

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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41. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year

- Principal amount	-	5.46
- Interest amount	-	-

The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

- -

The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.

- -

The amount of interest accrued and remaining unpaid at the end of each accounting year; and

- -

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.

- -

Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

- -

42. SEGMENT REPORTING

a) Primary (Business) Segment:

The segment of the Company has been identified in line with the Accounting Standard 17 on "Segmental Reporting", taking into account the organisation structure as well as the different risks and return of these segments.

The Company's reportable operating segments consists of the following business groups :

- PVC Flooring and Other PVC Products.
- Ropes

1. Segmental Revenue		
a. PVC Flooring and other PVC Products	10,705.98	7,178.61
b. Ropes	6,791.79	5,232.01
Total	17,497.77	12,410.62
Less: Inter-Segment Revenue	675.31	624.07
Income from Operations	16,822.46	11,786.55

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
2. Segment Results		
a. PVC Flooring and other PVC Products	606.82	670.61
b. Ropes	694.46	624.03
Total	1,301.28	1,294.64
Less: Inter-Segment Revenue	(3.72)	(3.72)
Total Profit before Tax	1,297.56	1,290.92
3. Segment Assets		
a. PVC Flooring and other PVC Products	9,734.42	4,983.44
b. Ropes	4,814.73	4,150.74
c. Unallocable	-	-
Total	14,549.15	9,134.18
4. Segment Liabilities		
a. PVC Flooring and other PVC Products	6,153.33	1,865.54
b. Ropes	2,616.75	2,574.31
c. Unallocable	-	-
Total	8,770.08	4,439.85
5. Capital Expenditure		
a. PVC Flooring and other PVC Products	3,622.50	1,175.15
b. Ropes	35.24	1,032.24
Total	3,657.74	2,207.39
6. Depreciation and Amortisation		
a. PVC Flooring and other PVC Products	542.29	283.48
b. Ropes	251.14	247.39
Total	793.43	530.87
7. Significant Non-cash Expenditure		
a. PVC Flooring and other PVC Products	-	12.20
b. Ropes	0.16	6.41
Total	0.16	18.61

Notes

to consolidated financial statements for the year ended 31st March 2012

(₹ in Millions)

Particulars	31st March 2012	31st March 2011
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b) Secondary (Geographical) Segment:

Secondary segment reporting is performed on the basis of geographical location of the customers. The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical segments. The following is the distribution of the Company's sales by geographical markets :

Sales	7,112.76	4,001.28
India	9,709.61	7,785.19
Export	16,822.37	11,786.47

The following is the carrying amount of segment assets by geographical area in which the assets are located

Assets		
India	12,698.17	8,516.59
Outside India	1,850.98	617.59
	14,549.15	9,134.18

The following is the amount of Capital Expenditure incurred segment-wise

Capital Expenditure		
India	3,657.74	2,207.39
Outside India	-	-
	3,657.74	2,207.39

43. As notified by Ministry of Corporate Affairs, Revised Schedule VI under the Companies Act, 1956 is applicable to the Financial Statements for the financial year commencing on or after 1st April, 2011. Accordingly, the financial statements for the year ended 31st March 2012 are prepared in accordance with the Revised Schedule VI. The amounts and disclosures included in the financial statements of the previous year have been reclassified to conform to the requirements of Revised Schedule VI.

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sumant Sakhardande
Partner
Mem.No. 034828

Place: Mumbai
Date: 24th May, 2012

For and on behalf of the Board

Atit Agarwal
Director

Nitin Katore
Company Secretary

Place: Mumbai
Date: 24th May, 2012

Rajesh Pandey
Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATED TO SUBSIDIARY COMPANY.

(₹ in Millions)				
Name of the subsidiary company	Financial year of the subsidiary company	Number of Shares held by Responsive Industries Limited	Profit/(loss) so far as it concerns the members of Responsive Industries Limited and not dealt with in the accounts of Responsive Industries Limited for the year ended 31/03/2012	Profit/(loss) so far as it concerns the members of Responsive Industries Limited and dealt with in the accounts of Responsive Industries Limited for the year ended 31/03/2012
1	2	3	4	5
Axiom Cordages Limited	01/04/2011 to 31/03/2012	1,64,00,000	625.89	Nil

For and on behalf of the Board

Atit Agarwal
Director

Rajesh Pandey
Director

Place: Mumbai
Date: 24th May, 2012

Nitin Katore
Company Secretary

SUMMARY OF FINANCIAL INFORMATION OF SUBSIDIARY

(₹ in Millions)	
Particulars	Axiom Cordages Limited
Capital	190.47
Reserve	1,821.10
Total Assets	4,886.16
Total Liabilities	4,886.16
Investment other than investment in subsidiary	66.78
Turnover	6,338.89
Profit before taxation	694.48
Provision for taxation	68.59
Profit after taxation	625.89
Proposed dividend	3.81

Notes

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Corporate Information

Axiom Cordages Limited

Board of Directors

Mr. Atit Agarwal – Chairman & Whole-time Director

Mrs. Swati Agarwal – Whole-time Director

Mr. S. Santhanakrishnan – Independent Director

Mr. S. Krishnamurthy – Independent Director

Mr. Rajesh Pandey – Director

Mr. Bharat Mahalik – Director

Mr. Sanjiv Singhal – Nominee Director

Auditors

Haribhakti & Co.

Chartered Accountants

42, Free Press House, 4th Floor, 215,

Nariman Point, Mumbai - 400 021.

Solicitors

Rajani Associates

Bankers

State Bank of India

ING Vysya Bank Limited

Registered Office & Factory

Gat No. 114B & 120C

Betegaon Village,

Boisar (E), Taluka - Palghar, Dist. - Thane - 401 501.

Corporate Office

Eucharistic Congress Building No. 1,

5, Convent Street, Colaba,

Mumbai- 400 001

Tel No. : +91-22-6656 2821

Fax No. : +91-22-6656 2798 / 99

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Statutory
Reports / RIL

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Statements / RIL

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Statutory & Financial
Statements / Axiom

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Consolidated Financials



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e-mail: enquiry@responsiveindustries.com
www.responsiveindustries.com



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www.axiomcordages.com

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