

Annual Report 2012-13



REGISTERED OFFICE

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

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31st Annual General Meeting on 10th August, 2013 at 10.30 a.m. at the Registered Office of the Company at Village Betegaon, Boisar (East), Mahagaon Road, Taluka Palghar, Dist. Thane – 401 501

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atit Agarwal

Mrs. Swati Agarwal

Mr. Rajesh Pandey

Mr. S. S. Thakur

Mr. V. K. Chopra

Mr. Michael Freedman

Chairman & Whole Time Director

Non - Executive Director

Director

Independent Non - Executive Director

Independent Non - Executive Director

Independent Non - Executive Director

COMPANY SECRETARY

Mr. Nitin Katore

STATUTORY AUDITORS

Haribhakti & Co.

Chartered Accountants,

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

Mumbai – 400021

PRINCIPAL BANKERS

Union Bank of India, Mumbai.

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-400001

Tel No.: 022 66562821

Fax No.: 022 66562798/99

Email: investor@responsiveindustries.com

REGISTRARS & SHARE TRANSFER AGENTS

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@linktime.co.in

Web : www.linkintime.co.in

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting this Thirty First Annual Report on the business and operations of your Company with the Audited Statement of Accounts for the year ended 31st March 2013.

1. FINANCIAL PERFORMANCE

Financial Results	(Rs. in Millions)	
	2012-13	2011-12
Sales and Other Income	15215.36	10760.17
Profit before Interest, Depreciation & Tax	1717.96	1210.61
Less: Interest (Net)	278.63	61.49
Profit before Depreciation & Tax	1439.33	1149.12
Less: Depreciation	921.21	542.29
Profit before Tax	518.12	606.83
Less: Provision for Taxation	44.70	117.35
Net Profit after Tax	473.42	489.48
Balance Brought Forward from previous year	2134.33	1675.87
Profit available for appropriations	2607.75	2165.35
Appropriations		
Transfer to General Reserve	-	-
Proposed Dividend – Equity Shares	26.69	26.69
Corporate Dividend Tax	4.54	4.33
Balance carried to Balance Sheet	2576.52	2134.33

2. OPERATIONS

Your Company earned revenue of Rs. 15215.36 Millions for the year ended 31st March, 2013, an increase of about 41.40 % as compared to Rs. 10760.17 Millions in the previous financial year.

The year under review was one of the most challenging in recent times, due to rise in raw material costs and economic uncertainty across the world. There were also tremendous inflationary pressures in the manufacturing, environment, including significant increases in power, manpower and interest costs. These were passed on to customers over the period, but impacted margins of the Company through some part of the year. However, we continue to be one of the largest manufacturers of PVC products in the world and our marketing aimed at novel products and novel markets has enabled us to grow in domestic and global market.

Despite the constraints and the challenging environment, the company earned Net Profit after Tax of Rs. 473.42 Millions compared to Rs. 489.48 Millions in the previous year.

3. 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 Re. 1/- each for the year ended 31st March 2013 and seek your approval for the same.

4. APPLICATION TO MCX STOCK EXCHANGE LIMITED (MCX-SX).

The Company has applied for the listing on MCX Stock Exchange Limited (MCX-SX) for the secondary equity listing as per resolution dated 18th January, 2013.

5. 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 6th May, 2013, approved the Audited Consolidated Financial Statements for the financial year 2012-13 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 2012-13, 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 2012-13. A statement of summarized financials of the subsidiary of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to the General Circular issued by Ministry of Corporate Office, forms part of this report.

6. DIRECTORS

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

7. 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 March 31, 2013 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.

8. 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.

9. PLEDGE OF SHARES

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

10. 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.

11. PUBLIC DEPOSITS

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

12. 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.

13. 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.

14. 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.

15. 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.

16. 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.

17. ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge the support given by the Customers, Dealers, Distributors, Suppliers, Bankers, various departments of the Central and State Governments Local Authorities and also the Shareholders of the Company.

Your Directors would further like to record their appreciation for the unstinted effort put by all Employees of the Company during the year.

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

Place : Mumbai
Date : 6th May, 2013

Atit Agarwal
(Chairman)

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 2012-13	Financial Year 2011-12
1 Electricity		
(a) Purchased Units	25446861	22533978
Total amount (Rs. in Millions)	1990.16	148.67
Rate / Unit (Rs.)	7.82	6.60
(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)	3785400	3682170
Total Amount (Rs. In Millions)	171.93	138.16
Average Rate (Rs.)	45.42	37.52
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:		
Total Exchange Earned (Rs. in Millions)	7284.57	5791.90
Total Outgo (Rs. in Millions)	4802.00	4461.00

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 : 6th May, 2013

Atit Agarwal
 (Chairman)

CORPORATE GOVERNANCE REPORT

(In accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) (Clause 49), the report containing the details of corporate governance systems and processes at Responsive Industries Limited is as under)

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 fulfill 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. S. S. Thakur	Independent	5	1	4
Mr. V. K. Chopra	Independent	12	4	5
Mr. Michael Freedman	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.

Board Meetings

During the year, 5(Five) Board Meetings were held on 24th May 2012, 30th June 2012, 6th August 2012, 31st October 2012, 18th January 2013 and the particulars of attendance of the Directors are as under :

Name of Director	No. of Board meetings attended	Attendance at AGM held on 04/08/2012
Mr. Atit Agarwal	5	Yes
Ms. Swati Agarwal	5	Yes
Mr. Rajesh Pandey	5	Yes
Mr. S. S. Thakur	4	No
Mr. V. K. Chopra	4	-
Mr. Michael Freedman	5	-

III. Audit Committee

Terms of reference:

The 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 2 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 24th May 2012, 6th August 2012, 31st October 2012 and 18th January 2013.

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

Name of the Member	Designation	No. of meetings attended
Mr. S. S. Thakur	Chairman	4
Mr. Rajesh Pandey	Member	4
Mr. Michael Freedman	Member	4

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 Mr. S. S. Thakur, Mr. V. K. Chopra and Mr. Michael Freedman

Remuneration Policy:

Executive Directors:

While deciding on the remuneration of the Executive Directors, the Board and the Remuneration Committee ("Committee") considers the performance of the Company, the current trends in the industry, their experience, past performance and other relevant factors. The Board / Committee regularly keep track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review remuneration policies.

The Company pays remuneration by way of salary, remuneration and/or commission (variable components) to its Executive Directors. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members and are effective from 1st April every year.

Independent and Non-Executive Directors:

Non-Executive Directors are paid sitting fees of 5,000 for every Meeting of the Board or the Committee attended (except for Shareholders' /Investors' Grievance Committee). The remuneration by way of Annual Commission to the Non-Executive Directors is decided by the Board of Directors and paid to them based on their participation and contribution at the Board / Committee meetings and the time spent on matters other than at meetings, in terms of the approval of the members by postal ballot on 24th October, 2011.

Details of Remuneration paid to the Directors during the financial year ended 31st March, 2013.

Sr. No.	Name of Directors	Sitting Fee (Amt in Rs.)	Annual Remuneration / Commission (Amt in Rs.)
1	Mr. Atit Agarwal (Executive Director)	-	24,00,000 /-
2	Mr. S. S. Thakur (Non-Executive-Independent Director)	41,236/-	4,20,000 /-
3	Mr. V. K. Chopra (Non-Executive-Independent Director)	20,000 /-	4,20,000 /-

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 2013.

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

Name of the Member	Designation	No. of meetings attended
Mr. Rajesh Pandey	Chairman	4
Mr. S.S. Thakur	Member	4
Mr. Michael Freedman	Member	4

The Company Secretary of the Company has been designated as Compliance Officer (E-mail ID:- investor@responsiveindustries.com) for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges.

Details of Investor Complaints

Number of Complaints from 01.04.2012 to 31.03.2013			
Pending as on 01.04.2012	Received	Redressed	Pending as on 31.03.2013
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
2011-12	04.08.2012	10.30 a.m.	Annual General Meeting	--
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

There was no Special Resolution passed by the Company through Postal Ballot during the last year. No Special Resolution is proposed to be passed through Postal Ballot at the ensuing annual General Meeting.

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

The Extra-ordinary General Meetings of the Company during the last three Financial 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 Senior Management Personnel of the Company has been laid by the Board and necessary declaration has been obtained from them.

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 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/ strictures 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.
- (iii) The Company has not constituted Whistle Blower Policy. However no employee of the Company had been denied access to the Audit Committee. Company has complied with all the mandatory requirements of Clause 49 of Listing Agreement.

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 : 10th August, 2013

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, 2013 to 31st March 2014.

Results for the Quarter ending:

June 30, 2013 On or before 14th August, 2013.

September 30, 2013 On or before 14th November, 2013.

December 31, 2013 On or before 14th February, 2014.

March 31, 2014 On or before 15th May, 2014 or 30th May, 2014.

3. Date of book Closure: 5th August, 2013 to 10th August, 2013. (Both days inclusive)

4. Listing of Equity Shares on the Stock Exchange

1. Bombay Stock Exchange Ltd.
P.J.Towers
Dalal Street , Fort
Mumbai 400 001

2. National Stock Exchange of India Ltd.
Exchange Plaza
Bandra- Kurla Complex
Bandra (East)
Mumbai 400 051

Listing Fees as applicable have been paid.

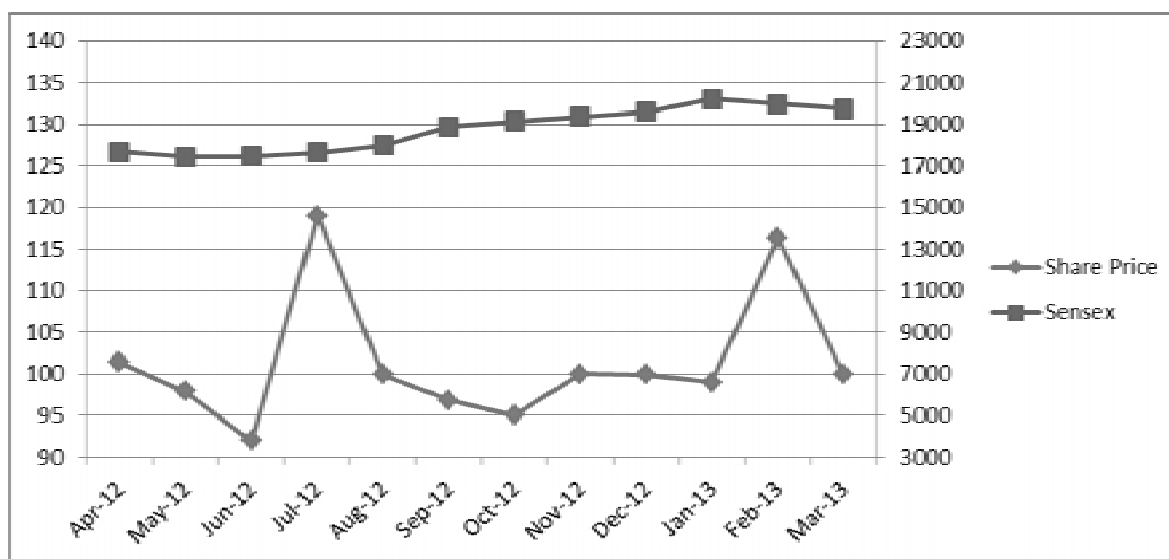
5. Stock code/Symbol

(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

6. Stock Market Data:

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (Rs.)	Low (Rs.)	High(Rs.)	Low(Rs.)
April-2012	101.35	81.00	103.00	86.00
May-2012	97.90	78.30	98.90	82.05
June-2012	91.95	83.95	91.40	82.25
July-2012	119.00	77.60	119.95	79.65
Aug -2012	99.90	86.00	107.05	88.25
Sep-2012	96.80	77.00	96.95	84.05
Oct-2012	95.00	85.00	96.00	77.80
Nov -2012	100.00	83.50	102.00	83.10
Dec-2012	99.90	84.60	101.00	85.50
Jan-2013	99.00	90.00	98.00	86.00
Feb -2013	116.40	88.00	102.50	89.55
Mar -2013	99.90	85.10	99.80	77.70

