Schedules forming part of the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - P : Administration & Other Expenses		
Rent, Rates and Taxes	5.68	4.17
Insurance	2.71	2.50
Communication Costs	5.33	4.03
Printing & Stationery	3.67	3.04
Travelling, Conveyance & Motor Car Expenses	15.44	12.73
Legal & Professional Charges	21.27	8.14
Repairs & Maintenance (Others)	3.33	3.90
Auditors Remuneration	1.70	1.80
Provision for Doubtful Debts	9.78	3.71
Provision for Diminution in Investment	2.02	-
Loss on Sale / Discard of Fixed Assets	0.46	0.26
Miscellaneous Expenses	10.61	10.36
	82.00	**54.64**

SCHEDULE - Q : Selling and Marketing Expenses		
Freight, Clearing & Forwarding Charges	70.40	58.96
Business Promotion Expenses	9.76	7.44
Brokerages, Commissions & Discount	6.81	8.86
	86.97	**75.26**

SCHEDULE - R : Interest and Finance Charges		
Interest on Vehicle Loan	1.27	1.39
Interest on Buyer Credit	0.33	-
Interest on Bank Loan	18.49	33.65
Other Interest	6.37	1.19
Bank Charges	11.58	5.10
	38.04	**41.33**

Annexure 1 forming part of the Schedule "F" to the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars		As at 31st March, 2011	As at 31st March, 2010
INVESTMENTS			
(A) Long Term Investments			
Non Trade			
Quoted			
Equity Shares			
Energy Development Company Limited		1.31	1.31
[13,000 (P.Y. 13,000) Equity Shares of Rs. 10/- each fully paid up]			
Jai Corp Limited		1.17	1.17
[1,000 (P.Y. 1,000) Equity Shares of Re. 1/- each fully paid up]			
Syschem India Limited		0.27	0.27
[138,000 (P.Y. 138,000) Equity Shares of Rs. 10/- each fully paid up]			
Reliance Industrial Infrastructure Limited		26.42	26.42
[20,600 (P.Y. 20,600) Equity Shares of Rs. 10/- each fully paid up]			
Wellworth Overseas Limited		0.09	0.09
[100,000 (P.Y. 100,000) Equity Shares of Re. 1/- each fully paid up]			
Unquoted			
Barclays Securities (India) Private Limited		44.00	44.00
[44 (P.Y. 44) Equity linked Debentures at Rs. 10 Lakh each]			
Benchmark AMC A/c BDP Series 66		50.00	218.00
Jaiho Industries Limited	6.03		
[4,020,000 (P.Y. 4,020,000) Equity Shares of Rs. 10/- each fully paid up]			
Less : Provision for Dimunition in Investment	2.02	4.01	6.03
Mutual Funds			
JM Contra Fund - Dividend Plan Rs. 10/- per unit		5.00	5.00
[488,998 (P.Y. 488,998) units of Rs. 10/- each fully paid up]			
HDFC Mutual Fund		0.76	-
Citi Financial Consumer Finance (India) Limited		2.00	2.00
[1 (P.Y. 1) Non-Convertible Debentures of Rs. 20 Lakh]			
Investment in Subsidiary			
Unquoted			
Axiom Cordages Limited		6.00	6.00
[16,400,000 (P.Y. 16,400,000) Equity Shares of Rs. 10/- each fully paid up]			
0% Compulsorily Convertible Debentures of Axiom Cordages Limited		257.70	257.70
[2,577 (P.Y. 2,577) Debentures of Rs. 100,000/- each fully paid up]			

Annexure 1 forming part of the Schedule "F" to the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
(B) Current Investments		
Mutual Funds		
Reliance Asset Management A/C Debt PMS	-	2.00
Total (Rs.)	**398.73**	**570.00**
Aggregate of Unquoted Investments (At Cost)	361.73	531.73
Aggregate amount of Quoted Investments	37.04	38.27
Aggregate Quoted Investments (At Market Value)	13.89	17.84

Schedules forming part of the accounts for the year ended 31st March, 2011

SCHEDULE: "S"

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 Sheeting's. 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 recognises income and expenditure on accrual basis except as otherwise stated.

b) Use of Estimates

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

c) Inventories

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

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

d) Cash Flow Statement

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

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

e) Revenue Recognition

(i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

(ii) Revenue from sale of goods is recognised when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and

Schedules forming part of the accounts for the year ended 31st March, 2011

rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of Sales Tax/Value Added Tax. Excise Duty recovered is presented as a reduction from gross turnover.

(iii) Revenue in respect of export sales is recognised on the basis of dispatch of goods for exports.(i.e. on the date of Bill of Lading).

(iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Dividend income is recognised when the shareholders' right to receive payment is established by the Balance Sheet date. Dividend from subsidiaries is recognised even if same are declared after the Balance Sheet date but pertains to period on or before the date of Balance Sheet as per the requirement of schedule VI of the Companies Act, 1956.

(vi) Other Income is accounted for on accrual basis, when certainty of receipt is established.

f) Fixed Assets

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

g) Depreciation & Amortisation

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

h) Impairment of Fixed Assets

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

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

i) Foreign Currency Transactions

(i) Initial Recognition

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

(ii) Conversion

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

Schedules forming part of the accounts for the year ended 31st March, 2011

(iii) Exchange Differences

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

j) Investments

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

k) Employee Benefits

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

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

l) Borrowing Cost

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

m) Segment Reporting

Identification of segments:

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

Inter segment Transfers:

The Company generally accounts for inter segment transfers at cost.

Allocation of common costs:

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

Unallocated items:

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

Schedules forming part of the accounts for the year ended 31st March, 2011

Segment Policies:

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

n) **Leases**

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

o) **Earnings per share**

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

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

Schedules forming part of the accounts for the year ended 31st March, 2011

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 not recognised as an asset in the Balance Sheet.

q) **Provisions, Contingent Liabilities & Contingent Assets**

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

III. Notes to Accounts

1. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated in the financial statements and are realisable in the ordinary course of business. The provision for all known liabilities is adequate.

2. In respect of balance confirmations sought by the Company from various parties reflected under Sundry Debtors, Sundry Creditors and Loans & Advances some have responded to the request of the Company. As such balances of Sundry Debtors, Sundry Creditors and Loans & Advances are taken as appearing in the books of accounts and are subject to confirmation and reconciliation, if any. Consequential impact, if any, will be considered as and when determined.

3. No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at that date or for the period then ended, other than those reflected or fully disclosed in the books of account.

4. **Sub division of shares**

   Effective 11th October, 2010 the Company has subdivided the face value of equity shares from Rs. 10/- each to Re. 1/- each (sub division), after obtaining shareholders' approval vide special resolution passed in the 28th Annual General Meeting of the Company held on 10th September, 2010. The basic and diluted earnings per share disclosed, (Refer Note 12 below) have been computed for the current year and recomputed for the previous year based on the revised face value of Re. 1 each.

5. **Secured Loans**

   i. **Working Capital Loan from Banks**

   It is secured by first charge in the form of Floating charge on whole of the current assets, book debts & Movable Property. Further, secured by second ranking pari passu charge on entire movable Fixed Assets of the Company both present & future.

   ii. **Buyer's Credit**

   It is secured by first pari passu charge on entire assets and second ranking pari passu charge on entire movable fixed assets of the Company.

   iii. **Vehicle Loans**

   It is secured by specific assets.

6. During the year, in order to comply with the Accounting Standard (AS) 15 (Revised 2005) "Employee Benefits" as notified by the Companies Accounts Standard, Rule 2006, the method of accounting of Gratuity has been changed from cash basis to accrual basis of accounting and accordingly provision has been made as on 31st March, 2011 on the basis of acturial valuation. Due to change in this accounting policy, the profit for the year is lower by Rs. 5.21 Million having consequential effect on the Reserves and Surplus and Current Liabilities.

Schedules forming part of the accounts for the year ended 31st March, 2011

7. Disclosure as per AS-15 Revised

The principal assumptions used in the actuarial valuation of Gratuity are as follows:

Discount rate	8.25 %
Attrition rate	2.00 %
Expected rate of future salary increase	6.00 %

Change in present value of defined benefit obligation

	(Rs. in Million)
Present value of obligation as at 1st April, 2010	4.16
Interest Cost	0.34
Current Service Cost	0.29
Benefits paid	(0.28)
Actuarial loss on obligations	0.98
Present Value of obligation as at 31st March, 2011	**5.49**

Amount recognised in the Balance Sheet

	(Rs. in Million)
Present value of obligation as at 31st March, 2011	5.49
Fair Value of plan assets as at the end of the year	Nil
Funded status	Nil
Unrecognised Past Service Cost as at 31st March, 2011	Nil
Unrecognised Transitional Liability as at 31st March, 2011	Nil
Net (Assets)/ Liability recognised in the Balance Sheet	**5.49**

Expenses recognised in the Profit and Loss Account

	(Rs. in Million)
Current Service Cost	0.29
Past Service Cost	Nil
Interest Cost	0.34
Expected return on plan assets	Nil
Net Actuarial loss recognised during the year	0.98
Total Expenses recognised in the Profit and Loss Account	**1.61**

Schedules forming part of the accounts for the year ended 31st March, 2011

Balance Sheet Reconciliation

	(Rs. in Million)
Opening Net Liability	4.16
Expenses as above	1.61
Net Transfer In	Nil
(Net Transfer Out)	Nil
Employer's Contribution	(0.28)
Net Liability Recognised in the Balance Sheet	**5.49**

Other Disclosures

	(Rs. in Million)
Defined Benefit Obligation	6.18
Plan Assets	Nil
Surplus / (Deficit)	6.18
Experience Adjustments on Plan Liabilities – Loss	0.98
Experience Adjustments on Plan Liabilities – Gain	0.04

Since, the Company has started providing the gratuity as per AS-15 (Revised) from 2010-11, figures are given only for current year.

The Company expects to contribute Rs. Nil to its Gratuity Plan for the next year.

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.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

8. The Company had issued 7,000 (0% compulsorily convertible debentures of Rs. 100,000/- each) in the Previous Year. The said debentures have been converted into 1,372,500 equity shares at a price of Rs. 510/- per share as per Board Resolution Passed in the Board of Meeting held on 9th August, 2010. The said conversion is at a premium of Rs. 500/- share.

Schedules forming part of the accounts for the year ended 31st March, 2011

9. Director's Remuneration

(Rs. in Million)

Particulars		For the year ended 31st March, 2011	For the year ended 31st March, 2010
a)	Whole-time Director:		
	Salary	1.20	1.20
	Company's contribution to Provident and other funds	Nil	Nil
	Other perquisites	Nil	Nil
	Total	**1.20**	**1.20**
b)	Non-Executive Director:		
	Sitting Fees	0.02	NIL
	Total	**0.02**	**NIL**

Note:

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

(ii) Since no commission is payable to any managerial person, computation of net profit u/s 349 of the Companies Act, 1956 is not given.