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@linktime.co.in
Web : www.linkintime.co.in

Plant Location:

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

9. Share Transfer System:

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

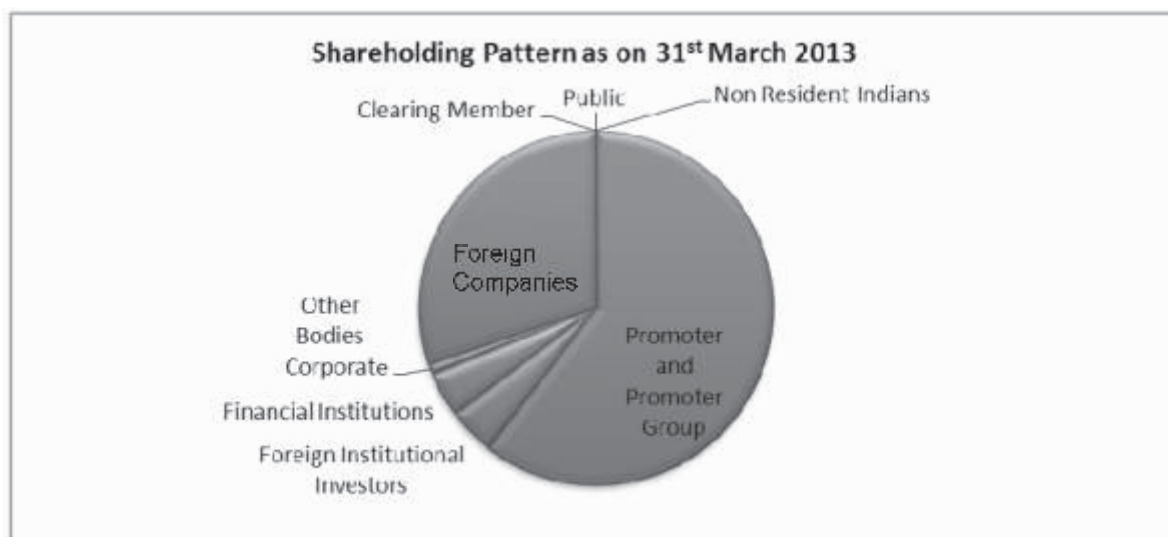
As required by clause 47 (c) of the Listing Agreements entered into by the Company with the Stock Exchanges, a certificate is obtained every six months from a Practicing Company Secretary with regard to, inter alia, effecting transfer, transmission, sub-division, consolidation, renewal and exchange of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

10. Distribution of Shareholding as on 31st March 2013.

Range	No. of Shareholders	% of total shareholders	No. of Shares held	% of shareholding
1 to 500	296	78.93	26665	0.01
501 to 1000	31	8.26	27294	0.01
1001 to 2000	14	3.73	22109	0.01
2001 to 3000	4	1.06	10751	0.01
3001 to 4000	2	0.53	7250	0.00
4001 to 5000	1	0.26	5000	0.00
5001 to 10000	5	1.33	32623	0.01
10001 and above	22	5.86	266781008	99.95
Total	375	100.00	266912700	100.00

11. Shareholding Pattern as on 31st March 2013.

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	10974140	4.11
4	Other Bodies Corporate	2632368	0.99
5	Foreign Companies	80418565	30.13
6	Clearing Member	4809	0.00
7	Public	140800	0.05
8	Non Resident Indians	4028	0.00
	Grand Total	266912700	100.00



12. Dematerialization of shares and liquidity

As of 31st March 2013, 266912700 equity shares representing 100% of the paid up equity capital of the company have been dematerialized with the following depositories”

Description	ISIN No.	Depositories
Fully Paid	INE 688D01026	National Securities Depository Ltd(NSDL) Trade World , A Wing , 4 th Floor , Kamala Mills Compound , Lower Parel, Mumbai 400013
		Central Depository Services (India) Ltd.(CDSL) Phiroze Jeejeebhoy Towers , 17 th 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
T:- +91 226656 2727 / 2704
F:- +91 22 6656 2798 / 2799
E:- investor@responsiveindustries.com

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 dematerialized 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 Secretary has verified the compliance of the Corporate Governance norms by the Company. Certificate issued by him in this regard 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, March 31, 2013.

Place : Mumbai

Date: 6th May, 2013

Atit Agarwal

Chairman & Whole-time Director

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 March, 31, 2013 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: 6th May, 2013

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 March 31, 2013 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 2012-13 which are fraudulent, illegal or violate 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: 6th May, 2013

Atit Agarwal
Chairman & Whole-time Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENTS.

Your Company, Responsive Industries Limited (RIL) is one of the leading providers of Vinyl Flooring internationally and the largest Indian producer of PVC Flooring, artificial Leather Cloth, Rigid Film and Soft Sheeting. 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 which are widely used both for household and commercial purposes. Economic growth rate slowed to around 5.0% for the 2012–13 fiscal year compared with 6.2% in the previous fiscal. It is to be noted that India's GDP grew by an astounding 9.3% in 2010–11. Thus, the growth rate has nearly halved in just three years.

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 slowdown, 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 unorganized 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 2012-13 is 65,359 Sq.Mtrs./L.Mtrs./Kgs.,(Qty. in '000) as against the production of 52,005.00 Sq.Mtrs./L.Mtrs./Kgs.,(Qty. in '000) for the previous year 2011-12. The sales made during the year 2012-13 are Rs.7,677 Millions as against the sales of Rs. 4,999.00 Million for the year 2011-12.

2. PVC Flooring

The production during the year 2012-13 is 20,152 Sq.Mtrs./L.Mtrs./Kgs.,(Qty. in '000) as against the production of 14,338.00 Sq.Mtrs./L.Mtrs./Kgs.,(Qty. in '000) for the previous year 2011-12. The sales made during the year 2012-13 are Rs. 6,443 Millions as against the sales of Rs. 4,601.00 Million for the year 2011-12.

3. PVC Sheeting

The production during the year 2012-13 is 6,938 Sq.Mtrs./L.Mtrs./Kgs.,(Qty. in '000) as against the production of 7,616.00 Sq.Mtrs./L.Mtrs./Kgs.,(Qty. in '000) for the previous year 2011-12. The sales made during the year 2012-13 are Rs.440 Millions as against the sales of Rs. 508.00 Million for the year 2011-12.

4. PVC Rigid

The production during the year 2012-13 is 4,851 Kgs.(Qty. in '000) as against the production of 5,356.00 Kgs.(Qty. in '000) for the previous year 2011-12. The sales made during the year 2012-13 are Rs. 489 Millions as against the sales of Rs. 489.00 Million for the year 2011-12.

D. OUTLOOK

With company's increased capacity utilization, 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 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 Rs. 15167.32 millions for the year ended 31st March, 2013 as compared to Rs. 10705.98 millions in the previous year. Further, your Company recorded net profit after tax of Rs. 473.42 millions as compared to Rs. 489.48 millions for the previous year.

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

Sales	Year Ended 31.03.2013 (Rs. in Millions)	Year ended 31.03.2012 (Rs. in Millions)
Local	7847.31	4891.70
Export	7320.01	5814.28
Total	15167.32	10705.98

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.

I. TRANSPRENCY IN SHARING INFORMATION:

Transparency refers to sharing information and acting in 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 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.

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.

INDEPENDENT AUDITORS' REPORT

To the Members of Responsive Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Responsive Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. 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;
 - b. 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;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.103523W

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai: May 6, 2013

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Responsive Industries Limited ("the Company") on the financial statements for the year ended March 31, 2013]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the Fixed assets have not been physically verified by the management during the year, but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (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.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii)(b),(c) and (d) of the order are not applicable.
- (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii)(f) and (g) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists 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 with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, 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.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (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.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

- (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.
- (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.
- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) In our opinion and according to 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 the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans & 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 (xiii) of paragraph 4 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 (xiv) of paragraph 4 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 loans.
- (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) According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.103523W

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai: May 6, 2013

RESPONSIVE INDUSTRIES LIMITED
Balance Sheet as at March 31, 2013

(Rs. in millions)

Particulars	Note		As at 31-Mar-13	As at 31-Mar-12
EQUITY AND LIABILITIES				
Shareholders' funds				
Share Capital	2	266.91	266.91	
Reserves and surplus	3	4,058.16	4,325.07	3,841.32
Non-current liabilities				
Long term borrowings	4	3,504.69		3,550.82
Deferred tax liabilities (Net)	5	464.19		456.77
Other Long term liabilities	6	5.00		5.00
Long-term provisions	7	12.62	3,986.50	8.09
Current liabilities				
Short term borrowings	8	1,918.23		1,583.59
Trade payables	9	276.00		237.87
Other current liabilities	10	409.16		273.45
Short-term provisions	11	38.56	2,641.95	42.73
Total Rs.			10,953.52	9,999.64
ASSETS				
Non-current assets				
Fixed assets				
- Tangible assets	12	7,409.01		7,193.07
- Intangible assets	12	1.59		-
			7,410.60	7,193.07
Non-current investments	13	261.45		268.03
Long-term loans and advances	14	151.34	412.79	137.75
Current assets				
Current investments	15	468.80		461.14
Inventories	16	587.57		588.00
Trade receivables	17	1,329.35		683.23
Cash and bank balances	18	227.03		212.68
Short-term loans and advances	19	95.18		99.26
Other current Assets	20	422.20	3,130.13	356.48
Total Rs.			10,953.52	9,999.64

Significant Accounting Policies forming part of the accounts 1

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

For and on behalf of the Board

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828
Place : Mumbai
Date : 6th May, 2013

Nitin Katore
Company Secretary
Place : Mumbai
Date : 6th May, 2013

RESPONSIVE INDUSTRIES LIMITED
Profit and Loss Statement for the year ended March 31, 2013

(Rs. in millions)

Particulars	Note	Year ended 31-Mar-13	Year ended 31-Mar-12
Revenues			
Revenue from operations	21	15,188.54	10,706.63
Other income	22	26.82	53.54
Total Revenue (I)		15,215.36	10,760.17
Expenses:			
Cost of Materials Consumed	23	12,609.04	8,673.03
Changes in Inventories of Finished Goods & Work-in-Process	24	(4.07)	(2.82)
Employee benefit expenses	25	89.57	90.52
Finance Costs	26	278.63	61.49
Depreciation and amortisation expenses		921.21	542.29
Other expenses	27	802.86	788.84
Total expenses (II)		14,697.24	10,153.35
Profit before tax and prior period items (I-II)		518.12	606.83
Prior period items		-	-
Profit before tax		518.12	606.83
Profit before tax (I) - (II)		518.12	606.83
Current tax		103.00	119.00
MAT Credit Entitlement		(75.60)	(354.45)
MAT Credit reversal of earlier years		9.00	-
Deferred tax		7.42	353.59
Tax of earlier years		0.88	(0.79)
Profit for the year		473.42	489.48
Earnings per equity share [Face Value of Re. 1 each (PY Re. 1 each) (Refer to note no -28)]			
Basic		1.77	1.87
Diluted		1.77	1.87

Significant Accounting Policies forming part of the accounts 1

As per our attached report of even date
For HARIBHAKTI & CO.
 Chartered Accountants

For and on behalf of the Board

Atit Agarwal
 Director

Rajesh Pandey
 Director

Sumant Sakhardande
 Partner
 Mem.No. 034828
Place : Mumbai
Date : 6th May, 2013

Nitin Katore
 Company Secretary
Place : Mumbai
Date : 6th May, 2013

RESPONSIVE INDUSTRIES LIMITED
Cash Flow Statement for the year ended March 31, 2013