10. Auditor's Remuneration (excluding service tax)

(Rs. in Million)

Particulars	For the year ended 31st March, 2011	For the Year ended 31st March, 2010
Audit Fees (Including Limited Review)	1.70	1.70
Certification work	0.20	Nil
Out-of-pocket expenses	0.16	0.016
Total	**2.06**	**1.716**

11. Taxes on Income

The Deferred Tax Liability as on 31st March, 2011 comprises of: (Rs. in Million)

Sr. No.	Particulars	Opening as on 31st March, 2010	Adjustment during the year	Closing as on 31st March, 2011
1	Depreciation	123.74	(13.67)	110.07
2	Disallowance u/s 40(a)(ia)	(1.35)	-	(1.35)
3	Expenses allowed on payment basis	-	(3.14)	(3.14)
4	Others	-	(2.39)	(2.39)
	Deferred Tax Liability	**122.39**	**(19.20)**	**103.19**

Schedules forming part of the accounts for the year ended 31st March, 2011

12. Earning Per Share (As per AS – 20) (Rs. in Million)

i) Basic EPS

		Year ended 31st March, 2011	Year ended 31st March, 2010
A	Net Profit after tax available for equity shareholders used as Numerator	548.56	381.42
B	Weighted Average number of Equity Shares used as Denominator	256,756,644	247,920,000
C	Basic income per share (in rupees)	2.14	1.54

ii) Diluted EPS (Rs. in Million)

		Year ended 31st March, 2011	Year ended 31st March, 2010
A	Net Profit after tax available for equity shareholders (Rupees) used as Numerator	548.56	381.42
B	Weighted Average number of Equity Shares used as Denominator	263,041,984	263,083,730
C	Diluted earning per share (in Rupees)	2.09	1.45

13. Related Party Disclosures

(a) Key Management Personnel

Mr. Atit Agarwal	Whole-time Director
Mr. Rajesh Pandey	Director

(b) Relatives of key management personnel

i) Mr. Abhishek Agarwal

ii) M/s Om Prakash Agarwal H.U.F.

iii) M/s Sharad Kumar Agarwal H.U.F.

(c) Subsidiary

Axiom Cordages Limited

(d) Fellow Subsidiary

Sun Plastochem Limited

(e) Holding Company

Wellknown Business Ventures Private Limited

(f) Enterprise owned or significantly influenced by Key Management Personnel or their relatives:

i) One Source Trading Company LLP (with effect from 25th March, 2011)

ii) One Source Enterprises LLP

iii) AA Superior Enterprises LLP

Schedules forming part of the accounts for the year ended 31st March, 2011

There are no transactions during the current year with the related parties mentioned in (b), (d) and (f) (ii) & (iii)

Following are the transactions with the related parties mentioned in (a), (c), (e) and (f) (i) above

(Rs. in Million)

	In relation to (a) above		In relation to (b) (ii) & (iii) above		In relation to (c) above		In relation to (d) above		In relation to (e) above		In relation to (f) (i) above	
	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year
Loans & Advances Received	Nil	Nil	Nil	Nil	576.42	918.18	Nil	Nil	Nil	Nil	Nil	Nil
Loans and Advance Repaid	Nil	Nil	Nil	67.46	576.42	918.18	Nil	Nil	Nil	Nil	Nil	Nil
Refund of Share Application Money	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	10.00	Nil	Nil	Nil
Loan Given	Nil	Nil	Nil	9.19	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rent Income	Nil	Nil	Nil	Nil	0.60	0.60	Nil	Nil	Nil	Nil	Nil	Nil
Director's Remuneration	1.2	1.2	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rent Expense	0.03	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.09	Nil
Sales	Nil	Nil	Nil	Nil	38.56	72.48	Nil	Nil	Nil	Nil	Nil	Nil
Purchases	Nil	Nil	Nil	Nil	585.51	528.10	Nil	Nil	Nil	Nil	Nil	Nil
Amount Outstanding at the end of the year												
Rent Deposit Payable	Nil	Nil	Nil	Nil	5.00	5.00	Nil	Nil	Nil	Nil	Nil	Nil
Amount Payable	0.05	Nil	Nil	Nil	Nil	Nil	5.00	5.00	Nil	Nil	0.07	Nil
Amount Receivable	Nil	Nil	Nil	Nil	0.04	0.09	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

i) In case of (a) above, Rs. 1.20 Million is Remuneration of Mr. Atit Agarwal as Directors Remuneration in current year & previous year & out of above Rs. 0.03 Million is payable in respect of current year. Also Rs. 0.03 Million is Rent Expense of Mr. Rajesh Pandey & out of it Rs. 0.02 Million is Payable.

ii) In case of (b) above, individual break-up for previous years figures can't be ascertained so not given.

iii) Related Parties as disclosed by Management and relied upon by auditors.

iv) 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.

Schedules forming part of the accounts for the year ended 31st March, 2011

14. Additional Information Pursuant to the Provision of Part II of the Schedule VI of the Companies Act 1956.

a. C.I.F. Value of Imports, Expenditure and Earnings in Foreign Currencies

(Rs. in Million)

Sr. No.	Particulars		Year ended 31.03.2011	Year ended 31.03.2010
i)	**Value of imports calculated on C.I.F. basis**			
	a)	Purchase of Raw Material	2,885.15	2,080.61
	b)	Stores and Components	3.88	3.03
	c)	Capital Goods	1,113.97	751.88
ii)	**Expenditure in Foreign Currencies (accrual Basis)**			
	a)	Foreign Travelling	0.80	0.16
	b)	Freight – Exports	23.39	13.54
	c)	Exhibition Expenses	Nil	3.14
	d)	Testing charges	0.19	0.79
iii)	**Earnings in Foreign Currencies (accrual basis)**			
	Export Sales – F.O.B.		4,565.97	2,624.30

b. Value of Imported and Indigenous Raw Materials, Stores & Spares consumed during the year.

Raw Materials

(Rs. in Million)

Sr. No.	Description	Current Year %	Current Year Amount	Previous year %	Previous year Amount
i.	Imported	55.14	3,103.73	48.65	2,047.44
ii.	Indigenious	44.86	2,524.70	51.35	2,160.67
		100.00	**5,628.43**	**100.00**	**4,208.11**

Stores & Spares

(Rs. in Million)

Sr. No.	Description	Current Year %	Current Year Amount	Previous year %	Previous year Amount
i.	Imported	8.38	4.16	11.43	3.20
ii.	Indigenious	91.62	45.50	88.57	24.77
		100.00	**49.66**	**100.00**	**27.97**

Schedules forming part of the accounts for the year ended 31st March, 2011

15. Foreign Currency Exposure (unhedged)

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(Amount in Million)

Sr. No.	Particulars	$ for Year ended 31.03.2011	Rs. For Year ended 31.03.2011	$ for Year ended 31.03.2010	Rs. For Year ended 31.03.2010
i)	Debtors	$ 0.069	3.07	$ 6.86	309.39
ii)	Advance from Debtors	$ 2.97	132.34	$ 0.01	0.45
iii)	Creditors	$ 13.86	617.60	$ 23.75	1071.13
iv)	Advance to Creditors	$ 0.24	10.69	$ 0.66	29.77

16. Segmental Information

i) Primary (Business) Segment

As the Company's business consists of one reportable business segment of Plastic products, hence, no separate disclosures pertaining to attributable Revenues, Profits, Assets, Liabilities, Capital Employed are given.

ii) Secondary (Geographical) Segment

Secondary segment reporting is performed on the basis of geographical location of the customers. The operation of the Company comprises 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 sale by geographical markets:

(Rs. in Million)

Sales	**Year Ended 31st March, 2011**	Year Ended 31st March, 2010
India	2,589.24	2,822.98
Export	4,589.37	2,644.73
Total	**7,178.61**	**5,467.71**

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

(Rs. in Million)

Assets	**Year Ended 31st March, 2011**	Year Ended 31st March, 2010
India	5,250.32	4,747.89
Outside India*	3.07	309.26
Total	**5,253.39**	**5,057.15**

Schedules forming part of the accounts for the year ended 31st March, 2011

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

(Rs. in Million)

Capital Expenditure	As at 31.03.2011	As at 31.03.2010
India	1,175.15	1,702.54
Outside India	Nil	Nil
Total	**1,175.15**	**1,702.54**

* Carrying amount of segment assets outside India represents receivable from export Sales.

17. Amounts due to Micro, Small and Medium Enterprise:

As per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 following information has been disclosed. This information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

(Rs. in Million)

Sr. No	Particulars	Year ended 31.03.2011	Year ended 31.03.2010
i)	a) Principal amount remaining unpaid to any supplier at the end of the accounting year included in Sundry Creditors.	5.46	1.56
	b) Interest due on above.	Nil	Nil
ii)	Amount of interest paid by the buyer in term of Section 16 of the Act.	Nil	Nil
iii)	Amount of payment made to the supplier beyond the appointed day during the accounting year.	Nil	Nil
iv)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but wadding the interest specified in this Act.	Nil	Nil

Schedules forming part of the accounts for the year ended 31st March, 2011

18. Disclosure as per AS-19:

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

Particulars	31st March, 2011	31st March, 2010
Less than 1 year	Rs. 4.68 Million	Rs. 4.38 Million
More than 1 year but less than 5 years	Rs. 1.08 Million	Rs. 5.76 Million
More than 5 years	Rs. Nil	Rs. Nil

Lease rentals charged to revenue for the current year Rs. 4.38 Million (Previous Year 0.67 Million).

These premises comprise residential flats, office premises & usage of office equipments. The agreements for lease are executed for tenure of 11 to 24 months.

As Lessor: Future Rental income in respect of premises given on lease – Operating Lease.

Particulars	31st March, 2011	31st March, 2010
Less than 1 year	Rs. 0.60 Million	Rs. 0.60 Million
More than 1 year but less than 5 years	Rs. 2.40 Million	Rs. 2.40 Million
More than 5 years	Rs. 0.60 Million	Rs. 1.20 Million

These premises comprise Factory Land. The agreements for lease are executed for tenure of Six Years.

Gross carrying amount of assets : Rs. 13.29 Million
Accumulated Depreciation upto 31.03.2011 : Nil
Depreciation for the year : Nil

19. Net dividend remitted in foreign currency:

(Rs. in Million)

Year in which Payment is made	Year to which it relates	No. of Non-Resident Shareholders	No. of Equity Shares held	Dividend remitted
2010-11	2009-10	3	8,000,000	8.00
2009-10	2008-09	3	8,000,000	8.00

20. The previous year's figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on behalf of the Board of Directors

Atit Agarwal
Director

Santosh Shinde
Director

Dhirajkumar Neve
Company Secretary

Place: Betegaon
Date: 20th May, 2011

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's Business Profile

I) REGISTRATION DETAILS

Registration No.	L99999MH1982PLC027797		
State Code	11	Balance Sheet Date	31.03.2011

II) CAPITAL RAISED DURING THE YEAR (AMOUNT IN RUPEES MILLION)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	13.73

III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RUPEES MILLION)

Total Liabilities	4786.21	Total Assets	4786.21

SOURCES OF FUNDS

Paid Up Capital	261.65	Reserves and Surplus	2536.50
Secured Loans	686.54	Unsecured Loans	NIL
Share Application Money	584.72	Suppliers Credit	613.62
Deferred Tax Liabilities	103.19		

APPLICATION OF FUNDS

Net Fixed Assets	4179.40	Investments	398.77
Net Current Assets	208.04	Miscellaneous Expenditure	NIL

IV) PERFORMANCE OF COMPANY

Turnover	7259.00	Total Expenditure	6584.24
Profit/(Loss) before Tax	674.76	Profit/(Loss) After Tax	552.72
Earning per Share in Rs.	2.14	Dividends Rate (%)	10.00

V) GENERIC NAMES OF ONE PRINCIPAL PRODUCT/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Item Code No.	NA	Product Description	NA

For and on behalf of the Board of Directors

Atit Agarwal
Director

Santosh Shinde
Director

Dhirajkumar Neve
Company Secretary

Place: Betegaon
Date: 20th May, 2011

Notes

Notes

Axiom Cordages Limited

STATUTORY REPORTS AND FINANCIAL STATEMENTS

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Directors' Report

To the Shareholders

To

The Members,

Your Directors have pleasure in presenting the Twelfth Annual Report together with Audited Accounts of the Company for the Financial Year ended on 31st March, 2011.

Financial Performance

(Rs. in Million)

Financial Results	**Financial Year 2010-11**	Financial Year 2009-10
Net Sales	5232.01	3525.86
Profit before Interest and Depreciation	944.86	569.94
Less : Interest	73.44	53.66
Profit Before Depreciation	871.42	516.28
Less : Depreciation	247.39	120.12
Net Profit Before Tax	624.03	396.16
Less: Provision for Taxation		
Current Tax	132.08	71.92
Deferred Tax	59.41	37.15
Tax of Earlier years	(5.29)	0.17
Net Profit after Taxation	437.83	286.92
Add: Profit brought forward from Previous Period	727.19	444.70
Less: Appropriations		
Proposed Dividend	3.81	3.81
Tax on Dividend	0.62	4.12
Balance carried to Balance Sheet	1160.59	727.18

Dividend

Your Directors are pleased to recommend for your consideration payment of a dividend at the rate of 2% i.e Re. 0.20 per equity share for the financial year ended on 31st March 2011, amounting to Rs. 3.81 Million.

Operations

The total turnover of the Company during the period under review stood at Rs. 5232.01 Million with Profit after Tax amounting to Rs. 437.83 Million as compared to Turnover of Rs. 3525.86 Million with Profit after Tax amounting to Rs. 286.92 Million, of previous year.

Directors

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

Public Deposits

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

Particulars of Employees

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

Energy, Technology And Foreign Exchange

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

Directors' Responsibility Statement

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

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

(ii) appropriate accounting policies have been selected and applied constantly and judgements and estimates

Directors’ Report (Contd.)

made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the Profit of the Company for the year ended 31st March, 2011;

(iii) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a going concern basis.

Auditors

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

Acknowledgements

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

By Order Of the Board,
For **Axiom Cordages Limited**

Place: Betegaon
Date: 20th May, 2011

Director

Annexure Forming Part of the Directors' Report

A) Conservation of Energy:

a) Energy conservation measures taken N.A.

b) Additional investments proposal, if any being implemented for reduction of consumption of energy N.A.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods N.A.

d) Total energy consumption

Power & Fuel Consumption	Financial Year 2010-11	Financial Year 2009-10
1 Electricity		
(a) Purchased		
Units	7294196	6077880
Total amount (Rs. in Million)	38.75	30.93
Rate/Unit (Rs.)	5.31	5.09
(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)	NIL	NIL
Total Amount (Rs. in Million)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
4 Other/Internal Generation (Please give details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate/Unit	NIL	NIL

Annexure Forming Part of the Directors' Report

B) Technology Absorption:

Efforts made in technology absorption	NIL	NIL

C) Foreign Exchange Earnings & Outgo:

Total Exchange Earned (Rs. in Million)	3176.08	1772.42
Total Outgo (Rs. in Million)	2421.00	2209.21

By Order Of the Board

For **Axiom Cordages Limited**

Place: Betegaon

Date: 20th May, 2011

Director

Auditors' Report

To

The Members of **Axiom Cordages Limited**

1. We have audited the attached Balance Sheet of Axiom Cordages Limited ('the Company') as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

3. As required by the Companies (Auditor's Report) Order, 2003, (CARO) as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the paragraph 3 above, we report that:

i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956,

v. On the basis of the written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required.

vii. Based on our audit conducted as above, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India;

a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;

b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

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

For **Haribhakti & Co.**
Chartered Accountants
FRN 103523W

Sarah George
Partner
Membership No. 45255

Place: Mumbai
Date: 20th May, 2011

Annexure to Auditors' Report

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Axiom Cordages Limited on the financial statements for the year ended 31st March, 2011]

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) There was no substantial disposal of fixed assets 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.

(iii) (a) As informed, the Company has not granted/ taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

Accordingly, clauses (iii) (b), (c), (d), (e), (f) and (g) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company and hence, not reported upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

(v) (a) According to the information and explanations given to us, we are of the opinion that there is no transaction that need to be entered into the register under section 301 of the Companies Act, 1956.

Accordingly, clauses (v) (b) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company and hence, not reported upon.

(vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

(vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

(viii) To the best of our knowledge, the Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.

(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 does not have accumulated losses at the end of the financial year and has not incurred cash losses in current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xii) According to information and explanation given to us and based on document and records provided to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.

(xvi) In our opinion, the term loans have been applied for the purpose for which the loans were raised.

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

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

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

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

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

For **Haribhakti & Co.**
Chartered Accountants
FRN 103523W

Sarah George
Partner
Membership No. 45255

Place: Mumbai
Date: 20th May, 2011

Balance Sheet as at 31st March, 2011

(Rs. in Million)

Particulars	Schedule No.	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	190.47	190.47
Reserves & Surplus	B	1,199.64	766.26
		1,390.11	956.73
Loan Funds			
Secured Loans	C	819.56	625.70
Unsecured Loans	D	1,269.70	1,269.70
		2,089.26	1,895.40
Supplier's Credit in Foreign Currency		372.08	-
Deferred Tax Liabilities (Net)		160.55	101.14
		4,012.00	**2,953.27**
APPLICATION OF FUNDS			
Fixed Assets	E		
Gross Block		2,451.12	1,680.87
Less: Depreciation		470.27	223.23
Net Block		1,980.85	1,457.64
Add: Capital Work in Progress (including Advances)		1,011.34	749.39
		2,992.19	2,207.03
Investments	F	94.29	100.27
Current Assets, Loans & Advances			
Inventories	G	140.69	125.00
Sundry Debtors	H	758.75	589.06
Cash & Bank Balances	I	127.87	152.13
Loans & Advances	J	108.39	72.19
		1,135.70	938.38
Less: Current Liabilities & Provisions	K		
Current Liabilities		180.40	247.23
Provisions		29.78	45.19
		210.18	292.42
Net Current Assets		925.52	645.97
Significant Accounting Policies & Notes Forming Part of the Accounts	T	**4,012.00**	**2,953.27**

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sarah George
Partner
Membership No. 45255

Place: Betegaon
Date: 20th May, 2011

For and on behalf of the Board of Directors

Atit Agarwal
Director

R.K. Pandey
Director

Place: Betegaon
Date: 20th May, 2011

Profit and Loss Account for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Schedule No.	Year ended 31st March, 2011	Year ended 31st March, 2010
INCOME			
Gross Sales		5,557.56	3,664.90
Less: Excise Duty		325.55	139.04
Net Sales		5,232.01	3,525.86
Other Income	L	37.12	23.34
Increase / (Decrease) in Stocks	M	17.11	0.69
		5,286.24	**3,549.89**
EXPENDITURE			
Cost of Materials Consumed	N	4,158.91	2,831.67
Manufacturing & Other Expenses	O	95.18	79.21
Personnel Cost	P	11.72	9.85
Administrative & Other Expenses	Q	47.63	37.79
Selling & Marketing Expenses	R	27.94	21.43
Interest & Finance Charges	S	73.44	53.66
Depreciation		247.39	120.12
		4,662.21	**3,153.73**
Profit before Taxation		**624.03**	**396.16**
Less: Provision for Taxation			
Current Tax		132.08	71.92
Deferred Tax Charge		59.41	37.15
Tax of Earlier years		(5.29)	0.17
Profit after Taxation		**437.83**	**286.92**
Add: Profit brought forward from earlier years		727.19	444.70
		1,165.02	731.62
Appropriations			
Proposed Dividend		3.81	3.81
Tax on Dividend		0.62	0.63
Balance carried to Balance Sheet		**1,160.59**	**727.18**
Earning Per Share of Rs. 10/- each (in Rs.)			
Basic		22.99	15.06
Diluted		12.95	12.97
Significant Accounting Policies & Notes Forming Part of the Accounts	T		

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sarah George
Partner
Membership No. 45255

Place: Betegaon
Date: 20th May, 2011

For and on behalf of the Board of Directors

Atit Agarwal
Director

R.K. Pandey
Director

Place: Betegaon
Date: 20th May, 2011

Cash Flow Statement for the year ended 31st March, 2011

(Rs. in Million)

Sr. No.	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Tax	**624.03**	**396.17**
	Adjustments For:		
	Depreciation	247.39	120.11
	Loss on sale of fixed Assets	0.13	-
	Interest income	(5.53)	(5.22)
	Interest expenses	73.44	53.66
	Dividend income	(0.45)	(0.45)
	Provision for Bad Debts	0.41	-
	Provision for diminution in value of Investments	5.99	-
	Unrealised (Gain) / loss on Foreign Exchange Fluctuation	(4.66)	(1.17)
	Operating Profit Before Working Capital Changes	**940.75**	**563.10**
	Adjustment For:		
	Inventories	(15.69)	(78.08)
	Trade and other receivables	(174.00)	(588.58)
	Loans and Advances	61.44	137.70
	Trade Payables	(216.45)	(119.74)
	Cash Generated From Operations	**596.05**	**(85.60)**
	Direct Tax Paid	(97.66)	(24.77)
	Cash From Operating Activities	**498.39**	**(110.37)**
	Adjustments of earlier years	(5.29)	0.17
	Net Cash From Operating Activities	**503.68**	**(110.54)**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed Assets (Including Capital Advances)	(1,032.80)	(1,036.84)
	Sale of Fixed Assets	0.09	-
	Purchase of Investments	-	(30.16)
	Interest received	5.53	5.22
	Dividend Received	0.45	0.45
	Net Cash Used in Investing Activities	**(1,026.73)**	**(1,061.33)**

Cash Flow Statement for the year ended 31st March, 2011 (Contd.)

(Rs. in Million)

Sr. No.	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Receipt of Secured loan	198.91	330.00
	Receipt of Unsecured loan	–	768.20
	Suppliers' Credit in Foreign Currency	372.08	-
	(Decrease) / Increase in Fixed Deposits pledged against Letter of Credit	(16.86)	54.11
	Receipt of Share Application Money	–	-
	Issue of New Equity Shares	–	0.01
	Interest Paid	(73.44)	(53.66)
	Net Cash from Financing Activities	**480.69**	**1,098.65**
	Net (Decrease) in Cash and Cash Equivalents	**(42.36)**	**(73.21)**
	Cash & Cash Equivalents (Opening)	**206.25**	**279.47**
	Cash & Cash Equivalents (Closing)	**163.89**	**206.25**

NOTES:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2 Cash and Cash Equivalents at the year end consist of Cash in Hand and Balances with Banks as follows:

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
Cash & Cash Equivalent (As per Schedule "I")	127.86	152.13
Add: Unrealised Gain / (Loss) in Banks Accounts	(1.21)	0.01
Add: Fixed Deposits under Lien	37.24	54.11
Total	**163.89**	**206.25**

3 Figures in brackets represents outflows.

4 Previous Year figures have been recast/restated wherever necessary.

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sarah George
Partner
Membership No. 45255

Place: Betegaon
Date: 20th May, 2011

For and on behalf of the Board of Directors

Atit Agarwal
Director

R.K. Pandey
Director

Place: Betegaon
Date: 20th May, 2011

Schedules forming part of the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - A : Share Capital		
Authorised		
80,000,000 (P.Y. 80,000,000) Equity Shares of Rs. 10/- each	800.00	800.00
	800.00	**800.00**
Issued, Subscribed & Paid-up		
19,047,160 (P.Y. 19,047,160) Equity Shares of Rs. 10/- each fully paid-up.	190.47	190.47
(Of the above 18,582,400 Equity Shares of Rs. 10/- each have been alloted as Bonus Shares by capitalisation of Profit and Loss Account in F.Y. 2007-08)		
(Of the above 1,64,00,000 (P.Y. 1,64,00,000) Equity Shares of Rs. 10/- each are held by Holding Company Responsive Industries Limited)		
(Of the above 2,624,000 (P.Y. 2,624,000) Equity Shares of Rs. 10/- each are held by Ultimate Holding Company Wellknown Business Ventures Private Limited)		
	190.47	**190.47**