		(Rs. in millions)	
Particulars		Year ended 31-Mar-13	Year ended 31-Mar-12
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit Before Tax		518.12	606.83
Add / (Less) : Adjustments for			
Depreciation and Amortisation		921.21	542.29
Interest Income		(13.14)	(12.03)
Interest Expenses		278.63	61.49
Dividend Income		(11.66)	(11.39)
Loss / (profit) on sale of investments		-	(19.43)
Loss / (profit) from foreign exchange fluctuation (net)		(11.86)	7.56
Loss / (profit) on sale/discarding of fixed assets		1.49	0.26
Provision for gratuity		4.60	3.65
Provision for Doubtful Debts		1.12	-
Provision for Diminution in Investments		0.93	-
Provision for bad and doubtful debts reversed		-	(2.45)
Operating Profit Before Working Capital changes		1,689.44	1,176.78
Add / (Less) : Adjustments for change in working capital			
Increase / (Decrease) in trade payables		39.22	125.95
Increase / (Decrease) in other current liabilities and short term provision		24.84	(187.02)
(Increase) / Decrease in long term loans and advances		0.32	68.45
(Increase) / Decrease in Inventory		0.43	(192.68)
(Increase) / Decrease in trade receivables		(643.51)	(537.22)
(Increase) / Decrease in short term loans and advances		4.08	(53.18)
Cash generated from Operations		1,114.82	401.08
Add / (Less) : Direct taxes paid		(108.34)	(122.67)
Net Cash Inflow / (Outflow) from Operating activities	(A)	1,006.48	278.41
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Acquisition of Fixed Assets / Capital WIP		(908.13)	(3,401.13)
Proceeds from sale of fixed assets		2.88	3.02
Interest Received		14.01	10.01
Dividend Received		11.66	11.39
Sale of Investments		258.08	150.28
Acquisition of Investments		(317.79)	(461.25)
Net Cash Inflow / (Outflow) from Investing activities	(B)	(939.29)	(3,687.69)
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Capital subsidy received		41.56	-
Net Increase / (Decrease) in non current long term borrowings		(125.35)	3,334.99
Net Increase / (Decrease) in current short term borrowings		340.80	296.46
Interest Paid		(279.70)	(56.32)
Dividend paid (Including Tax on Dividend)		(31.02)	(30.41)
Net Cash Inflow / (Outflow) from Financing activities	(C)	(53.71)	3,544.72

		(Rs. in millions)	
Particulars		Year ended 31-Mar-13	Year ended 31-Mar-12
Net Increase / (Decrease) in Cash and Cash Equivalents	(A+B+C)	13.48	135.44
Add: Cash and Cash Equivalents at the beginning of year		212.64	77.20
Cash and Cash Equivalents at the end of year		226.12	212.64

Components of Cash and Cash Equivalents at the end of year		(Rs. in millions)	
Particulars		As at 31-Mar-13	As at 31-Mar-12
Cash on hand		3.23	1.80
Balance with banks		132.40	76.68
Fixed deposits lien marked (as margin money)		91.40	134.20
Add: Unrealised Gain / (Loss) in Bank Accounts		(0.91)	(0.04)
Cash and Cash Equivalents (closing)		226.12	212.64

As per our attached report of even date
For HARIBHAKTI & CO.
 Chartered Accountants

Sumant Sakhardande
 Partner
 Mem.No. 034828
Place : Mumbai
Date : 6th May, 2013

For and on behalf of the Board

Atit Agarwal **Rajesh Pandey**
 Director Director

Nitin Katore
 Company Secretary
Place : Mumbai
Date : 6th May, 2013

Note 1:

Significant Accounting Policies forming part of Financial Statements Accounts for the year ended 31st March 2013.

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 is 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 and discount. 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).
- (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 comprises all costs incurred to bring the assets to their location and working condition upto the date assets are put to use. Cost of construction comprises 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. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

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 Rs. 5000 or less, for which depreciation is provided at hundred percent. Intangible assets are amortized over their respective individual estimated useful lives on a straight – line basis, commencing from the date the asset is available to the company for its use.

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 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) Government Grant

Grants and subsidies from the Government are recognized if the following conditions are satisfied,

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants or subsidies given with reference to the total investment in an undertaking is treated as capital receipt and credited to capital reserve. The said capital is not available for distribution of dividend nor is considered as deferred income.

m) 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.

n) 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.

o) 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.

p) 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.

q) 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 paid in accordance with the tax laws, which give rise to the future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet.

r) 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.

RESPONSIVE INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2013

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
2. Share Capital		
Authorised Share Capital		
42,00,00,000 (P.Y. 42,00,00,000 of Re.1/- each) Equity shares of Re.1/- each	420.00	420.00
	420.00	420.00
Issued, Subscribed and Fully Paid up		
26,69,12,700 (PY 26,69,12,700 of Re.1/- each) Equity shares of Re.1/- each fully paid up	266.91	266.91
	266.91	266.91
a. Reconciliation of shares outstanding at the beginning and at the end of the year		
Opening balance	266,912,700	261,645,000
Add: Issue of shares to Holding Company against Share Application Money received	-	5,267,700
Closing balance of shares	266,912,700	266,912,700
b. Shares held by holding company and associate company		
Holding Company - [Wellknown Business Ventures Private Limited]	148,425,340	148,425,340
Subsidiary Company - [Axiom Cordages Limited]	4,418,330	4,418,330
c. Details of shareholders holding more than 5% shares in the company		
1) Wellknown Business Ventures Private Limited		
- Number of shares held	148,425,340	148,425,340
- % of total equity share capital	55.61%	55.61%
2) Fossebridge Limited		
- Number of shares held	32,901,800	32,901,800
- % of total equity share capital	12.33%	12.33%
3) Xatis International Limited		
- Number of shares held	32,705,720	32,705,720
- % of total equity share capital	12.25%	12.25%
4) Brenzett Limited		
- Number of shares held	14,811,045	24,215,382
- % of total equity share capital	5.55%	9.07%
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	-	-
2009-10	-	-
2008-09	-	-
2007-08	157,440,000	-

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
e. Rights / Preferences and restrictions attached to equity shares.		

Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting, right to receive annual report and other quarterly / half yearly / annual publications and right to get new shares proportionately in case of issuance of additional shares by the company.

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: Capital Subsidy received during the year (Refer Note below)	41.56	-
	42.94	1.38

Securities premium account

Opening balance	1,438.60	859.15
Add: during the year	-	579.45
	1,438.60	1,438.60

General reserves

Opening balance	0.10	0.10
Add: during the year	-	-
	0.10	0.10

Surplus/(debit) balance of profit and loss

Opening balance	2,134.33	1,675.87
Add: profit during the year as per Statement of Profit and Loss	473.42	489.48

Less: Appropriation

- Transfer to General reserve

- Proposed dividend

- on Equity Shares

26.69 26.69

- Tax on proposed dividend

- on Equity Shares

4.54 4.33

2,576.52 2,134.33

4,058.16 3,574.41

Total

The Company's manufacturing facility at Boisar has been granted 'Mega Project' status by Government of Maharashtra and therefore is eligible for Industrial Promotion Subsidy (IPS) under Packaged Scheme of Incentive (PSI) 2007. The company has been granted Eligibility Certificate issued by the Directorate of Industries, Government of Maharashtra in this regard.

IPS consists of the following:

1. Electricity Duty exemption for the period of 7 years from the date of commencement of commercial production (from 01/05/2010 to 30/04/2017).
2. 50% exemption from payment of Stamp duty under relevant Government Resolution of Revenue and Forest Department.
3. To the extent of taxes paid to the State Government within a period of 7 years whichever is lower.

IPS will however be restricted to 50% of the eligible fixed capital investments made from 1st April 2007 to 31st March 2012.

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
The Eligibility Certificate issued allows maximum subsidy of Rs. 2,502.68 millions.		
The Packaged Scheme of Incentive (PSI) 2007 is for intensifying and accelerating the process of dispersal of industries to the less developed regions and promoting high tech industries in the developed areas of the State coupled with the object of generating mass employment opportunities.		
Further, in terms of the Accounting Standard (AS 12) 'Accounting for Government Grants' prescribed by Companies (Accounting Standards) Amendment Rules, 2006, eligible incentive is considered to be in the nature of promoters' contribution.		
Therefore incentive of Rs. 41.56 million received during the year (P.Y. Rs. Nil) has been credited to the Capital Reserve.		
4. Long terms borrowings		
<u>Secured</u>		
- From Banks		
Vehicle Loans (Refer Note 1)	3.87	3.71
- From Others	-	-
Foreign Currency Loan (Refer Note 2)	3,500.82	3,547.11
	3,504.69	3,550.82
Note 1: The loans are repayable in equal installments aggregating to Rs.3.87 millions (PY Rs.3.71 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.		
The External Commercial Borrowings are repayable in 24 quarterly installments commencing from December 2012. Interest rate on ECB are 6 months USD LIBOR + 456 basis points.		
5. Deferred tax liabilities (Net)		
Deferred tax liability		
- On depreciation	473.29	463.72
Deferred tax assets		
- Provision for Doubtful Debts	(3.95)	(3.59)
- Provision for Diminution in Investments	(0.95)	(0.65)
- Provision for gratuity	(4.20)	(2.71)
	464.19	456.77
6. Other long term liabilities		
Rent Deposit Payable	5.00	5.00
	5.00	5.00
7. Long Term Provisions		
Provision for gratuity (Refer Note No. 40)	12.62	8.09
	12.62	8.09
8. Short terms borrowings		
<u>Loans repayable on demand</u>		
<u>From Banks</u>		
Packing Credit Foreign Currency Loans (Refer Note 1)	1,100.17	751.84
EBRD (Post Shipment) Loan (Refer Note 2)	109.48	417.07
Buyer's Credit (Refer Note 3)	708.58	414.68
	1,918.23	1,583.59

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12

Note 1: PCFC Loan of Rs.793.79 millions (PY Rs.380.83 millions) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future.

PCFC loan of Rs. 306.38 millions (PY Rs.371.01 millions) are secured by hypothecation of mutual funds.

Note 2: EBRD (Post Shipment) of Rs.109.48 millions (PY Rs. 417.07 millions) are secured by hypothecation of Investments in Mutual Funds.

Note 3: Buyer's Credit of Rs.708.58 millions (PY Rs. 414.68 millions) are secured by goods purchased under Letter of credit.

9. Trade payables

Amount due to Micro and Small Enterprises	28.96	-
Others	247.04	237.87
	276.00	237.87

10. Other current liabilities

Current Maturities of Long Term Debt	324.74	155.09
Interest accrued but not due on borrowings	4.18	4.52
Interest accrued and due on borrowings	-	0.73
Advance received from Customers	17.39	12.48
Creditors for expenses	52.37	32.05
Other liabilities (includes unpaid dividend of Rs.0.00 millions, dues to employees and statutory liabilities)	10.48	68.59
	409.16	273.45

11. Short Term Provisions

Provision for gratuity	0.33	0.25
Provision for taxation (net of advance tax)	7.00	11.46
Proposed dividend	26.69	26.69
Tax on proposed dividend	4.54	4.33
	38.56	42.73

13. Non-current investments

Investments in equity instruments

In subsidiary companies (Trade, unquoted)

Axiom Cordages Limited	6.00	6.00
[1,64,00,000 (P.Y. 1,64,00,000) Equity Shares of Rs.10/- each fully paid up]		
0% Compulsory Convertible Debentures of Axiom Cordages Limited	200.00	257.70
[2,000 (P.Y. 2,577) Debentures of Rs. 1,00,000/- each fully paid up]		
0.01% Compulsory Convertible Debentures of Axiom Cordages Limited	51.75	-
[300 (P.Y. NIL) Debentures of Rs. 1,00,000/- each fully paid up]		

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
In other companies (Non-Trade, quoted)		
Syschem India Limited	0.19	0.19
[95,266 shares (P.Y.95,266 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	(2.57)	(2.00)
	3.46	4.03
JKL Realty Private Limited	-	0.03
[NIL (P.Y. 3,000) Equity Shares of Rs. 10/- each fully paid up]		
Nima Realty Private Limited	-	0.03
[NIL (P.Y. 3,000) Equity Shares of Rs. 10/- each fully paid up]		
Other instruments		
In Partnership Firms		
Investment In Maharashtra Holdings	0.02	0.02
Investment In Mangaon Holdings	0.03	0.03
	261.45	268.03
Aggregate amount of		
a) Quoted non-current investments as per books	0.19	0.19
b) Market value of Quoted non-current investments	0.16	0.14
c) Unquoted non-current investments as per books	263.83	269.83
d) Provision for diminution in value of non-current investments	(2.57)	(2.00)

Note1: Disclosure regarding Investment in Partnership Firms

a) Capital Contribution in Maharashtra Holdings (Total Capital - Rs. 0.05 millions)

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 - Rs. 0.05 millions)

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%

RESPONSIVE INDUSTRIES LIMITED

12. Fixed assets

Statement of fixed assets as at March 31, 2013

Particulars	Gross Block					Accumulated Depreciation			Net Block	
	As At 01-04-2012	Additions	Deductions	Increase / (Decrease) in foreign exchange fluctuations (net)	As At 31-03-2013	As At 01-04-2012	For the Year	Deduction	As At 31-03-2013	As At 31-03-2012
(Rs. in millions)										
(i) Tangible Assets										
Land	78.10	-	-	-	78.10	-	-	-	-	78.10
Factory Building	152.57	0.06	-	-	152.63	27.67	5.16	-	32.83	124.90
Plant & Machinery	8,497.70	880.52	-	248.87	9,627.09	1,576.52	904.39	-	2,480.91	6,921.18
Electrical Installation	28.40	0.38	-	-	28.78	10.47	2.95	-	13.42	17.93
Furniture and Fixtures	1.21	0.46	0.00	-	1.67	0.33	0.08	-	0.41	0.88
Office equipments	8.44	0.62	-	-	9.06	1.20	0.43	-	1.63	7.24
Computer	8.13	0.90	-	-	9.03	4.78	1.47	-	6.25	3.35
Motor Cars	30.67	9.50	7.98	-	32.19	8.41	2.93	3.62	7.72	22.26
Motor Trucks	31.70	-	-	-	31.70	14.66	3.59	-	18.24	17.04
Weighing Scale	0.25	-	-	-	0.25	0.06	0.01	-	0.07	0.19
Total tangible assets	8,837.17	892.44	7.98	248.87	9,970.50	1,644.10	921.01	3.62	2,561.49	7,193.07
Previous Year	2,941.19	5,549.81	6.14	352.30	8,837.17	1,104.67	542.29	2.86	1,644.10	1,836.52
(ii) Intangible Assets										
Software	-	1.79	-	-	1.79	-	0.20	-	0.20	-
Total intangible assets	-	1.79	-	-	1.79	-	0.20	-	0.20	-
Previous year	-	-	-	-	-	-	-	-	-	-
Total assets (i+ii)	8,837.17	894.23	7.98	248.87	9,972.29	1,644.10	921.21	3.62	2,561.69	7,193.07
Previous Year	2,941.19	5,549.81	6.14	352.30	8,837.17	1,104.67	542.29	2.86	1,644.10	1,836.52

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
14. Long Term Loans and advances (unsecured and considered good unless otherwise stated)		
Capital Advances	138.73	124.83
Security deposits	12.47	12.48
Loans and advances to staff	-	0.35
Prepaid expenses	0.14	0.09
	151.34	137.75
15. Current Investments		
Investments in Mutual Funds (unquoted, non-trade investment)		
JM Multi Strategy Fund - Dividend Plan	2.51	2.51
Less: Provision for Diminution in Value of Investments	(0.32)	-
	2.19	2.51
[1,91,109 (P.Y. 1,91,109) units of Rs. 10/- each fully paid up] (NAV Rs.11.2386 per Unit)		
ICICI Prudential Banking & PSU Debt Fund Prem Plus [NIL (P.Y. 1,53,88,840) units of Rs. 10/- each fully paid up]	-	154.99
ICICI Prudential Income Plan [13,50,038 (P.Y. NIL) units of Rs. 10/- each fully paid up] (NAV Rs.37.1095 per Unit)	50.00	-
ICICI Prudential Regular Savings Fund [49,50,781 (P.Y. NIL) units of Rs. 10/- each fully paid up] (NAV Rs.12.2437 per Unit)	60.00	-
Deutsche Mutual Fund collection A/c [1,40,55,913 (P.Y. 20,10,228) units of Rs. 10/- each fully paid up] (NAV Rs.14.1189 per Unit)	181.00	25.00
DWS Short Maturity Fund Collection A/c [NIL (P.Y. 98,99,160) units of Rs. 10/- each fully paid up]	-	103.03
Axis Treasury Advantage Fund Collection A/c [1,53,352 (P.Y. 1,53,352) units of Rs. 10/- each fully paid up] (NAV Rs.1302.88 per Unit)	175.61	175.61
	468.80	461.14
Aggregate amount of		
a) Quoted current investments as per books	-	-
b) Unquoted current investments as per books	469.12	461.14
c) Market value of Quoted current investments	-	-
d) Provision for diminution in value of current investments	(0.32)	-
16. Inventories		
(For Mode of Valuation refer Note No : 1)		
a) Raw Materials	438.86	427.43
b) Goods-in-transit	92.87	107.89
c) Work in Process	50.90	46.83
d) Stores & Spares	1.98	2.36
e) Packing Materials	2.96	3.49
	587.57	588.00

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
17. Trade receivables		
Unsecured		
- More than 6 months from the date they are due for payment		
Good	-	-
Considered Doubtful	35.43	13.37
Less: Provision for Doubtful Debts	(12.17)	(11.05)
	23.26	2.32
Other Trade Receivables	1,306.09	680.91
	1,306.09	680.91
	1,329.35	683.23
18. Cash and bank balances		
Cash on hand	3.23	1.80
Balance with banks	132.40	76.68
Fixed deposits		
- maturity within 12 months	91.40	134.20
- maturity beyond 12 months	-	-
	227.03	212.68
Note: The above Fixed Deposits is on Lien against Letter of Credit		
19. Short-term loans and advances		
(unsecured and considered good)		
Loans and advances to related parties [refer to note (i) below mentioned]	0.08	0.14
Loans and advances to staff	1.63	2.04
Advances recoverable in cash or kind	1.14	2.15
Advance to suppliers	44.08	34.93
Deposits	12.46	11.10
Prepaid expenses	5.74	6.88
Balances with Customs, Central Excise, VAT etc.	30.05	42.02
	95.18	99.26
Note (i) Loans and advances to related parties		
Name of Related Parties		
Axiom Cordages Limited	-	0.14
Due from Director	0.08	-
	0.08	0.14
20. Other Current Assets		
Interest accrued on Deposits	1.15	2.03
MAT Credit Entitlement	421.05	354.45
	422.20	356.48

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
21. Revenue from operations		
Operating Revenue		
Gross Sales	15,556.22	11,082.70
Less: Excise Duty	(388.90)	(376.72)
Net Sales	15,167.32	10,705.98
Other Operating Income	21.22	0.65
	15,188.54	10,706.63
22. Other income		
Dividend from Subsidiary company	3.28	3.28
Dividend from other companies	8.38	8.11
Interest on Fixed Deposits	3.71	10.66
Provision for doubtful debts reversed	-	2.45
Other Interest Income	9.44	1.38
Rent Income	0.60	0.60
Profit on trading in commodities	0.27	-
Profit on Sale of Investments	-	19.43
Other miscellaneous income	1.14	7.64
	26.82	53.54
23. Cost of Materials consumed		
Opening Stock	535.32	346.13
Add: Purchases	12,605.45	8,862.22
	13,140.77	9,208.35
Less: Closing Stock	531.73	535.32
	12,609.04	8,673.03
24. Changes in inventories of finished goods and work-in-progress		
Closing Stocks:		
Finished Goods	-	-
Stock in process	50.90	46.83
	50.90	46.83
Less: Opening Stocks		
Finished Goods	-	-
Stock in process	46.83	44.01
	46.83	44.01
	(4.07)	(2.82)
25. Employee Benefit Expenses		
Salaries and wages	73.92	76.69
Provision for Gratuity	4.70	3.65
Contribution to Provident fund and others	2.30	2.25
Staff welfare expenses	8.65	7.93
	89.57	90.52
26. Finance Costs		
Interest expenses	258.89	39.80
Other Borrowing Costs	19.74	21.69
	278.63	61.49

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
27. Other expenses		
<u>Manufacturing Expenses</u>		
Power & Fuel	340.99	283.47
Loading & Unloading Charges	55.74	39.25
Packing Materials consumed	74.15	67.06
Stores and Spares consumed	44.65	52.70
Repairs & Maintenance (Trucks)	0.71	0.43
Repairs & Maintenance (Plant & Equipment)	16.34	15.64
Repairs & Maintenance (Buildings)	0.62	1.47
Other Manufacturing Expenses	3.84	2.09
<u>Sales and marketing cost</u>		
Freight & Forwarding Charges	94.40	90.74
Brokerage, Commission & Discount	9.73	9.46
Loading Charges	46.48	30.65
Other Selling & Distribution Expenses	12.54	10.65
<u>Administrative Expenses</u>		
Auditor's Remuneration	1.70	1.75
Books & periodicals expenses	0.01	0.03
Communication expenses	7.16	6.38
Conveyance and traveling	21.25	25.15
Insurance charges	5.20	4.48
Legal and professional expenses	14.10	10.26
Loss on Exchange Fluctuations (Net)	15.34	101.81
Membership and subscription charges	0.99	0.44
Printing and stationery	4.94	5.33
Provision for Doubtful Debts	1.12	-
Provision for Diminution in Investments	0.93	-
Rates & Taxes	9.95	2.45
Rent expenses	6.10	7.91
Repairs and maintenance		
- Others	2.87	6.38
Loss on sale/ discard of fixed asset	1.49	0.26
Miscellaneous expenses	9.52	12.60
	802.86	788.84
28. Earnings per share (EPS)		
Net Profit after tax (Rs.)	473.42	489.48
Weighted average number of equity shares for Basic EPS	266,912,700	262,307,061
Weighted average number of equity shares for Diluted EPS	266,912,700	262,307,061
Face value of Equity Share (Rs.)	1	1
Basic Earnings Per Share (Rs.)	1.77	1.87
Diluted Earnings Per Share (Rs.)	1.77	1.87

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
29. Proposed Dividend		
i) Dividend on		
Equity Shares (Re. 0.10 per share)	26.69	26.69
	26.69	26.69
ii) Dividend Distribution Tax on		
Equity Shares	4.54	4.33
	4.54	4.33
30. Auditors' remuneration as on March 31, (excluding Service Tax)		
Statutory Audit Fees	1.70	1.70
Certification fees	0.21	0.05
Out of pocket expenses	0.02	0.04
	1.93	1.79
31. Disclosures on Related Parties transactions		
i) Nature and Relationship of Related Parties		
a) Subsidiary Company		
Axiom Cordages Limited		
b) Fellow Subsidiary Company		
Sun Plastochem 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. S. S. Thakur	Independent Director	
5) Mr. V. K. Chopra	Independent Director	
6) Mr. Michael Freedman	Independent Director	
f) Relatives of Key Management Personnel		
1) Mr. Abhishek Agarwal		
2) Mrs. Saudamini Agarwal		
3) Omprakash Agarwal H.U.F.		
4) Sharadkumar Agarwal H.U.F.		
g) Entities where Key Management Personnel have Significant Influence		
1) OneSource Trading Company LLP		
2) OneSource Enterprises LLP		
3) AASuperior Enterprises LLP		