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - B : Reserves and Surplus		
Capital Reserve Account		
Balance as per last account	2.51	2.51
Securities Premium Account		
Balance as per last account	36.54	36.54
Profit and Loss Account	1,160.59	727.18
	1,199.64	**766.26**

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - C : Secured Loans (Refer Note 4 to Schedule "T")		
Term Loan from Banks	121.33	161.61
Working Capital Loans from Banks	390.76	182.21
Other Loans		
Foreign Currency Loans	261.79	281.87
Buyer Credit with ING Vysya Bank	16.94	-
Vehicle Loans	28.74	-
	819.56	**625.69**

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - D : Unsecured Loans		
0% (P.Y. 0%) 2,577 (P. Y. 2,577) Compulsorily Convertible Debentures of Rs. 100,000/- each	257.70	257.70
0.01% (P.Y. 12%) 6,043 (P.Y. 6,043) Compulsorily Convertible Debentures of Rs. 100,000/- each	604.30	604.30
0.01% (P.Y. 0.015%) 1,192 (P.Y. 1,192) Compulsorily Convertible Debentures of Rs. 100,000/- each	119.20	119.20
0.01% (P.Y. 15.5%) 2,885 (P.Y. 2,885) Compulsorily Convertible Debentures of Rs. 100,000/- each.	288.50	288.50
	1,269.70	**1,269.70**

Schedules forming part of the accounts for the year ended 31st March, 2011

SCHEDULE - E : Fixed Assets (At cost less depreciation)

(Rs. in Million)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 1st April, 2010	Additions During the year	Deductions During the year	As at 31st March, 2011	Up to 31st March, 2010	For the year	Adjustments during the year	Up to 31st March, 2011	As at 31st March, 2011	As At 31st March, 2010
Factory Buildings	58.07	-	-	58.07	2.49	1.94	-	4.43	53.64	55.58
Plant & Machinery	1,610.95	745.92	-	2,356.87	216.22	243.66	-	459.88	1,896.99	1,394.74
Electrical Installations	4.58	0.32	-	4.90	1.13	0.23	-	1.36	3.54	3.45
Furniture & Fixtures	0.37	0.00	-	0.37	0.11	0.02	-	0.13	0.24	0.25
Office Equipments	1.06	0.52	-	1.58	0.23	0.06	-	0.29	1.29	0.83
Computers	0.16	-	-	0.16	0.07	0.03	-	0.10	0.06	0.09
Motor Cars	3.14	8.81	0.56	11.39	1.11	0.38	0.35	1.14	10.25	2.03
Motor Trucks	2.54	15.20	-	17.74	1.87	1.07	-	2.94	14.80	0.67
Weighing Scale	-	0.04	-	0.04	-	0.00	-	0.00	0.04	-
Total (Rs.)	**1,680.87**	**770.81**	**0.56**	**2,451.12**	**223.23**	**247.39**	**0.35**	**470.27**	**1,980.85**	**1,457.64**
Previous Year (Rs.)	**1,102.30**	**578.57**	**-**	**1,680.87**	**103.12**	**120.11**	**-**	**223.23**	**1,457.64**	**-**

Note: Additions in Plant and Machineries reflects Rs. Nil towards Foreign Exchange Fluctuations Gains which has been depreciated during the year. (P.Y. Rs. 8.3 Million).

Schedules forming part of the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - F : Investments		
(As per Annexure "1")	94.29	100.27
	94.29	**100.27**
SCHEDULE - G: Inventories		
(As taken, valued and certified by the management)		
Raw Materials	97.12	99.10
Stores & Spares	2.87	2.62
Packing Materials	0.38	0.07
Stock in Process	29.86	12.55
Finished Goods	10.46	10.66
	140.69	**125.00**
SCHEDULE - H: Sundry Debtors		
(Unsecured)		
(a) Debts outstanding for a period of more than six months		
Considered Good	-	0.43
Considered Doubtful	0.41	-
	0.41	0.43
(b) Other Debts (Considered Good)	758.75	588.63
	759.16	589.06
Less: Provision for Doubtful Debts	0.41	-
	758.75	**589.06**
SCHEDULE - I : Cash and Bank Balances		
Cash on hand	1.06	8.91
Balances with Scheduled Banks		
In Current Accounts	89.57	89.07
In Fixed Deposit Accounts **	37.24	54.15
** [Includes Rs. 37.24 Million (P.Y. Rs. 54.11 Million) over which bank has lien]		
	127.87	**152.13**
SCHEDULE - J : Loans and Advances		
(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	89.17	50.34
Balance with Customs, Excise, etc.	5.26	10.03
Deposits	13.96	11.82
	108.39	**72.19**

Schedules forming part of the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - K : Current Liabilities and Provisions		
Current Liabilities		
Sundry Creditors		
- Due to Micro, Small and Medium Enterprises (Refer Note 16 to Schedule 'T")		
- Others	154.61	197.40
Advance received from Customers	2.14	8.62
Other Liabilities	23.65	41.20
	180.40	**247.23**
Provisions		
Provision for Gratuity	0.69	-
Provision For Taxation (Net of Advance Tax)	24.66	40.75
Proposed Dividend	3.81	3.81
Provision for Dividend Distribution Tax	0.62	0.63
	29.78	**45.19**
	210.18	**292.42**

(Rs. in Million)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - L : Other Income		
Interest on Fixed Deposits [TDS Rs. 0.11 Million (P.Y. Rs. 0.51 Million)]	1.11	3.08
Other Interest Income [TDS Rs. 0.03 Million (P.Y. Rs. 0.05 Million)]	4.42	2.14
Excise Duty Refund Received	-	6.79
Dividends	0.45	0.45
Commission Received [TDS Rs. 0.02 Million (P.Y. Rs. Nil)]	0.24	-
Insurance Claim Received	-	2.94
Gain on Exchange Rate Fluctuation (Net)	29.49	7.16
Miscellaneous Income	1.41	0.78
	37.12	**23.34**

Schedules forming part of the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - M : Increase / (Decrease) in Stocks		
Closing Stocks		
Finished Goods	10.46	10.66
Stock in process	29.86	12.55
	40.32	**23.21**
Less: Opening Stocks		
Finished Goods	10.66	2.73
Stock in process	12.55	19.79
	23.21	22.52
	17.11	**0.69**

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - N : Cost of Raw Materials Consumed		
Opening Stock	99.10	22.05
Add: Purchases	4,156.93	2,908.71
	4,256.03	2,930.77
Less: Closing Stock	97.12	99.10
	4,158.91	2,831.67
	4,158.91	**2,831.67**

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - O : Manufacturing & Other Expenses		
Power & Fuel	38.90	30.99
Loading & Unloading Charges	25.89	22.51
Stores, Spares & Packing Material Consumed	20.20	11.43
Repairs & Maintenance (Machinery)	5.25	4.97
Repairs & Maintenance (Buildings)	-	1.20
Other Manufacturing Expenses	4.94	8.11
	95.18	**79.21**

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - P : Personnel Costs		
Salaries, Wages, Bonus & Allowances	11.40	9.36
Contribution to Provident & Other Funds	0.17	0.14
Workmen & Staff Welfare Expenses	0.15	0.35
	11.72	**9.85**

Schedules forming part of the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - Q : Administration & Other Expenses		
Rent, Rates & Taxes	9.37	8.67
Insurance	1.79	1.32
Communication Costs	1.38	1.61
Printing & Stationery	0.68	0.56
Travelling & Conveyance	4.07	0.98
Vehicle Expenses	0.07	0.28
Provision for Doubtful Debts	0.41	-
Provision for Dimunition in Investments	6.00	-
Loss on Sale / Discard of Assets	0.13	-
Legal & Professional Charges	17.91	17.49
Auditor's Remuneration	0.80	0.80
Miscellaneous Expenses	5.02	6.08
	47.63	**37.79**

SCHEDULE - R : Selling and Marketing Expenses		
Freight & Forwarding Charges	25.60	18.07
Sales Promotion Expenses	2.28	2.91
Brokerage, Commission & Discount	0.06	0.44
	27.94	**21.43**

SCHEDULE - S : Interest and Finance Charges		
Interest on Term Loans	16.89	21.74
Interest on Debentures	29.65	8.49
Interest on Buyer Credit	0.12	-
Interest on Foreign Currency Loans	9.87	5.56
Interest to Banks on Working Capital Loans	8.60	11.68
Interest on Vehicle Loans from Banks	0.92	-
Bank Charges	7.39	6.20
	73.44	**53.66**

Annexure 1 to the Schedule "F" forming part of the accounts for the year ended 31st March, 2011

(Rs. in Million)

Particulars		As at 31st March, 2011	As at 31st March, 2010
INVESTMENTS			
LONG TERM INVESTMENTS			
NON TRADE			
(A) Quoted in Equity Shares of Rs. 10/- each fully paid up unless otherwise stated			
Creative Eyes Limited		0.27	0.27
10,000 Shares (P.Y. 10,000 Shares)			
Energy Development Limited		0.51	0.51
5,000 Shares (P.Y. 5,000 Shares)			
Power Grid Corporation Limited		0.08	0.08
500 Shares (P.Y. 500 Shares)			
Mavi Industries Ltd.		0.33	0.33
36,750 Shares (P.Y. 36,750 Shares)			
Reliance Industrial Infrastructure Limited		2.64	2.64
1,000 Shares (P.Y. 1,000 Shares)			
In Holding Company			
Responsive Industries Limited		66.45	66.45
4,418,330 Shares (P.Y. 4,418,330) Shares of Re. 1/- each			
(B) Unquoted			
Barclays Securities (India) Private Limited - PMS			
30 Units (P.Y. 30 Units)	30.00		
Less : Provision for Dimunition in Investment	5.99	24.01	30.00
Total		**94.29**	**100.27**
Aggregate amount of Unquoted Investments (At Cost)		30.00	30.00
Aggregate amount of Quoted Investments (At Cost)		70.27	70.27
Aggregate amount of Quoted Investments (At Market Value)		408.98	382.46

Schedules forming part of the accounts for the year ended 31st March, 2011

SCHEDULE: "T"

I. Company Overview

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

II. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

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

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

b) Use of Estimates

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

c) Inventories

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

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

d) Cash Flow Statement

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

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

e) Revenue Recognition

(i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

Schedules forming part of the accounts for the year ended 31st March, 2011

(ii) Revenue from sale of goods is recognised when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of Sales Tax/Value Added Tax. Excise Duty recovered is presented as a reduction from gross turnover.

(iii) Revenue in respect of export sales is recognised on the basis of dispatch of goods for exports.(i.e. on the date of Bill of Lading).

(iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Dividend income is recognised when the shareholders' right to receive payment is established by the Balance Sheet date. Dividend from subsidiaries is recognised even if same are declared after the Balance Sheet date but pertains to period on or before the date of Balance Sheet as per the requirement of schedule VI of the Companies Act, 1956.

(vi) Other Income is accounted for on accrual basis, when certainty of receipt is established.

f) Fixed Assets

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

g) Depreciation & Amortisation

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

h) Impairment of Fixed Assets

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

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

i) Foreign Currency Transactions

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.

Schedules forming part of the accounts for the year ended 31st March, 2011

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.

Exchange Differences

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

j) Investments

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

k) Employee Benefits

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

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

l) Borrowing Cost

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

m) Segment Reporting

Identification of segments

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

Schedules forming part of the accounts for the year ended 31st March, 2011

Inter segment Transfers

The Company generally accounts for inter segment transfers at cost.

Allocation of common costs

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

Unallocated items

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

Segment Policies

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

n) **Leases**

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

o) **Earnings per share**

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

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

Schedules forming part of the accounts for the year ended 31st March, 2011

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 not recognised as an asset in the Balance Sheet.

q) **Provisions, Contingent Liabilities & Contingent Assets**

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

III. Notes to Accounts

1. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated in the financial statements and are realisable in the ordinary course of business. The provision for all known liabilities is adequate.

2. In respect of balance confirmations sought by the Company from various parties reflected under Sundry Debtors, Sundry Creditors and Loans & Advances, some have responded to the request of the Company. As such balances of Sundry Debtors, Sundry Creditors and Loans & Advances are taken as appearing in the books of accounts and are subject to confirmation and reconciliation, if any. Consequential impact, if any, will be considered as and when determined.

3. No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at that date or for the period then ended, other than those reflected or fully disclosed in the books of account.

4. **Secured Loans**

   i. **Term Loans from Banks**

   It is secured by Equitable Mortgage on Company's Leasehold Land including all plant & machinery, spares, tools, accessories, equipment, furniture, fixtures & fittings both present & future.

   ii. **Working Capital Loan from Banks**

   It is secured by first charge in the form of Floating charge on Book Debts & Movable Property. Further secured by second ranking pari passu charge on entire movable Fixed Assets of the Company both present & future.

Schedules forming part of the accounts for the year ended 31st March, 2011

iii. Foreign Currency Loans

It include External Commercial Borrowings by the Company and the same 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.

iv. Buyer's Credit

It is secured by first pari passu charge on entire assets with other Banks and second ranking pari passu charge on entire movable fixed assets of the Company.

v. Vehicle Loans

It is secured by specific assets.

5. During the year, in order to comply with the Accounting Standard (AS) 15 (Revised 2005) "Employee Benefits" as notified by the Companies Accounts Standard, Rule 2006, the method of accounting of Gratuity has been changed from cash basis to accrual basis of accounting and accordingly provision has been made as on 31st March, 2011. Gratuity has been provided on the basis of actuarial valuation. Due to change in this accounting policy, the profit for the year is lower by Rs. 0.69 Million having consequential effect on the Reserves and Surplus and Current Liabilities.

Schedules forming part of the accounts for the year ended 31st March, 2011

6. As on 31st March, 2011, the rate of Interest on all interest bearing CCD's is reduced to 0.01%.

7. Disclosure as per AS-15 Revised

The principal assumptions used in the actuarial valuation of Gratuity are as follows:

Discount rate	8.25%
Attrition rate	2.00%
Expected rate of future salary increase	6.00%

Change in present value of defined benefit obligation (Rs. in Million)

Present value of obligation as at 1st April, 2010	Nil
Interest Cost	0.06
Current Service Cost	0.67
Benefits paid	Nil
Actuarial (gain) / loss on obligations	(0.04)
Present Value of obligation as at 31st March, 2011	0.69

Amount recognised in the Balance Sheet (Rs. in Million)

Present value of obligation as at 31st March, 2011	0.69
Fair Value of plan assets as at the end of the year	Nil
Funded status	Nil
Unrecognised Past Service Cost as at 31st March, 2011	Nil
Unrecognised Transitional Liability as at 31st March, 2011	Nil
Net (Assets)/ Liability recognised in the Balance Sheet	0.69

Expenses recognised in the Profit and Loss Account (Rs. in Million)

Current Service Cost	0.67
Past Service Cost	Nil
Interest Cost	0.06
Expected return on plan assets	Nil
Net Actuarial (Gain)/ loss recognised during the year	(0.04)
Total Expenses recognised in the Profit and Loss Account	0.69

Balance Sheet Reconciliation	(Rs. in Million)
Opening Net Liability	Nil
Expenses as above	0.69
Net Transfer In	Nil
(Net Transfer Out)	Nil
Employer's Contribution	Nil
Net Liability Recognised in the Balance Sheet	0.69

Schedules forming part of the accounts for the year ended 31st March, 2011

Other Disclosures	(Rs. in Million)
Defined Benefit Obligation	0.69
Plan Assets	Nil
Surplus / (Deficit)	0.69
Experience Adjustments on Plan Liabilities – Loss	Nil
Experience Adjustments on Plan Liabilities – Gain	0.04

Since, the Company has started providing the gratuity as per AS-15 (Revised) from 2010-11, figures are given only for current year

The Company expects to contribute Rs. Nil to its Gratuity Plan for the next year.

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.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

8. Director's Remuneration

(Rs. in Million)

Particulars		For the year ended 31st March, 2011	For the year ended 31st March, 2010
a)	Executive Director		
	Salary	3.18	2.90
	Company's contribution to Provident and other funds	Nil	Nil
	Other perquisites	Nil	Nil
	Total	**3.18**	**2.90**
b)	Non-Executive Director:		
	Sitting Fees	Nil	Nil

Note:

1. As the liabilities for gratuity are provided on actuarial basis for the Company as a whole the amounts pertaining to the Directors is not ascertainable & therefore not included above.
2. Since no commission is payable to any managerial person, computation of net profit u/s 349 of the Companies Act, 1956 is not given.

Schedules forming part of the accounts for the year ended 31st March, 2011

9. Auditor's Remuneration (excluding Service Tax)

(Rs. in Million)

Particulars	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Audit Fees	0.80	0.80
Certification work	Nil	Nil
Out-of-pocket expenses	0.052	0.004
Total	**0.852**	**0.804**

10. Taxes on Income

The Deferred Tax Liability as on 31st March, 2011 comprises of

(Rs. in Million)

Sr. No.	Particulars	As at 31st March, 2010	Adjustment during the year	As at 31st March, 2011
1	Depreciation	101.24	61.77	163.01
2	Disallowances u/s 40(a)(ia)	(0.10)	-	(0.10)
3	Expenses allowed on payment basis	-	(0.23)	(0.23)
4	Others	-	(2.13)	(2.13)
	Deferred Tax Liability	**101.14**	**59.41**	**160.55**

11. Earning Per Share (As per AS – 20)

i) Basic EPS

(Rs. in Million)

Sr. No.	Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
A	Net Profit after tax available for equity shareholders (Rupees) used as Numerator	437.83	286.93
B	Weighted Average number of Equity Shares used as Denominator	1,90,47,160	1,90,47,142
C	Basic earning per share (in Rupees)	**22.99**	**15.06**

ii) Diluted EPS

(Rs. in Million)

Sr. No.	Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
A	Net Profit after tax available for equity shareholders (Rupees) used as Numerator	437.83	286.93
B	Weighted Average number of Equity Shares used as Denominator	3,38,11,113	2,21,14,999
C	Diluted earning per share (in Rupees)	**12.95**	**12.97**

Schedules forming part of the accounts for the year ended 31st March, 2011

12. Related Party Disclosures

(a) Key Management Personnel

Mr. Atit Agarwal	Whole-time Director
Mrs. Swati Agarwal	Whole-time Director
Mr. Rajesh Pandey	Director

(b) Relatives of key management personnel

Sharadkumar Agarwal H.U.F

Om Prakash Agarwal H.U.F

(c) Enterprise owned or significantly influenced by Key Management Personnel or their relatives:

(i) One Source Trading Company LLP (with effect from 25th March, 2011)

(ii) One Source Enterprises LLP

(iii) AA Superior Enterprises LLP

(d) Holding Company, Ultimate Holding Company:

(i) Responsive Industries Limited: Holding Company

(ii) Wellknown Business Ventures Private Limited: Ultimate Holding Company.

There are no transactions during the current year with the related parties mentioned in (c) and (d) (ii).

Following are the transactions with the related parties mentioned in (a), (b), and (d) (i) above

(Rs. in Million)

Nature of Transactions	In relation to (a) above		In relation to (b) above		In relation to (d) (i) above	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Loans and Advances Given	Nil	Nil	12.00	Nil	576.42	918.18
Loans and Advances Received Back	Nil	Nil	12.00	Nil	576.42	918.18
Rent Expenses	Nil	Nil	Nil	Nil	0.60	0.60
Sales	Nil	Nil	Nil	Nil	585.51	528.10
Purchases	Nil	Nil	Nil	Nil	38.56	72.48
Remuneration to Directors	3.18	2.90	Nil	Nil	Nil	Nil
Amount Outstanding at the end of the year						
Deposit Receivable	Nil	Nil	Nil	Nil	5.00	5.00
Amount Payable	0.07	Nil	Nil	Nil	0.045	0.09

Notes

i) In case of (a) above, Rs. 1.2 Million is given to Atit & Swati Agarwal each in current year as well as previous year & Rs. 0.78 Million is given to Rajesh Pandey as Directors Remuneration in current Year & Rs. 0.50 Million in previous year.

ii) In case of (b) above, Rs. 11.70 Million is given & received back from Om Prakash Agarwal HUF & Rs. 0.30 Million is given & received back from Sharad Kumar Agarwal HUF in current year.

iii) Related Parties as disclosed by Management and relied upon by auditors.

iv) 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.

Schedules forming part of the accounts for the year ended 31st March, 2011

13. Additional Information Pursuant to the Provision of Part II of the Schedule VI of the Companies Act 1956.

a. C.I.F. Value of Imports, Expenditure and Earnings in Foreign Currencies

(Amount in Million)

Sr. No.	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
i)	**C.I.F. Value of Imports**		
a)	Purchases of Raw Material	1,350.55	1,211.62
b)	Stores and Components	2.45	1.72
c)	Capital Goods	1,007.58	973.15
ii)	**Expenditure in Foreign Currency (Accrual Basis)**		
a)	Freight – Exports	19.73	12.04
b)	Bank Charges	0.58	0.33
c)	Export Commission	0.05	0.20
d)	Legal and Professional Charges	2.95	2.24
e)	Exhibition Expenses	0.04	0.62
f)	Interest on ECB	9.87	5.55
g)	Interest on CCD's	29.65	3.46
iii)	**Earnings in Foreign Currencies (Accrual Basis)**		
	Export Sales – F.O.B.	3,176.08	1,772.42

b. Value of Imported and Indigenous Raw Materials, Stores & Spares consumed during the year.

Raw Materials

(Rs. in Million)

Sr. No.	Description	Current Year		Previous year	
		%	Amount	%	Amount
i.	Imported	33	1,384.71	42	1,200.19
ii.	Indigenious	67	2,774.20	58	1,631.48
		100	**4,158.91**	**100**	**2,831.67**

Stores & Spares

(Rs. in Million)

Sr. No.	Description	Current Year		Previous year	
		%	Amount	%	Amount
i.	Imported	12	2.51	15	1.76
ii.	Indigenious	88	17.69	85	9.67
		100	**20.20**	**100**	**11.43**

Schedules forming part of the accounts for the year ended 31st March, 2011

14. Foreign Currency Exposure (Unhedged)

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(Amount in Million)

		Year ended 31st March, 2011		Year ended 31st March, 2010	
Sr. No.	Particulars	Amount in $	Amount in Rs.	Amount in $	Amount in Rs.
i)	Debtors	$ 13.79	614.51	$ 12.54	565.55
ii)	Advance from Debtors	$ 0.04	1.82	$ 0.19	8.57
iii)	Creditors	$ 10.82	482.33	$ 3.68	165.97
iv)	Advance to Creditors	$ 0.38	16.82	$ 0.35	15.79

15. Segmental Information

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.

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 :

(Rs. in Million)

Sales	For the year ended on 31st March, 2011	For the year ended on 31st March, 2010
India	2,036.19	1,753.44
Export	3,195.82	1,772.42
Total	**5,232.01**	**3,525.86**

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

(Rs. in Million)

Assets	For the year ended on 31st March, 2011	For the year ended on 31st March, 2010
India	3,607.68	2,748.82
Outside India *	614.51	565.39
Total	**4,222.19**	**3,314.21**

Schedules forming part of the accounts for the year ended 31st March, 2011

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

(Rs. in Million)

Capital Expenditure	As at 31.03.2011	As at 31.03.2010
India	1,032.24	1,036.81
Outside India	Nil	Nil
Total	**1,032.24**	**1,036.81**

* Carrying amount of Segment assets outside India represents receivables from export sales.