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
ii) Transactions during the year with Related Parties		
Relationship		
a) Subsidiary Company		
Loan given	219.09	928.93
Loan received back	219.09	928.93
Sales	-	38.38
Purchases	119.41	636.93
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
c) Holding Company		
Refund of Share Application Money	-	0.01
Dividend Paid	14.84	14.32
d) Investment in Partnership Firms		
Capital Advance given	13.90	55.46
e) Key Management Personnel		
Remuneration	2.40	1.90
Commission Paid	0.84	0.98
Dividend Paid	0.21	0.21
f) Relatives of Key Management Personnel		
Dividend paid	0.15	-
Trade Advances given	31.00	-
Trade Advances received back	31.00	-
g) Entities where Key Management Personnel have Significant Influence		
Rent Expenses	3.48	1.98
Security Deposit	-	10.10

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

Name of Entities	Relationship	Nature		
Axiom Cordages Limited	Subsidiary Company	Rent Deposit payable	5.00	5.00
		Rent receivable	-	0.14
Sun Plastrochem Limited	Fellow Subsidiary Company	Amount payable	5.00	5.00
Atit Agarwal	Key Management Personnel	Director remuneration payable	-	0.10
		Advance Director Remuneration	0.08	-

			(Rs. in millions)	
Particulars			31-Mar-13	31-Mar-12
Maharashtra Holdings	Investment in Partnership Firm	Capital Advance	69.36	-
OneSource Trading Company LLP	Entities where key management have significant influence	Rent Expense Payable	-	0.47
		Advance Rent given	0.29	1.53
AASuperior Enterprises LLP	Entities where key management have significant influence	Rent Expense Payable	1.96	0.60
		Security Deposit	10.10	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

32. Disclosure for leases

Assets taken on Operating Lease	-	-
Lease Payments recognised during the year in Statement of Profit and Loss	6.10	7.91

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

Particulars

Not later than one year	1.19	3.39
Later than one year and not later than five years	2.08	-
Later than five year	-	-

33. Value of imports during the year (C. I. F. basis) as on March 31, Particulars

Raw Materials	3,703.59	2,638.42
Stores and Components	1.80	1.60
Capital goods	874.25	1,817.18

34. Expenditure in foreign currency during the year ended March 31, (on payment basis):

Particulars

Testing Charges	0.05	1.58
Exhibition Expenses	2.66	1.36
Legal and Professional Charges	1.12	-
Interest on ECB	213.83	-
Others	2.54	-
Foreign Travelling	2.28	1.21

		(Rs. in millions)	
Particulars		31-Mar-13	31-Mar-12
35. Earnings in foreign currency as on March 31, (on accrual basis)			
Particulars			
Export Sales - FOB		7,284.57	5,791.90
36. Unhedged Foreign Currency Exposure as on March 31,			
Nature of payment	Currency		
Payable - Short Term Borrowings	USD	1,841.10	1,583.59
	EURO	77.13	-
Payable - External Commercial Borrowings	USD	3,819.97	3,694.91
Receivable Bank	USD	58.05	1.59
Payable - Creditors	USD	18.81	42.68
Payable - Creditors	EURO	18.83	18.76
Payable - Advance from Debtors	USD	3.00	0.84
Payable - Advance from Debtors	EURO	0.74	-
Receivable - Debtors	USD	1,150.84	431.13
Receivable - Advance to Creditors	USD	22.39	-
Receivable - Advance to Creditors	EURO	-	0.21
37. Remittances in foreign currency on account of dividends during the year ended March 31,			
No. of Equity Shareholders	No. of shares	Year to which dividend relates	
3	89,822,902	2011-12	-
			8.98
38. Disclosure pursuant to Accounting Standard – 15 (revised) Employee Benefits			
i) Defined Contribution Plans as on March 31,			
Particulars			
Employer's Contribution to Provident Fund		2.21	2.13
ii) Defined Benefit Plans			
Particulars			
a) Change in Defined Benefit Obligation ('DBO')			
Opening present value obligation as on 1st April		8.33	5.49
Interest cost for the year on opening DBO		0.75	0.45
Service cost for the Year		1.52	0.66
Benefit paid		(0.10)	(0.80)
Actuarial losses (gains)		2.42	2.53
Closing defined benefit Obligation		12.92	8.33
b) Amount Recognised in Balance Sheet			
PVO at the end of year		12.92	8.33
Fair Value of Plan Assets at the end of the year		-	-
Funded Status		12.92	8.33
Unrecognised Past Service Cost		-	-
Unrecognised Transitional Liability		-	-
Amount Recognised in Balance Sheet		12.92	8.33

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
c) Amount Recognised in Income Statement		
Current Service Cost	1.52	0.66
Past Service Cost	-	-
Interest on Obligation	0.75	0.45
Expected return on Plan Assets	-	-
Net actuarial losses / (gains) recognised	2.42	2.53
Expenses Recognised in Profit and Loss	4.69	3.64
d) Balance Sheet Reconciliation		
Opening Net Liability	8.33	5.49
Expenses as Above	4.69	3.64
Contribution	(0.10)	(0.80)
Net Liability Recognised in Balance Sheet	12.92	8.33
e) Actuarial Assumptions: for the year		
Discount Rate	8.25%	8.75%
Attrition Rate	3.00%	2.00%
Annual Increase in Salary Cost	10.00%	6.00%
f) Other Disclosures		
Defined Benefit Obligation	12.92	8.33
Plan Assets	-	-
Surplus / (Deficit)	12.92	8.33
Experience Adjustments of Plan Liabilities - Loss	1.32	3.25
Other Adjustments	1.11	(0.71)

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.

39. Details of dues to Micro, Small and Medium Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006

Particulars

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

- Principal amount	28.96	-
- 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.	-	-

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
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.	-	-

40. 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	7,847.31	4,891.70
Export	7,320.01	5,814.28
	15,167.32	10,705.98

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

Assets

India	9,722.24	9,566.71
Outside India	1,231.28	432.93
	10,953.52	9,999.64

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

Capital Expenditure

India	908.13	3,401.13
Outside India	-	-
	908.13	3,401.13

As per our attached report of even date

For HARIBHAKTI & CO.

Chartered Accountants

Sumant Sakhardande

Partner

Mem.No. 034828

Place : Mumbai

Date : 6th May, 2013

For and on behalf of the Board

Atit Agarwal

Director

Rajesh Pandey

Director

Nitin Katore

Company Secretary

Place : Mumbai

Date : 6th May, 2013

Statement pursuant to Section 212 of the Companies Act, 1956, related to Subsidiary Companies.

[Rs.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 31/03/2013	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	01/04/2012 to 31/03/2013	1,64,00,000	397.92	625.90

On behalf of the Board

Director

Director

Company Secretary

Place: Mumbai

Date: May 6, 2013

Summary of Financial information of Subsidiaries

[Rs.in millions]

Particulars	Axiom Cordages Limited
Capital	190.47
Reserve	2214.58
Total Assets	4697.79
Total Liabilities	4697.78
Investment other than investment in subsidiary	66.78
Turnover	6882.06
Profit before taxation	566.21
Provision for taxation	168.29
Profit after taxation	397.92
Proposed dividend	3.81

Consolidated Financials

INDEPENDENT AUDITORS' REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RESPONSIVE INDUSTRIES LIMITED

To the Board of Directors of Responsive Industries Limited

We have audited the accompanying consolidated financial statements of *Responsive Industries Limited* ("the Company") and its subsidiary company, (the Company and its subsidiary collectively referred to as "the Group") which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements on basis of separate financial statements and other financial information regarding components that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Responsive Industries Limited and its subsidiary.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.103523W

Sumant Sakhardande
Partner
Membership No. 034828
Mumbai: May 6, 2013

RESPONSIVE INDUSTRIES LIMITED
Consolidated Balance sheet as at March 31, 2013

(Rs. in millions)

Particulars	Note	As at 31-Mar-2013	As at 31-Mar-2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	262.50	262.50
Reserves and surplus	3	6,051.81	5,231.81
		6,314.31	5,494.31
Minority Interest		341.98	284.78
Non-current liabilities			
Long term borrowings	4	4,553.98	4,688.83
Deferred tax liabilities (Net)	5	678.97	610.47
Long-term provisions	6	13.93	9.11
		5,246.88	5,308.41
Current liabilities			
Short term borrowings	7	2,550.13	2,663.60
Trade payables	8	276.17	289.56
Other current liabilities	9	542.58	434.26
Short-term provisions	10	48.65	74.28
		3,417.53	3,461.70
Total Rs.		15,320.70	14,549.20
ASSETS			
Non-current assets			
- Fixed assets			
- Tangible assets	11	10,262.26	8,999.22
- Intangible assets	11	2.34	-
		10,264.60	8,999.22
Non-current investments	12	4.03	4.66
Long-term loans and advances	13	234.98	218.40
		239.01	223.06
Current assets			
Current investments	14	1,229.71	1,261.14
Inventories	15	753.36	824.58
Trade receivables	16	1,879.98	2,104.32
Cash and cash equivalents	17	282.94	498.09
Short-term loans and advances	18	176.91	215.13
Other Current Assets	19	494.19	423.66
		4,817.09	5,326.92
Total Rs.		15,320.70	14,549.20
Significant Accounting Policies forming part of the accounts 1			

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

For and on behalf of the Board

Atit Agarwal
Director

Rajesh Pandey
Director

Sumant Sakhardande
Partner
Mem.No. 034828
Place : Mumbai
Date : 6th May, 2013

Nitin Katore
Company Secretary
Place : Mumbai
Date : 6th May, 2013

RESPONSIVE INDUSTRIES LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2013

(Rs. in millions)

Particulars	Note	Year ended 31-Mar-13	Year ended 31-Mar-12
Revenues			
Revenue from operations	20	21,864.17	16,840.93
Other income	21	97.71	78.51
Total Revenue (I)		21,961.88	16,919.44
Expenses:			
Cost of Materials Consumed	22	18,127.03	13,526.77
Cost of Traded goods purchased		41.37	-
Changes in Inventories of Finished Goods, Work-in-Process	23	(3.54)	15.65
Employee benefit expenses	24	111.34	114.09
Finance Costs	25	313.67	120.57
Depreciation and amortisation expenses		1,207.50	793.44
Other expenses	26	1,083.94	1,051.34
Total expenses (II)		20,881.30	15,621.86
Profit before tax (I - II)		1,080.58	1,297.58
Current tax		217.70	257.00
Less: MAT Credit utilized during the year		-	96.73
MAT Credit Entitlement		(83.80)	(514.43)
MAT Credit reversal		9.00	-
Deferred tax		68.50	346.73
Tax of earlier years		1.58	(0.10)
Profit for the year before Minority Interest		867.60	1,111.65
Minority Interest		(57.20)	(71.85)
Profit for the year		810.40	1,039.80
Earnings per equity share [Face Value of Re. 1 each (PY Re. 1 each) (Refer to note no -27)]			
Basic		3.31	4.24
Diluted		3.31	4.24
Significant Accounting Policies forming part of the accounts 1			

As per our attached report of even date
For HARIBHAKTI & CO.
 Chartered Accountants

For and on behalf of the Board

Atit Agarwal
 Director

Rajesh Pandey
 Director

Sumant Sakhardande
 Partner
 Mem.No. 034828
Place : Mumbai
Date : 6th May, 2013

Nitin Katore
 Company Secretary
Place : Mumbai
Date : 6th May, 2013

RESPONSIVE INDUSTRIES LIMITED
Cash Flow Statement for the year ended March 31, 2013