16. As on 31st March 2011, there are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006. This information takes into account only those Suppliers who have responded to the enquiries made by the Company for this purpose.

17. Disclosure as per AS-19

As lessee: Future Rental obligations in respect of premises taken on lease – Operating Lease.

Particulars	31st March, 2011	31st March, 2010
Less than 1 year	Rs. 9.02 Million	Rs. 9.21 Million
More than 1 year but less than 5 years	Rs. 2.40 Million	Rs. 10.82 Million
More than 5 years	Rs. 0.60 Million	Rs. 1.20 Million

Lease rentals charged to revenue for the current year Rs. 9.21 Million (Previous Year 8.48 Million).

These comprise factory land, residential flats, office premises & usage of office equipments. The agreements for lease are executed for tenure of 11 to 72 months.

18. Net dividend remitted in foreign currency

(Amount in Rs.)

Year to which it relates	Year in which payment made	No. of Non-Resident Shareholders	No. of Equity Shares held	Dividend remitted (Rs.)
2009-10	2010-11	2	200	40

19. The previous year's figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on behalf of the Board of Directors

Atit Agarwal
Director

R.K. Pandey
Director

Place: Betegaon
Date: 20th May, 2011

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's Business Profile

I) REGISTRATION DETAILS

Registration No.	U25209MH1999PLC119427		
State Code	11	Balance Sheet Date	31.03.2011

II) CAPITAL RAISED DURING THE YEAR (AMOUNT IN RUPEES MILLION)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RUPEES MILLION)

Total Liabilities	4012.02	Total Assets	4012.02

SOURCES OF FUNDS

Paid Up Capital	190.47	Reserves and Surplus	1199.66
Secured Loans	819.56	Unsecured Loans	1269.70
Share Application Money	NIL	Supplier's Credit	372.08
Deferred Tax Liabilities	160.55		

APPLICATION OF FUNDS

Net Fixed Assets	2992.22	Investments	94.27
Net Current Assets	925.52	Miscellaneous Expenditure	NIL

IV) PERFORMANCE OF COMPANY

Turnover	5286.24	Total Expenditure	4662.21
Profit/(Loss) before Tax	624.03	Profit/(Loss) After Tax	437.83
Earning per Share in Rs.	22.99	Dividends Rate (%)	2.00

V) GENERIC NAMES OF ONE PRINCIPAL PRODUCT/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Item Code No.	3131	Product Description	HDPE/PP ROPES

For and on behalf of the Board of Directors

Atit Agarwal
Director

R.K. Pandey
Director

Place: Betegaon
Date: 20th May, 2011

Notes

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Consolidated Auditors' Report

To

Auditors' Report to the Board of Directors of

Responsive Industries Limited on the Consolidated Financial Statements

1. We have audited the attached Consolidated Balance Sheet of Responsive Industries Limited ("the Company") and its Subsidiary (collectively referred to as "the group") as at 31st March, 2011 and also the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

3. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, "Consolidated financial statements" as notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).

4. In our opinion and to the best of our information and according to the explanations given to us, the said consolidated financial statement 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 31st March, 2011;

   (b) in the case of the Consolidated Profit and Loss Account, 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 of the Group for the year ended on that date.

For **Haribhakti & Co.**
Chartered Accountants
FRN 103523W

Sarah George
Partner
Membership No. 45255

Place: Mumbai
Date: 20th May, 2011

Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Million)

Particulars	Schedule No.	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	A	257.23	243.50
Share Application Money (Pending Allocation)		584.72	760.22
Reserves & Surplus	B	3,644.31	2,082.92
		4,486.26	3,086.64
Minority Interest		212.93	136.47
Loan Funds			
Secured Loans	C	1,506.10	1,090.09
Unsecured Loans	D	1,012.00	1,712.00
Buyer Credit (In Foreign Currency)		985.69	1,018.39
Deferred Tax Liabilities (Net)		263.74	223.53
		8,466.72	**7,267.12**
APPLICATION OF FUNDS			
Fixed Assets	E		
Gross Block		5,392.30	4,577.75
Less: Depreciation		1,574.93	1,044.90
Net Block		3,817.37	3,532.85
Add: Capital Work in Progress (including Capital Advances)		3,354.31	1,961.41
		7,171.68	5,494.26
Investments	F	162.87	340.12
Current Assets, Loans & Advances			
Inventories	G	534.63	448.56
Sundry Debtors	H	903.38	1,067.02
Cash & Bank Balances	I	205.04	363.51
Loans & Advances	J	156.62	161.78
		1,799.67	2,040.87
Less: Current Liabilities & Provisions	K		
Current Liabilities		586.18	488.96
Provisions		81.32	119.17
		667.50	608.13
Net Current Assets		1,132.17	1,432.74
Significant Accounting Policies & Notes Forming Part of the Accounts	S	**8,466.72**	**7,267.12**

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sarah George
Partner
Membership No. 45255

Place: Betegaon
Date: 20th May, 2011

For and on behalf of the Board of Directors

Atit Agarwal
Director

Santosh Shinde
Director

Dhirajkumar Neve
Company Secretary

Place: Betegaon
Date: 20th May, 2011

Consolidated Profit and Loss Account for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Schedule No.	Year Ended 31st March, 2011	Year ended 31st March, 2010
INCOME			
Gross Sales		12,490.88	8,813.54
Less: Excise Duty		704.33	420.55
Net Sales		11,786.55	8,392.99
Other Income	L	125.45	97.88
Increase / (Decrease) in Stocks	M	8.58	(43.49)
		11,920.58	**8,447.38**
EXPENDITURE			
Manufacturing & Other Expenses	N	9,639.53	6,800.69
Personnel Costs	O	95.95	73.63
Administrative & Other Expenses	P	129.03	91.84
Selling & Marketing Expenses	Q	114.91	96.68
Interest & Finance Charges	R	111.48	95.00
Depreciation	E	530.87	373.13
		10,621.77	**7,530.97**
Profit Before Tax		**1,298.81**	**916.41**
Less: Provision for tax			
Current Tax		273.33	166.51
Deferred Tax Charge		40.21	80.76
Tax Adjustments for earlier years		(5.29)	2.19
Profit After Tax		**990.56**	**666.95**
Less: Prior Period Adjustment		4.16	-
Less: Minority Interest		76.45	41.28
Add: Profit brought forward from earlier years		1,605.56	1,013.22
		2,515.51	**1,638.89**
Appropriation			
Proposed Dividend		29.97	28.60
Dividend Distribution Tax		4.86	4.75
Balance carried to Balance Sheet		**2,480.68**	**1,605.54**
Earnings Per Share of Re. 1 each (in Rs.)			
Basic		3.84	2.69
Diluted		3.75	2.54
Significant Accounting Policies & Notes Forming Part of the Accounts	S		

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sarah George
Partner
Membership No. 45255

Place: Betegaon
Date: 20th May, 2011

For and on behalf of the Board of Directors

Atit Agarwal
Director

Santosh Shinde
Director

Dhirajkumar Neve
Company Secretary

Place: Betegaon
Date: 20th May, 2011

Consolidated Cash Flow Statement for the year ended 31st March, 2011

(Rs. in Million)

Sr. No.	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Tax	**1,298.79**	**916.42**
	Adjustments For:		
	Depreciation	530.87	373.13
	Loss on Sale of Fixed Assets	0.59	0.26
	Provision For Bad Debts	10.19	3.71
	Interest Expense	111.48	95.00
	Interest Income	(14.59)	(24.30)
	Dividend Income	(4.22)	(4.16)
	Provision for Gratuity	2.02	-
	Provision for Dimunition in Value of Investment	8.01	-
	(Profit) on Sale of Investment	-	(0.71)
	Unrealised (Gain) on Foreign Exchange	(15.48)	(4.21)
	Operating Profit Before Working Capital Changes	**1,927.66**	**1,355.14**
	Adjustment For:		
	Inventories	(86.07)	(171.07)
	Trade & Other Receivables	151.45	(895.64)
	Loans and Advances	5.16	281.60
	Trade Payables	54.07	(726.58)
	Cash Generated From Operations	**2,052.27**	**(156.55)**
	Income Tax Paid	(268.07)	(17.21)
	Net Cash From Operating Activities	**1,784.20**	**(173.76)**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed Assets (Including Capital Advances)	(2,209.27)	(2,740.12)
	Sale of Fixed Assets	0.48	0.24
	Interest Received	14.58	24.30
	Dividend Income	4.22	4.16
	Sale / (Purchase) of Investments	169.24	(295.29)
	Loss on sale of Investments	-	0.71
	Net Cash Used in Investing Activities	**(2,020.75)**	**(3,006.01)**

Consolidated Cash Flow Statement for the year ended 31st March, 2011 (Contd.)

(Rs. in Million)

Sr. No.	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest Paid	(111.48)	(95.00)
	Deferred Suppliers Credit and Proceeds from Borrowings	(33.12)	1,018.39
	(Repayment) / Receipt of Loans	(269.66)	1,541.91
	Dividend Paid (Including Dividend Distribution Tax)	(33.35)	(33.46)
	Increase / (Decrease) in Fixed Deposits pledged against Letter of Credit	18.93	(92.18)
	(Payment) / Receipt of Share Application Money	(175.50)	760.22
	Issue of Share Capital	13.73	0.00
	Receipt of Share Premium	686.25	0.00
	Unrealised Gain on Foreign Exchange Fluctuation	-	-
	Net Cash Used in Financing Activities	**95.81**	**3,099.89**
	Net (Decrease) in Cash and Cash Equivalents	**(140.75)**	**(79.88)**
	Cash & Cash Equivalents (Opening Balance)	**271.34**	**351.22**
	Cash & Cash Equivalents (Closing Balance)	**130.59**	**271.34**

NOTES:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2 Cash and Cash Equivalents at the year end consist of Cash in Hand and Balances with Banks as follows:

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
Cash & Cash Equivalent (As per Schedule "I")	205.04	363.51
Less: Unrealised Gain / (Loss) in Banks Accounts	1.20	(0.00)
Less: Fixed Deposits under Lien	73.25	92.18
Total	**130.59**	**271.34**

3 Figures in brackets represents outflows.

4 Previous Year figures have been recast/restated wherever necessary.

As per our attached report of even date

For **HARIBHAKTI & CO.**
Chartered Accountants

Sarah George
Partner
Membership No. 45255

Place: Betegaon
Date: 20th May, 2011

For and on behalf of the Board of Directors

Atit Agarwal
Director

Santosh Shinde
Director

Dhirajkumar Neve
Company Secretary

Place: Betegaon
Date: 20th May, 2011

Schedules Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - A : Share Capital		
Authorised		
420,000,000 (P.Y. 42,000,000 Equity Shares of Rs. 10/- each) Equity Shares of Re. 1/- each	420.00	420.00
	420.00	**420.00**
Issued, Subscribed & Paid-up		
261,645,000 Equity Shares of Re. 1/- each fully paid up (P.Y. 24,792,000 Equity Shares of Rs. 10/- each fully paid up). Less: 441,833 numbers of Equity Shares held by Axiom Cordages Limited (Subsidiary Company)	257.23	243.50
(Of the above 157,440,000 Equity Shares of Re. 1/- each (P.Y. 15,744,000 Equity Shares of Rs. 10/- each) have been alloted as Bonus Shares by capitalisation of reserves in F.Y. 2007-08.)		
(Of the above 143,157,640 Equity Shares of Re. 1/- each (P.Y. 14,315,764 Equity Shares of Rs. 10/- each) are held by the holding company Wellknown Business Ventures Private Limited)		
	257.23	**243.50**