	(Rs. in millions)	
Particulars	Year ended 31-Mar-13	Year ended 31-Mar-12
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	1,080.58	1,297.58
Add / (Less) : Adjustments for		
Depreciation and Amortisation	1,207.50	793.44
Interest Income	(18.92)	(33.95)
Interest Expenses	313.67	120.57
Dividend Income	(8.54)	(8.12)
Loss / (profit) on sale of investments	(66.48)	(1.53)
Loss / (profit) from foreign exchange fluctuation (net)	(9.41)	18.53
Loss / (profit) on sale/discarding of fixed assets	1.49	(0.92)
Provision for gratuity	4.91	3.48
Provision for Doubtful Debts	1.12	0.16
Provision for Diminution in Investments	0.93	-
Provision for Diminution in Investments reversed	-	(6.00)
Provision for bad and doubtful debts reversed	(0.36)	(2.45)
Operating Profit Before Working Capital changes	2,506.49	2,180.79
Add / (Less) : Adjustments for change in working capital		
Increase / (Decrease) in trade payables	(12.29)	27.28
Increase / (Decrease) in other current liabilities and short term provision	(31.81)	(185.77)
(Increase) / Decrease in long term loans and advances	2.12	(1.78)
(Increase) / Decrease in Inventory	71.21	(289.95)
(Increase) / Decrease in trade receivables	220.18	(1,221.66)
(Increase) / Decrease in short term loans and advances	38.22	(76.43)
Cash generated from Operations	2,794.12	432.48
Add / (Less) : Direct taxes paid	(245.22)	(258.93)
Net Cash Inflow / (Outflow) from Operating activities	(A) 2,548.90	173.55
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets / Capital WIP	(2,247.19)	(2,466.45)
Proceeds from sale of fixed assets	2.88	4.20
Interest Received	23.20	28.30
Dividend Received	8.54	8.12
Sale of Investments	1,119.57	165.88
Acquisition of Investments	(1,021.95)	(1,261.26)
Net Cash Inflow / (Outflow) from Investing activities	(B) (2,114.95)	(3,521.21)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Capital subsidy received	41.56	-
Net Increase / (Decrease) in non current long term borrowings	(240.68)	3,178.48
Net Increase / (Decrease) in current short term borrowings	(100.35)	607.78
Interest Paid	(316.46)	(114.80)
Dividend paid (Including Tax on Dividend)	(31.73)	(31.11)
Net Cash Inflow / (Outflow) from Financing activities	(C) (647.66)	3,640.35
Net Increase / (Decrease) in Cash and Cash Equivalents	(A+B+C) (213.72)	292.69
Add: Cash and Cash Equivalents at the beginning of year	496.54	203.85
Cash and Cash Equivalents at the end of year	282.82	496.54

Components of Cash and Cash Equivalents at the end of year (Rs. in millions)

Particulars	As at 31-Mar-13	As at 31-Mar-12
Cash on hand	5.84	3.33
Balance with banks	182.20	135.56
Fixed deposits lien marked (as margin money)	94.90	359.20
Add: Unrealised Gain / (Loss) in Bank Accounts	(0.12)	(1.55)
Cash and Cash Equivalents (closing)	282.82	496.54

As per our attached report of even date
 For HARIBHAKTI & CO.
 Chartered Accountants

For and on behalf of the Board

Atit Agarwal **Rajesh Pandey**
 Director Director

Sumant Sakhardande
 Partner
 Mem.No. 034828
Place : Mumbai
Date : 6th May, 2013

Nitin Katore
 Company Secretary
Place : Mumbai
Date : 6th May, 2013

Note 1:

Significant Accounting Policies forming part of Consolidated Financial Statements Accounts for the year ended 31st March 2013.

Significant Accounting Policies: -

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 unrealized 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 recognizes 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 recognized in the period in which the results are known / materialized.

b. 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.

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 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 recognized 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 and discount. 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).
- (iv) Interest is recognized 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.

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. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

f. 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 Rs. 5000 or less, for which depreciation is provided at hundred percent. Intangible assets are amortized over their respective individual estimated useful lives on a straight – line basis, commencing from the date the asset is available to the company for its use.

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 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.

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 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.

i. 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 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 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.

k. Government Grant

Grants and subsidies from the Government are recognized if the following conditions are satisfied,

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants or subsidies given with reference to the total investment in an undertaking is treated as capital receipt and credited to capital reserve. The said capital is not available for distribution of dividend nor is considered as deferred income.

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.

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 paid in accordance with the tax laws, which give rise to the future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet.

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.

RESPONSIVE INDUSTRIES LIMITED

Notes to Consolidated financial statements for the year ended March 31, 2013

	(Rs. in millions)	
Particulars	31-Mar-2013	31-Mar-2012
2. Share capital		
Authorised share capital		
42,00,00,000 (PY42,00,00,000 of Re.1/- each) Equity shares of Re.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 (26,69,12,700 of Re.1/- each) Equity shares of Re.1/- each fully paid up	262.50	262.50
	262.50	262.50
a. Reconciliation of shares outstanding at the beginning and at the end of the year		
Opening balance	262,495,370	257,227,670
Add: Issue of shares to Holding Company against Share Application Money received	-	5,267,700
Closing balance of shares	262,495,370	262,495,370
b. Shares held by holding company and associate company		
Holding Company - [Wellknown Business Ventures Private Limited]	148,425,340	148,425,340
Subsidiary Company - [Axiom Cordages Limited]	4,418,330	4,418,330
c. Details of shareholders holding more than 5% shares in the company		
1) Wellknown Business Ventures Private Limited		
- Number of share hold	148,425,340	148,425,340
- % of total equity share capital	55.61%	55.61%
2) Fossebridge Limited		
- Number of share hold	32,901,800	32,901,800
- % of total equity share capital	12.33%	12.33%
3) Xatis International Limited		
- Number of share hold	32,705,720	32,705,720
- % of total equity share capital	12.25%	12.25%
4) Brenzett Limited		
- Number of share hold	14,811,045	24,215,382
- % of total equity share capital	5.55%	9.07%
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	-	-
2009-10	-	-
2008-09	-	-
2007-08	157,440,000	-

	(Rs. in millions)	
Particulars	31-Mar-2013	31-Mar-2012
e. Rights / Preferences and restrictions attached to equity shares.		
Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting, right to receive annual report and other quarterly / half yearly / annual publications and right to get new shares proportionately in case of issuance of additional shares by the company.		
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: Capital Subsidy received during the year (Refer Note below)	41.56	-
	42.94	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	1,438.44	858.99
Add: during the year	-	579.45
	1,438.44	1,438.44
General reserves		
Opening balance	0.10	0.10
	0.10	0.10
Surplus/(debit) balance of profit and loss		
Opening balance	3,488.73	2,480.66
Add: profit during the year as per Statement of Profit and Loss	810.40	1,039.80
Less: Appropriation		
- Proposed dividend		
- on Equity Shares	26.78	26.78
- Tax on proposed dividend		
- on Equity Shares	5.18	4.95
	4,267.17	3,488.73
Total	6,051.81	5,231.81

The Company's manufacturing facility at Boisar has been granted 'Mega Project' status by Government of Maharashtra and therefore is eligible for Industrial Promotion Subsidy (IPS) under Packaged Scheme of Incentive (PSI) 2007. The company has been granted Eligibility Certificate issued by the Directorate of Industries, Government of Maharashtra in this regard.

IPS consists of the following:

1. Electricity Duty exemption for the period of 7 years from the date of commencement of commercial production (from 01/05/2010 to 30/04/2017).
2. 50% exemption from payment of Stamp duty under relevant Government Resolution of Revenue and Forest Department.
3. To the extent of taxes paid to the State Government within a period of 7 years whichever is lower.

	(Rs. in millions)	
Particulars	31-Mar-2013	31-Mar-2012
IPS will however be restricted to 50% of the eligible fixed capital investments made from 1 st April 2007 to 31 st March 2012.		
The Eligibility Certificate issued allows maximum subsidy of Rs. 2,502.68 millions.		
The Packaged Scheme of Incentive (PSI) 2007 is for intensifying and accelerating the process of dispersal of industries to the less developed regions and promoting high tech industries in the developed areas of the State coupled with the object of generating mass employment opportunities.		
Further, in terms of the Accounting Standard (AS 12) 'Accounting for Government Grants' prescribed by Companies (Accounting Standards) Amendment Rules, 2006, eligible incentive is considered to be in the nature of promoters' contribution.		
Therefore incentive of Rs. 41.56 million received during the year (P.Y. Rs. Nil) has been credited to the Capital Reserve.		
4. Long term borrowings		
<u>Secured</u>		
- From Banks		
Vehicle Loans (Refer Note 1)	4.68	15.24
- From Others		
Foreign Currency Loan (Refer Note 2)	3,531.35	3,661.59
<u>Unsecured</u>		
Compulsorily Convertible Debentures		
0% (PY. 0%) 577 (P. Y. NIL) Compulsorily Convertible Debentures of Rs. 1,00,000/- each (Refer Note 3)	57.70	-
0.01% (PY. 0.01%) 6,043 (P.Y. 6,043) Compulsorily Convertible Debentures of Rs. 1,00,000/- each (Refer Note 4)	604.30	604.30
0.01% (PY. 0.01%) 892 (P.Y. 1,192) Compulsory Convertible Debentures of Rs. 100,000/- each (Refer Note 5)	67.45	119.20
0.01% (PY.0.01%) 2,885 (P.Y. 2,885) Compulsory Convertible Debentures of Rs.100,000/- each. (Refer Note 5)	288.50	288.50
	4,553.98	4,688.83

Note 1: The loans are repayable in equal installments aggregating to Rs.4.68 millions (PY Rs.3.71 millions)

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

Note 2: This is an External Commercial Borrowings of Rs.30.54 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 except current assets.

This is an External Commercial Borrowings of Rs.3,501.61 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 External Commercial Borrowings are repayable in 24 quarterly installments commencing from December 2012. Interest rate on ECB are 6 months USD LIBOR + 456 basis points.

Note 3: Out of the above mentioned debentures 577 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 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.