SCHEDULE - B : Reserves and Surplus		
Capital Reserve - Opening Balance	1.38	1.38
Capital Reserve (on Consolidation)	303.16	303.16
Securities Premium - Opening Balance	172.74	172.74
Add: Amount received during the year	686.25	0.00
	858.99	172.74
General Reserve	0.10	0.10
Profit and Loss Account	2,480.68	1,605.54
	3,644.31	**2,082.92**

SCHEDULE - C : Secured Loans (Refer Note 4 to Schedule "S")		
Term Loan from Bank	121.33	161.61
Working Capital Loan from Banks	971.62	550.40
External Commercial Borrowing	261.80	281.87
Vehicle Loans	47.36	6.21
Buyer's Credit from Banks	103.99	-
Other Loan	-	90.00
	1,506.10	**1,090.09**

SCHEDULE - D : Unsecured Loans		
0% Nil (P.Y. 7000) Compulsorily Convertible Debentures of Rs. 100,000/- each	-	700.00
0.01 % (P.Y. 12%) 6,043 (P.Y. 6,043) Compulsorily Convertible Debentures of Rs. 100,000/- each	604.30	604.30
0.01% (P.Y. 0.015%) 1,192 (P.Y. 1,192) Compulsorily Convertible Debentures of Rs. 100,000/- each	119.20	119.20
0.01% (P.Y. 15.5%) 2,885 (P.Y. 2,285) Compulsorily Convertible Debentures of Rs. 100,000/- each	288.50	288.50
	1,012.00	**1,712.00**

Schedules Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE - E : Fixed Assets (At Cost Less Depreciation)

(Rs. in Million)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 1st April, 2010	Additions During the year	Deductions During the year	As at 31st March, 2011	Up to 31st March, 2010	For the year	Adjustments during the year	Up to 31st March, 2011	As at 31st March, 2011	As At 31st March, 2010
Land	78.10	-	-	78.10	-	-	-	-	78.10	78.10
Factory Buildings	205.78	-	-	205.78	20.22	6.87	-	27.09	178.69	185.56
Plant & Machinery	4,197.83	766.50	-	4,964.33	997.87	512.34	-	1,510.21	3,454.12	3,199.97
Electric Installations	26.92	2.30	-	29.22	6.29	2.66	-	8.95	20.27	20.63
Computers	6.64	0.61	-	7.25	2.56	1.11	-	3.67	3.58	4.07
Furniture & Fixtures	1.53	0.05	-	1.58	0.29	0.10	-	0.39	1.19	1.24
Office Equipments	7.29	1.45	0.07	8.67	0.81	0.38	0.02	1.17	7.50	6.48
Weighing Scale	0.25	0.05	-	0.30	0.03	0.01	-	0.04	0.26	0.21
Motor Cars	28.78	20.68	1.82	47.64	7.13	3.08	0.81	9.40	38.24	21.66
Motor Trucks	24.65	24.78	-	49.43	9.69	4.32	-	14.01	35.42	14.96
TOTAL	**4,577.77**	**816.42**	**1.89**	**5,392.30**	**1,044.89**	**530.87**	**0.83**	**1,574.93**	**3,817.37**	**3,532.88**
Previous Year	**3,370.24**	**1,208.28**	**0.74**	**4,577.77**	**672.02**	**373.13**	**0.25**	**1,044.89**	**3,532.88**	-

Note: Additions in Plant and Machineries reflects Rs. 1.77 Million towards Foreign Exchange Fluctuations Gains which has been depreciated during the year.
(P.Y. Rs. 8.93 Million).

Schedules Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - F : Investments		
(As per Annexure "1")	162.87	340.12
	162.87	**340.12**
SCHEDULE - G : Inventories		
(As taken, valued and certified by the Management)		
Raw Materials (Including Stock in Transit)	441.86	359.29
Work in Progress	73.87	53.22
Finished Goods	10.46	22.53
Packing Materials	3.48	5.67
Stores and Spares	4.96	7.85
	534.63	**448.56**
SCHEDULE - H : Sundry Debtors		
(Unsecured)		
(a) Debts due for more than six months		
Considered Good	0.29	17.43
Considered Doubtful	13.91	3.71
	14.20	21.14
(b) Other Debts (Considered Good)	903.09	1,049.59
	917.29	1,070.73
Less: Provision for Doubtful Debts	13.91	3.71
	903.38	**1,067.02**
SCHEDULE - I : Cash and Bank Balances		
Cash on hand	3.17	13.53
Balances with Scheduled Banks		
Current Accounts	128.41	257.55
In Fixed Deposit Accounts **	73.46	92.43
** [Includes Rs. 73.25 Million (P.Y. Rs. 92.18 Million) over which bank has lien.]		
	205.04	**363.51**
SCHEDULE - J : Loans and Advances		
(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	119.22	121.13
Balance with Customs, Excise, etc.	21.25	24.20
Deposits	16.15	16.45
	156.62	**161.78**

Schedules Forming Part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Million)

Particulars	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - K : Current Liabilities and Provisions		
Current Liabilities		
Sundry Creditors		
- Due to Micro, Small and Medium Enterprises	5.46	1.56
- Due to Others	400.29	400.66
Advance received from Customers	145.39	21.34
Other Current Liabilities	35.04	65.40
	586.18	**488.96**
Provisions		
Provision for Gratuity	5.90	-
Provision for Tax (Net of Advance Tax & TDS)	40.59	85.82
Proposed Dividend	29.97	28.60
Dividend Distribution Tax	4.86	4.75
	81.32	**119.17**
	667.50	**608.13**

Schedules Forming Part of the Consolidated Profit and Loss Account for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - L : Other Income		
Excise Duty Refund	-	6.79
Gain on Exchange Fluctuations (Net)	95.93	45.40
Profit on Sale of Investments	-	0.71
Dividend Income		
Long Term Investments - Non Trade	0.94	0.88
Investments in subsidiary - Long Term	3.29	3.28
Interest on Fixed Deposit (TDS Rs. 0.25 Million) (P.Y. Rs. 0.82 Million)	2.44	4.83
Interest Income (TDS Rs. 0.03 Million) (P.Y. Rs. 0.05 Million)	12.14	29.13
Other Income	5.97	3.92
Commission Income [TDS Rs. 0.03 Million (P.Y. Rs. Nil)]	0.34	-
Insurance Claim Received	4.40	2.94
	125.45	**97.88**

Schedules Forming Part of the Consolidated Profit and Loss Account for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - M : Increase / (Decrease) in Stocks		
Closing Stocks		
Stock-in-Process	73.87	53.22
Finished Goods	10.46	22.53
	84.33	**75.75**
Less: Opening Stocks		
Stock-in-Process	53.22	116.51
Finished Goods	22.53	2.73
	75.75	119.24
	8.58	**(43.49)**

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - N : Manufacturing & Other Expenses		
Raw Materials Consumed		
Opening Stock	359.29	151.57
Add: Purchases	9,245.83	6,649.69
	9,605.12	6,801.26
Less: Closing Stock	441.86	360.67
	9,163.26	**6,440.59**
Other Expenses		
Packing Material Consumed	58.98	41.46
Stores and Spares Consumed	65.89	38.47
Loading and Unloading Charges	94.21	68.23
Power & Fuel Charges	227.05	178.74
Repair & Maintenance (Machineries)	24.85	23.16
Repair & Maintenance (Buildings)	0.34	1.93
Other Manufacturing Expenses	4.95	8.11
	9,639.53	**6,800.69**

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - O : Personnel Costs		
Salaries, Wages & Bonus	86.42	64.41
Workmen & Staff Welfare Expenses	6.97	7.31
Contribution to Provident & Other Funds	2.56	1.91
	95.95	**73.63**

Schedules Forming Part of the Consolidated Profit and Loss Account for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - P : Administration Expenses		
Rent, Rates and Taxes	14.44	12.24
Insurance	4.50	3.82
Communication Costs	6.71	5.64
Printing & Stationery	4.35	3.60
Travelling, Conveyance & Motor Car Expenses	19.51	13.71
Legal & Professional Charges	39.18	25.64
Vehicle Expenses	0.07	0.28
Repair & Maintenance (Others)	3.33	3.90
Auditors Remuneration	2.50	2.60
Provision for Doubtful Debts	10.19	3.71
Provision for Diminution in value of Investment	8.00	-
Loss on sale of Fixed Assets	0.59	0.26
Miscellaneous Expenses	15.66	16.44
	129.03	**91.84**
SCHEDULE - Q : Selling and Marketing Expenses		
Business Promotion Expenses	12.04	6.63
Brokerages, Commissions & Discount	6.87	9.30
Freight, Clearing & Forwarding Charges	96.00	77.03
Exhibition Expenses	-	3.72
	114.91	**96.68**
SCHEDULE - R : Interest and Finance Charges		
Interest on Term Loan	16.89	21.74
Interest on Debentures	29.65	8.49
Interest on Term External Comm. Borrowing	9.87	5.56
Interest Paid - Bank / Financial Institute	27.09	45.33
Interest on Buyer's Credit	0.46	-
Interest on Vehicle Loan	2.19	1.39
Bank Charges	18.97	11.30
Other Interest	6.36	1.19
	111.48	**95.00**

Annexure 1 Forming Part of the Schedule to the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Million)

Particulars		As at 31st March, 2011	As at 31st March, 2010
LONG TERM INVESTMENTS			
NON TRADE			
(A) Quoted in Equity Shares of Rs. 10/- each fully paid up unless otherwise stated			
Energy Development Company Limited		1.82	1.82
[13,000 (P.Y. 13,000)]			
Jai Corp Limited		1.17	1.17
[1,000 (P.Y. 1,000)]			
Syschem India Limited		0.27	0.27
[138,000 (P.Y. 138,000)]			
Reliance Industrial Infrastructure Limited		29.06	29.06
[21,600 (P.Y. 21,600)]			
Power Grid Corporation		0.08	0.08
[500 (P. Y. 500)]			
Mavi Industries Ltd.		0.33	0.33
[36,750 (P.Y. 36,750)]			
Creative Eyes Limited		0.27	0.27
[10,000 (P. Y. 10,000)]			
Wellworth Overseas Ltd		0.09	0.09
[100,000(P.Y. 100,000) Equity Shares of Re. 1/- each fully paid up]			
Mutual Funds			
JM Contra fund - Dividend Plan of Rs. 10/- per unit		5.00	5.00
[488,998 (488,998) units of Rs. 10/- each fully paid up]			
HDFC Mutual Fund		0.76	-
Citi Financial Consumer Finance (India) Ltd.		2.00	2.00
(B) Unquoted			
Barclays Securities (India) Pvt. Ltd.	74.00		
Less: Provision for Diminution in Investment	6.01	67.99	74.00
Benchmark AMC PMS A/c BDP Series 66		50.00	218.00
Jaiho Industries Limited	6.03		
[4,020,000 (1,100,000) Equity Shares of Rs. 10/- each fully paid up]			
Less: Provision for Diminution in Investment	2.00	4.03	6.03
(C) Current Investments			
Investments in Mutual Funds			
Reliance Asset Management A/C Debt PMS		-	2.00
Total		**162.87**	**340.12**
Aggregate of Unquoted Investments (At Cost)		122.03	300.03
Aggregate of Quoted Investments (At Cost)		40.86	40.09
Aggregate of Quoted Investments (At Market Value)		15.50	20.32

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

SCHEDULE : "S"

Significant Accounting Policies and Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2011.

1. Significant Accounting Policies

a) Basis of Consolidation

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

i) The financial statements of the Company and its Subsidiary have been combined on a line-by-line basis by adding together the balances of items like Assets, Liabilities, Income and Expenditure after fully eliminating the intra-group balances and intra-group transactions resulting in unrealised profits or losses.

ii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

iii) The excess of cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognised in the financial statements as goodwill.

iv) The excess of Company's portion of equity of subsidiary over the cost to the Company of its investments at the dates it become subsidiary is recognised in the financial statements as capital reserves.

v) Minority Interest is the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their shares in the equity, subsequent to the dates of investments as stated above.

b) Basis of Preparation of Financial Statements

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

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

c) Use of Estimates

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

d) Inventories

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

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

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

e) 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.

f) Revenue Recognition

(i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

(ii) Revenue from sale of goods is recognised when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of Sales Tax / Value Added Tax. Excise Duty recovered is presented as a reduction from gross turnover.