	(Rs. in millions)	
Particulars	31-Mar-2013	31-Mar-2012
Note 5: The above mentioned 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.		
5. Deferred tax liabilities (Net)		
Deferred tax liability		
- On depreciation	688.65	617.93
Deferred tax assets		
- Provision for Doubtful Debts	(4.10)	(3.77)
- Provision for Diminution in Investments	(0.95)	(0.98)
- Provision for gratuity	(4.63)	(2.71)
	678.97	610.47
6. Long Term Provisions		
Provision for gratuity	13.93	9.11
	13.93	9.11
7. Short term borrowings		
<u>Loans repayable on demand</u>		
<u>From Banks</u>		
Packing Credit Foreign Currency Loans PCFC(Refer Note 1)	1,140.23	1,705.84
EBRD (Post Shipment) Loan (Refer Note 2)	701.32	417.07
Buyer's Credit (Refer Note 3)	708.58	540.69
	2,550.13	2,663.60
Note 1: PCFC Loan amounting to Rs.40.06 million secured by way of pledge of approved Mutual Funds (Debt Funds / FMPs). PCFC Loan of Rs.793.79 millions (PY Rs.380.83 millions) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future. PCFC loan of Rs. 306.38 millions (PY Rs.371.01 millions) are secured by hypothecation of mutual funds.		
Note 2: EBRD loan amounting to Rs.591.84 million secured by way of pledge of approved Mutual Funds (Debt Funds / FMPs). EBRD (Post Shipment) of Rs.109.48 millions (PY Rs. 417.07 millions) are secured by hypothecation of Investments in Mutual Funds.		
Note 3: Buyer's Credit of Rs.708.58 millions (PY Rs. 414.68 millions) are secured by goods purchased under Letter of credit.		
8. Trade payables		
Amount due to Micro and Small Enterprises	28.96	-
Others	247.21	289.56
	276.17	289.56

RESPONSIVE INDUSTRIES LIMITED

11. Fixed assets

Statement of fixed assets as at March 31, 2013

(Rs. in millions)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As At 01-04-2012	Additions	Deductions	Increase / (Decrease) in foreign exchange fluctuations (net)	As At 31-03-2013	As At 01-04-2012	For the year	Deduction	As At 31-03-2013	As At 31-03-2012
(i) Tangible Assets										
Land	78.10	-	-	-	78.10	-	-	-	78.10	78.10
Factory Building	210.64	0.06	-	-	210.70	34.04	7.10	-	169.56	176.60
Plant & Machinery	10,905.38	2,211.62	-	248.75	13,365.75	2,281.06	1,182.74	-	9,901.95	8,624.32
Electrical Installation	33.30	0.38	-	-	33.68	12.06	3.19	-	18.43	21.24
Furniture and Fixtures	1.58	0.82	0.00	-	2.40	0.49	0.12	-	0.61	1.09
Office equipments	16.73	0.89	-	-	17.62	1.67	0.83	-	15.12	15.06
Computer	8.32	0.90	-	-	9.22	4.90	1.50	-	2.82	3.42
Motor Cars	60.92	11.18	7.98	-	64.12	11.61	6.13	3.62	50.00	49.31
Motor Trucks	49.44	-	-	-	49.44	19.60	5.59	-	24.25	29.84
Weighing Scale	0.30	0.01	-	-	0.31	0.06	0.01	-	0.23	0.24
Total tangible assets	11,364.71	2,225.86	7.98	248.75	13,831.34	2,365.49	1,207.21	3.62	10,262.26	8,999.22
Previous Year	5,392.31	5,626.51	6.14	352.02	11,364.71	1,574.94	793.44	2.86	8,999.22	3,817.37
(ii) Intangible Assets										
Software	-	2.63	-	-	2.63	-	0.29	-	2.34	-
Total intangible assets	-	2.63	-	-	2.63	-	0.29	-	2.34	-
Previous year	-	-	-	-	-	-	-	-	-	-
Total assets (i+ii)	11,364.71	2,228.49	7.98	248.75	13,833.97	2,365.49	1,207.50	3.62	10,264.60	8,999.22
Previous Year	5,392.31	5,626.51	6.14	352.02	11,364.71	1,574.94	793.44	2.86	8,999.22	3,817.37

	(Rs. in millions)	
Particulars	31-Mar-2013	31-Mar-2012
9. Other current liabilities		
Current Maturities of Long Term Debt	427.07	284.15
Interest accrued but not due on borrowings	5.10	4.56
Interest accrued and due on borrowings	-	3.33
Advance received from Customers	18.42	16.04
Share Application money received and due for refund along with interest	-	0.34
Creditors for expenses	73.97	29.93
Other liabilities (includes unpaid dividend of Rs.0.00 millions, dues to employees and statutory liabilities)	18.02	95.91
	542.58	434.26
10. Short Term Provisions		
Provision for gratuity	0.35	0.27
Provision for taxation (net of advance tax)	12.62	38.56
Proposed dividend	30.50	30.50
Tax on proposed dividend	5.18	4.95
	48.65	74.28
12. Non-current investments		
Investments in equity instruments (quoted, non-trade investment)		
In other companies (Non-Trade, quoted)		
Mavi Industries Limited [36,750 shares (P.Y.36,750 shares) of Rs.10/- each	0.33	0.33
Syschem India Limited [95,266 shares (P.Y.95,266 shares)]	0.19	0.19
Investments in other instruments (unquoted, non-trade investment)		
Jaiho Industries Limited [40,20,000 shares (P.Y.40,20,000 shares)]	6.03	6.03
Less: Provision for Diminution in Investment	(2.57)	(2.00)
JKL Realty Private Limited [NIL (P.Y. 3,000) Equity Shares of Rs.10/- each fully paid up]	-	0.03
Nima Realty Private Limited [NIL (P.Y. 3,000) Equity Shares of Rs. 10/- each fully paid up]	-	0.03
In Partnership Firms		
Investment In Maharashtra Holdings	0.02	0.02
Investment In Mangaon Holdings	0.03	0.03
	4.03	4.66
Aggregate amount of		
a) Quoted non-current investments as per books	0.51	0.51
b) Market value of Quoted non-current investments	0.52	0.45
c) Unquoted non-current investments as per books	6.08	6.15
d) Provision for diminution in value of non-current investments	(2.57)	(2.00)
Note1: Disclosure regarding Investment in Partnership Firms		

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
a) Capital Contribution in Maharashtra Holdings (Total Capital - Rs. 0.05 millions)		
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 Mangan Holdings (Total Capital - Rs. 0.05 millions)		
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%	
13. Long Term Loans and advances (unsecured and considered good unless otherwise stated)		
Capital advances	143.53	124.83
Security deposits		
- to Others	90.99	90.29
Loans and advances to staff	0.32	0.68
Prepaid expenses	0.14	0.10
Other Loans & Advances	-	2.50
	234.98	218.40
14. Current Investments		
Investments in Mutual Funds (unquoted, non-trade investment)		
JM Multi Strategy Fund - Dividend Plan	2.51	2.51
Less: Provision for Diminution in Value of Investments	(0.37)	-
	2.14	2.51
[1,91,109 (P.Y. 1,91,109) units of Rs. 10/- each fully paid up] (NAV Rs.11.2386 per Unit)		
Birla Sunlife Fixed Term Plan - Series DE [NIL (P.Y. 3,00,00,000 of Rs. 10/- each]	-	300.00
DWS Fixed Term Fund - Series 87 [NIL (P.Y.2,80,00,000)] of Rs. 10/- each]	-	280.00
DWS Fixed Term Fund - Series 88 [NIL (P.Y.1,10,00,00)] of Rs. 10/- each]	-	110.00
Motilal Oswal Gilt Fund - Growth [5,00,000 (P.Y.5,00,000) of Rs. 10/- each] (NAV Rs. 10.6291 per unit)	5.00	5.00
Morgan Stanley Mutual Fund- Liquid Fund Collection [NIL (P.Y.1,04,948) of Rs.1000/- each]	-	105.00

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
Templeton India Low Duration Fund [631,62,923 (P.Y.NIL) of Rs. 10/- each] (NAV Rs. 12.6984 per unit)	755.96	-
ICICI Prudential Regular Savings Fund [49,50,781 (P.Y. NIL) units of Rs. 10/- each fully paid up] (NAV Rs.12.2437 per Unit)	60.00	-
ICICI Prudential Banking & PSU Debt Fund Prem Plus [NIL (P.Y. 1,53,88,840) units of Rs. 10/- each fully paid up]	-	154.99
Deutsche Mutual Fund collection A/c [1,40,55,913 (P.Y. 20,10,228) units of Rs. 10/- each fully paid up] (NAV Rs.14.1189 per Unit)	181.00	25.00
DWS Short Maturity Fund Collection A/c [NIL (P.Y. 98,99,160) units of Rs. 10/- each fully paid up]	-	103.03
Axis Treasury Advantage Fund Collection A/c [1,53,352 (P.Y. 1,53,352) units of Rs. 10/- each fully paid up] (NAV Rs.1302.88 per Unit)	175.61	175.61
ICICI Prudential Income Plan [13,50,038 (P.Y. NIL) units of Rs. 10/- each fully paid up] (NAV Rs.37.1095 per Unit)	50.00	-
	1,229.71	1,261.14

Aggregate amount of

a) Quoted current investments as per books	-	110.00
b) Unquoted current investments as per books	1,230.08	1,151.14
c) Market value of Quoted current investments	-	110.07
d) Provision for diminution in value of current investments	(0.37)	-

15. Inventories

(For Mode of Valuation refer Note No : 1)

a) Raw Materials	581.25	638.80
b) Goods-in-transit	92.86	107.89
c) Work in Process	72.22	68.68
d) Stores & Spares	3.81	5.20
e) Packing Materials	3.22	4.01
	753.36	824.58

16. Trade receivables**Unsecured**

- More than 6 months from the date they are due for payment

Good	-	-
Considered Doubtful	35.65	13.95
Less: Provision for Doubtful Debts	(12.39)	(11.62)
	23.26	2.33
Other Trade Receivables	1,856.72	2,101.99
Less: Provision for Doubtful Debts	-	-
	1,856.72	2,101.99
	1,879.98	2,104.32

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
17. Cash and bank balances		
Cash on hand	5.84	3.33
Balance with banks	182.20	135.56
Fixed deposits		
- maturity within 12 months	94.90	359.20
- maturity beyond 12 months	-	-
	282.94	498.09
Note: The above Fixed Deposits is on Lien against Letter of Credit		
18. Short-term loans and advances (unsecured and considered good)		
Loans and advances to related parties [refer to note (i) below mentioned]	0.08	-
Loans and advances to staff	2.20	3.09
Advances recoverable in cash or kind	11.22	8.99
Advance to suppliers	106.79	130.15
Deposits	12.58	11.93
Prepaid expenses	8.02	9.19
Balances with Customs, Central Excise, VAT etc.	36.02	51.78
	176.91	215.13
i) Loans and advances to related parties		
Name of Related Parties		
Due from Director	0.08	-
	0.08	-
19. Other Current Assets		
Interest accrued on Deposits	1.70	5.97
MAT Credit Entitlement	492.49	417.69
	494.19	423.66
20. Revenue from operations		
Operating Revenue		
Gross Sales	22,633.63	17,630.59
Less: Excise Duty	(862.61)	(808.13)
Net Sales	21,771.02	16,822.46
Other Operating Income	93.15	18.47
	21,864.17	16,840.93
21. Other income		
Dividend from other companies	8.54	8.12
Interest on Fixed Deposits	3.71	32.58
Interest Income	15.22	1.38
Profit on trading in commodities	0.27	-
Profit on Sale of Investments	66.48	19.43
Other miscellaneous income	3.49	17.00
	97.71	78.51

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
22. Cost of Materials consumed		
Opening Stock	748.07	443.25
Add: Purchases	18,054.47	13,831.59
	18,802.54	14,274.84
Less: Closing Stock	675.51	748.07
	18,127.03	13,526.77
23. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		
Closing Stocks:		
Finished Goods	-	-
Goods in Transit	-	-
Stock in process	72.22	68.68
	72.22	68.68
Less: Opening Stocks		
Finished Goods	-	10.46
Goods in Transit	-	-
Stock in process	68.68	73.87
	68.68	84.33
	(3.54)	15.65
24. Employee benefit expenses		
Salaries and wages	94.81	99.42
Provision for Gratuity	5.01	3.99
Provident fund and others	2.49	2.43
Staff welfare expenses	9.03	8.25
	111.34	114.09
25. Finance Costs		
Interest expenses	291.39	72.84
Other Borrowing Costs	22.28	47.73
	313.67	120.57
26. Other expenses		
<u>Manufacturing Expenses</u>		
Power & Fuel	403.41	334.70
Loading & Unloading Charges	78.57	52.72
Packing Materials consumed	74.15	67.06
Stores and Spares consumed	79.58	75.95
Repairs & Maintenance (Trucks)	0.71	0.33
Repairs & Maintenance (Plant & Equipment)	19.62	20.62
Repairs & Maintenance (Buildings)	0.72	5.41
Other Manufacturing Expenses	41.41	43.93
<u>Sales and marketing cost</u>		
Freight & Forwarding Charges	126.66	117.69
Brokerage, Commission & Discount	9.90	9.46
Loading Charges	72.05	44.93
Other Selling & Distribution Expenses	20.95	21.97

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
Administrative Expenses		
Auditor's Remuneration	2.80	2.95
Books & periodicals expenses	0.01	0.03
Communication expenses	9.52	7.88
Conveyance and traveling	24.99	29.16
Electricity charges	3.09	2.11
Insurance charges	7.81	7.87
Legal and professional expenses	31.49	25.89
Loss on Exchange Fluctuations (Net)	3.56	107.78
Membership and subscription charges	1.47	0.70
Printing and stationery	5.82	7.15
Provision for Doubtful Debts	1.12	0.16
Provision for Diminution in Investments	0.93	-
Rates & Taxes	14.36	2.36
Rent expenses	31.00	17.28
Repairs and maintenance		-
- Others	2.93	6.54
Security charges	-	0.11
Vehicle expenses	2.44	0.17
Loss on Sale of Investments	-	17.90
Loss on sale/ discard of fixed asset	1.49	0.26
Miscellaneous expenses	11.38	20.27
	1,083.94	1,051.34
27. Earnings per share (EPS)		
Net Profit after tax (Rs.)	867.60	1,111.65
Weighted average number of equity shares for Basic EPS	262,495,370	262,307,061
Weighted average number of equity shares for Diluted EPS	262,495,370	262,307,061
Face value of Equity Share (Rs.)	1	1
Basic Earnings Per Share (Rs.)	3.31	4.24
Diluted Earnings Per Share (Rs.)	3.31	4.24
28. Proposed Dividend		
i) Dividend on		
Equity Shares	26.78	26.78
	26.78	26.78
ii) Dividend Distribution Tax on		
Equity Shares	5.18	4.95
	5.18	4.95
29. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 2 millions (PY - NIL)		-

Particulars	(Rs. in millions)	
	31-Mar-13	31-Mar-12
30. Auditors' remuneration as on March 31, (excluding Service Tax)		
Statutory Audit Fees	2.80	2.70
Certification fees	0.21	0.05
Other services	0.20	0.20
Out of pocket expenses	0.03	0.05
	3.24	3.00
31. Disclosures on Related Parties transactions		
i) Nature and Relationship of Related Parties		
a) Fellow Subsidiary Company		
Sun Plastochem 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. S. S. Thakur	Independent Director	
5) Mr. V. K. 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) OneSource Trading Company LLP		
2) OneSource Enterprises LLP		
3) AASuperior Enterprises LLP		
4) Maharashtra Holdings		
5) Mangaon Holdings		
ii) Transactions during the year with Related Parties		
Relationship		
a) Holding Company		
Refund of Share Application Money	-	0.01
Dividend Paid	15.37	14.84
b) Investment in Partnership Firms		
Capital Advance given	13.90	55.46
c) Key Management Personnel		
Remuneration	5.58	5.08
Commission Paid	0.84	0.98
Dividend Paid	0.21	0.21

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
d) Relatives of Key Management Personnel		
Dividend paid	0.15	-
Trade Advances given	31.00	70.00
Trade Advances received back	31.00	70.00
e) Entities where Key Management Personnel have Significant Influence		
Rent Expenses	3.48	1.98
Security Deposit Paid	-	10.10

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

Name of Entities	Relationship	Nature		
Sun Plastrochem Limited	Fellow Subsidiary Company	Amount payable	5.00	5.00
Rajesh Pandey	Key Management Personnel	Rent Expense Payable	-	0.05
		Director remuneration payable	0.03	-
Atit Agarwal	Key Management Personnel	Director remuneration payable	0.02	0.16
Swati Agarwal	Key Management Personnel	Director remuneration payable	0.10	-
Maharashtra Holdings	Investment in Partnership Firm	Capital Advance	69.36	-
OneSource Trading Company LLP	Entities where key management have significant influence	Rent Expense Payable	-	0.47
		Advance Rent given	0.29	1.53
AASuperior Enterprises LLP	Entities where key management have significant influence	Rent Expense Payable	1.96	0.60
		Security Deposit	10.10	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.

		(Rs. in millions)	
Particulars		31-Mar-13	31-Mar-12
32. Disclosure for leases			
Assets taken on Operating Lease			
Lease Payments recognised during the year in Statement of Profit and Loss		31.00	17.28
As Lessee: Future Rental obligations in respect of premises taken on Non-Cancellable Operating Lease			
Particulars			
Not later than one year		25.26	11.43
Later than one year and not later than five years		2.08	-
Later than five year		-	-
33. Unhedged Foreign Currency Exposure as on March 31,			
Nature of payment	Currency		
Payable - Short Term Borrowings	USD	2,472.99	2,663.59
	EURO	77.13	-
Payable - External Commercial Borrowings	USD	3,942.11	3,923.87
Receivable Bank	USD	104.97	41.74
Payable - Creditors	USD	18.81	61.44
Payable - Creditors	EURO	18.83	-
Payable - Creditors	POUND	-	18.76
Payable - Advance from Debtors	USD	3.59	1.87
Payable - Advance from Debtors	EURO	0.74	-
Receivable - Debtors	USD	1,698.36	1,850.98
Receivable - Advance to Creditors	USD	24.76	1.82
Receivable - Advance to Creditors	EURO	-	0.21
34. Disclosure pursuant to Accounting Standard – 15 (revised) Employee Benefits			
i) Defined Contribution Plans as on March 31,			
Particulars			
Employer's Contribution to Provident Fund		2.41	2.31
ii) Defined Benefit Plans			
Particulars			
a) Change in Defined Benefit Obligation ('DBO')			
Opening present value obligation as on 1st April		9.37	6.18
Interest cost for the year on opening DBO		0.85	0.51
Service cost for the Year		2.38	0.87
Benefit paid		(0.10)	(0.80)
Actuarial losses (gains)		1.78	2.61
Closing defined benefit Obligation		14.28	9.37
b) Amount Recognised in Balance Sheet			
PVO at the end of year		14.28	9.37
Fair Value of Plan Assets at the end of the year		-	-
Funded Status		11.60	7.31
Unrecognised Past Service Cost		-	-
Unrecognised Transitional Liability		-	-
Amount Recognised in Balance Sheet		11.60	7.31

	(Rs. in millions)	
Particulars	31-Mar-2013	31-Mar-2012
c) Amount Recognised in Income Statement		
Current Service Cost	2.38	0.87
Past Service Cost	-	-
Interest on Obligation	0.85	0.51
Expected return on Plan Assets	-	-
Net actuarial losses / (gains) recognised	1.78	2.61
Expenses Recognised in Profit and Loss	5.01	3.99
d) Balance Sheet Reconciliation		
Opening Net Liability	9.37	6.18
Expenses as Above	5.01	3.99
Contribution	(0.10)	(0.80)
Net Liability Recognised in Balance Sheet	14.28	9.37
e) Actuarial Assumptions: for the year		
Discount Rate	8.25%	8.75%
Attrition Rate	3.00%	2.00%
Annual Increase in Salary Cost	10.00%	6.00%
f) Other Disclosures		
Defined Benefit Obligation	14.28	9.37
Plan Assets	-	-
Surplus / (Deficit)	14.28	9.37
Experience Adjustments of Plan Liabilities - Loss	1.96	2.45
Other Adjustments	1.11	-

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.

35. 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 organization 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

Particulars

1. Segmental Revenue

a. PVC Flooring and other PVC Products	15,167.32	10,705.98
b. Ropes	6,723.11	6,791.79
Total	21,890.43	17,497.77
Less: Inter-Segment Revenue	119.41	675.31
Income from Operations	21,771.02	16,822.46

	(Rs. in millions)	
Particulars	31-Mar-2013	31-Mar-2012
2. Segment Results		
a. PVC Flooring and other PVC Products	775.21	628.74
b. Ropes	528.81	731.61
Total	1,304.02	1,360.35
Less: Inter-Segment Revenue	-	-
Add: Interest Income	23.74	38.35
Add: Profit on sales of Investments	66.48	19.43
Less: Interest Expenses	313.67	120.57
Total Profit before Tax	1,080.57	1,297.56
3. Segment Assets		
a. PVC Flooring and other PVC Products	9,450.53	8,514.57
b. Ropes	3,723.10	3,655.77
c. Unallocable	2,147.02	2,378.81
Total	15,320.65	14,549.15
4. Segment Liabilities		
a. PVC Flooring and other PVC Products	1,022.62	816.11
b. Ropes	246.45	235.63
c. Unallocable	7,584.58	7,718.34
Total	8,853.65	8,770.08
5. Capital Expenditure		
a. PVC Flooring and other PVC Products	908.13	3,622.50
b. Ropes	1,334.25	35.24
Total	2,242.38	3,657.74
6. Depreciation and Amortisation		
a. PVC Flooring and other PVC Products	921.20	542.29
b. Ropes	286.30	251.14
Total	1,207.50	793.43
7. Significant Non-cash Expenditure		
a. PVC Flooring and other PVC Products	2.06	-
b. Ropes	-	0.16
	2.06	0.16

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	10,605.87	7,112.76
Export	11,165.14	9,709.61
	21,771.01	16,822.37

	(Rs. in millions)	
Particulars	31-Mar-13	31-Mar-12
The following is the carrying amount of segment assets by geographical area in which the assets are located		
Assets		
India	13,492.56	12,696.37
Outside India	1,828.10	1,852.78
	15,320.66	14,549.15
The following is the amount of Capital Expenditure incurred segment-wise		
Capital Expenditure		
India	2,242.38	3,288.45
Outside India	-	-
	2,242.38	3,288.45

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

For and on behalf of the Board

Atit Agarwal **Rajesh Pandey**
Director Director

Sumant Sakhardande
Partner
Mem.No. 034828
Place : Mumbai
Date : 6th May, 2013

Nitin Katore
Company Secretary
Place : Mumbai
Date : 6th May, 2013

ATTENDANCE SLIP**RESPONSIVE INDUSTRIES LIMITED**
Regd. Office: Betegaon, Boisar (East), Mahagaon Road, Tal Palghar, Dist. Thane – 401 501

DP Id*	
Client Id*	
Regd.Folio No.	
No of Shares held	

*Applicable if shares are held in electronic form

NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company

 I hereby record my presence at the THIRTY FIRST ANNUAL GENERAL MEETING of the Company at Regd. Office: Betegaon, Boisar (East), Mahagaon Road, Tal Palghar, Dist. Thane – 401 501 on Saturday, 10th August, 2013 at 10.30 a.m.

Member's/ Proxy's Signature.

(to be signed at the time of handing over this sheet)

Note: Please bring this form with you to the Annual General Meeting
PROXY FORM**RESPONSIVE INDUSTRIES LIMITED**
Regd. Office: Betegaon, Boisar (East), Mahagaon Road, Tal Palghar, Dist. Thane – 401 501

I/We ofin the district of Being a Member/ Members of RESPONSIVE INDUSTRIES LIMITED hereby appointof ...in the district of(or failing him) of in the district ofas my/our Proxy to vote for me/us on my/our behalf at the THIRTY FIRST ANNUAL GENERAL MEETING of the Company to be held on Saturday, 10th August, 2013 at 10.30 a.m. and at any adjournment thereof.

Signed this day of 2013.

DP Id*	
Client Id*	
Regd. Folio No.	

*Applicable if shares are held in electronic form

 Affix
 Re.1 Revenue
 Stamp

Signature of the Member(s)


NOTE: This Form is to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company not less than 48 hours before the Meeting.



If Undelivered please return to:
Responsive Industries Limited
Village Betegaon, Mahagaon Road, Boisar (East), Tal Palghar, Dist. Thane - 401 501.

FORM A

Format of Covering Letter of the Annual Audit Report to be filed with the stock Exchange		
1	Name of The Company	Responsive industries Limited
2	Annual Financial Statement for the year ended...	31 st March, 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable as there are no audit observations and audit report is unqualified.


CFO/Whole-time Director




Auditor of Company




Audit Committee Chairman

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F: +91 22 6656 2798 / 2799
E: enquiry@responsiveindustries.com

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