(iii) Revenue in respect of export sales is recognised on the basis of dispatch of goods for exports (i.e. on the date of Bill of Lading).

(iv) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Dividend income is recognised when the shareholders' right to receive payment is established by the Balance Sheet date. Dividend from subsidiaries is recognised even if same are declared after the Balance Sheet date but pertains to period on or before the date of Balance Sheet as per the requirement of schedule VI of the Companies Act, 1956.

(vi) Other Income is accounted for on accrual basis, when certainty of receipt is established.

g) 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.

h) Depreciation & Amortisation

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

i) Impairment of Fixed Assets

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

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

j) 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

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

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

(iii) Exchange Differences

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

k) Investments

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

l) Employee Benefits

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

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

m) Borrowing Cost

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

n) Segment Reporting

Identification of segments:

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

Inter segment Transfers:

The Company generally accounts for inter segment transfers at cost.

Allocation of common costs:

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

Unallocated items:

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

Segment Policies:

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

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

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 recognised 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 is 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 not recognised as an asset in the Balance Sheet.

r) Provisions, Contingent Liabilities & Contingent Assets

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

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

2. Company considered in the consolidated financial statement is

Name of the Company	Country of Incorporation	% Voting Power held As on 31st March, 2011	As on 31st March, 2010
Axiom Cordages Limited	India	86.10	86.10

3. Auditors Remuneration

(Rs. in Million)

Particulars	31st March, 2011	31st March, 2010
Audit Fees	2.50	2.50
Certification work	0.20	Nil
Out-of-pocket expenses	0.21	0.02
Total	**2.91**	**2.52**

4. Secured Loans

i. Term Loans from Banks

It is secured by Equitable Mortgage on Company's Leasehold Land including all plant & machinery, spares, tools, accessories, equipment, furniture, fixtures & fittings both present & future.

ii. Working Capital Loan from Banks

It is secured by first charge in the form of Floating charge on book debts & Movable Property. Further, secured by second ranking pari passu charge on entire movable Fixed Assets of the Company both present & future.

iii. Foreign Currency Loans

It include External Commercial Borrowings by the Company and the same 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.

iv. Buyer's Credit

It is secured by first pari passu charge on entire assets and second ranking pari passu charge on entire movable fixed assets of the Company.

v. Vehicle Loans

It is secured by specific assets.

5. During the year, in order to comply with the Accounting Standard (AS) 15 (Revised 2005) "Employee Benefits" as notified by the Companies Accounts Standard, Rule 2006, the method of accounting of Gratuity has been changed from cash basis to accrual basis of accounting and accordingly provision has been made as on 31st March, 2011. Gratuity has been provided on the basis of actuarial valuation. Due to change in this accounting policy, the profit for the year is lower by Rs. 5.90 Million having consequential effect on the Reserves and Surplus and Current Liabilities.

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

6. Related Party Disclosures

(a) Key Management Personnel

Mr. Atit Agarwal	Whole-time Director
Mrs. Swati Agarwal	Whole-time Director
Mr. Rajesh Pandey	Director

(b) Relatives of key management personnel

i) Mr. Abhishek Agarwal

ii) M/s Om Prakash Agarwal H.U.F.

iii) M/s Sharad Kumar Agarwal H.U.F.

(c) Fellow Subsidiary

Sun Plastochem Limited

(d) Holding Company

Wellknown Business Ventures Private Limited

(e) Enterprise owned or significantly influenced by Key Management Personnel or their relatives:

i) One Source Trading Company LLP (with effect from 25th March, 2011)

ii) One Source Enterprises LLP

iii) AA Superior Enterprises LLP

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

There are no transactions during the current year with the related parties mentioned in (b) (i), (c) and (e) (ii) & (iii)

Following are the transactions with the related parties mentioned in (a) (i), (ii) and (iii), (b) (ii) & (iii), (d) and (e) (i) above

(Rs. in Million)

Nature of Transactions	In relation to (a) above		In relation to (b) (ii) & (iii) above		In relation to (c) above		In relation to (d) above		In relation to (e) (i) above	
	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year
Loans & Advances Received during the year	Nil	Nil	12.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loans & Advances Repaid	Nil	Nil	12.00	67.46	Nil	Nil	Nil	Nil	Nil	Nil
Refund of Share Application Money	Nil	Nil	Nil	Nil	Nil	Nil	10.00	Nil	Nil	Nil
Loan Given	Nil	Nil	Nil	9.19	Nil	Nil	Nil	Nil	Nil	Nil
Rent Expenses	0.03	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.09	Nil
Remuneration to Directors	4.38	4.10	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Amount Outstanding at the end of the year										
Amount Payable	0.11	Nil	Nil	Nil	5.00	5.00	Nil	Nil	0.07	Nil
Amount receivable	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

i) In case of (a) above, Rs. 3.60 Million is Remuneration of Mr. Atit Agarwal as Directors Remuneration in current year & previous year the rest amounting to Rs. 0.78 Million in current year & Rs. 0.50 Million in previous year is remuneration of Mr. Rajesh Pandey & out of above Rs. 0.09 Million is payable in respect of current year. Also Rs. 0.03 Million is Rent Expense of Mr. Rajesh Pandey & out of it Rs. 0.02 Million is Payable.

ii) In case of (b) above, Rs. 11.70 Million is given & received back from Om Prakash Agarwal HUF & Rs. 0.30 Million is given & received back from Sharad Kumar Agarwal HUF.

iii) Related Parties are as disclosed by the Management and relied upon by the auditors.

iv) No amount pertaining to related parties have been provided for as doubtful debts.

v) Also, no amount has been written off / back which was due from / to related parties.

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

7. Disclosure as per AS -15 revised

The principal assumptions used in the actuarial valuation of Gratuity are as follows:

Discount rate	8.25 %
Attrition rate	2.00 %
Expected rate of future salary increase	6.00 %

Change in present value of defined benefit obligation

	(Rs. in Million)
Present value of obligation as at 01.04.2010	4.16
Interest Cost	0.40
Current Service Cost	0.96
Benefits paid	(0.28)
Actuarial (gain) / loss on obligations	0.94
Present Value of obligation as at 31.03.2011	6.18

Amount recognised in the Balance Sheet	(Rs. in Million)
Present value of obligation as at 31.03.2011	6.18
Fair Value of plan assets as at the end of the year	Nil
Funded status	Nil
Unrecognised Past Service Cost as at 31.03.2011	Nil
Unrecognised Transitional Liability as at 31.03.2011	Nil
Net (Assets)/ Liability recognised in the Balance Sheet	6.18

Expenses recognised in the Profit and Loss Account	(Rs. in Million)
Current Service Cost	0.96
Past Service Cost	Nil
Interest Cost	0.40
Expected return on plan assets	Nil
Net Actuarial (Gain)/ loss recognised during the year	0.94
Total Expenses recognised in the Profit and Loss Account	2.30

Balance Sheet Reconciliation	(Rs. in Million)
Opening Net Liability	4.16
Expenses as above	2.30
Net Transfer In	Nil
(Net Transfer Out)	Nil
Employer's Contribution	(0.28)
Net Liability Recognised in the Balance Sheet	6.18

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

Other Disclosures

	(Rs. in Million)
Defined Benefit Obligation	6.18
Plan Assets	Nil
Surplus / (Deficit)	6.18
Experience Adjustments on Plan Liabilities – Loss	0.98
Experience Adjustments on Plan Liabilities – Gain	0.04

Since, the Company has started providing the gratuity as per AS-15 (Revised) from 2010-11, figures are given only for current year.

The Company expects to contribute Rs. Nil to its Gratuity Plan for the next year.

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.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

8. Segmental Information

i) Primary (Business) Segment

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

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

- PVC Flooring and other PVC Products.
- Ropes.

Segmental Revenue, Results and Capital Employed include the respective amounts identifiable to each of the segments.

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

(Rs. in Million)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
1. Segmental Revenue		
a. PVC Flooring and other PVC Products	7,178.61	5,467.71
b. Ropes	5,232.01	3,525.86
Total	**12,410.62**	**8,993.57**
Less: Inter-Segment Revenue	624.07	600.58
Income from Operations	**11,786.55**	**8,392.99**
2. Segment Results		
a. PVC Flooring and other PVC Products	674.76	521.64
b. Ropes	624.03	396.17
Total	**1,298.79**	**917.81**
Less: Inter segment revenue	Nil	1.39
Total Profit before Tax	**1,298.79**	**916.42**
3. Segment Assets		
a. PVC Flooring and other PVC Products	5,253.39	4,966.06
b. Ropes	4,222.20	3,245.67
c. Unallocable	(341.41)	(336.45)
Total	**9,134.18**	**7,875.28**
4. Segment Liabilities		
a. PVC Flooring and other PVC Products	1,767.34	2,503.43
b. Ropes	2,662.18	2,187.80
c. Unallocable	(267.57)	(262.61)
Total	**4,161.95**	**4,428.62**
5. Capital Expenditure		
a. PVC Flooring and other PVC Products	1,175.15	1,702.54
b. Ropes	1,032.24	1,036.81
Total	**2,207.39**	**2,739.36**
6. Depreciation and Amortisation		
a. PVC Flooring and other PVC Products	283.48	253.02
b. Ropes	247.39	120.11
Total	**530.87**	**373.13**
7. Significant Non-cash Expenditure		
Non-cash Expenditure		
a. PVC Flooring and other PVC Products	11.79	3.71
b. Ropes	6.40	Nil
Unrealised Gain on foreign exchange		
a. PVC Flooring and other PVC Products	(10.82)	(3.04)
b. Ropes	(4.66)	(1.17)
Total	**(2.71)**	**(0.50)**

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

ii) Secondary (Geographical) Segment:

Secondary segment reporting is performed on the basis of geographical location of the customers. The operation of the Company comprises 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 sale by geographical markets.

(Rs. in Million)

Sales	For the year ended 31st March, 2011	For the Year ended 31st March, 2010
India	4,001.36	3,975.84
Export	7,785.19	4,417.15
Total	**11,786.55**	**8,392.99**

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

(Rs. in Million)

Assets	31st March, 2011	31st March, 2010
India	8,516.60	7,000.63
Outside India*	617.58	874.65
Total	**9,134.18**	**7,875.28**

(Rs. in Million)

Capital Expenditure	31st March, 2011	31st March, 2010
India	2,207.39	2,739.35
Outside India	Nil	Nil
Total	**2,207.39**	**2,739.35**

*Carrying amount of segment assets outside India represents receivables from export sales.

9. Earning Per Share

i) Basic EPS

(Rs. in Million)

	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
A	Net Profit after tax available for equity shareholders used as Numerator	986.39	666.95
B	Weighted Average number of Equity Shares used as Denominator	25,67,56,664	24,79,20,000
C	Basic income per share (in rupees)	3.84	2.69

Schedules forming part of Consolidated Financial Statements for the year ended 31st March, 2011

ii) Diluted EPS

(Rs. in Million)

	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
A	Net Profit after tax available for equity shareholders used as Numerator	986.39	666.95
B	Weighted Average number of Equity Shares used as Denominator	26,30,41,984	26,30,83,930
C	Diluted income per share (in rupees)	3.75	2.54

10. Disclosure as per AS-19

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

Particulars	31st March, 2011	31st March, 2010
Less than 1 year	Rs. 13.10 Million	Rs. 12.99 Million
More than 1 year but less than 5 years	Rs. 1.08 Million	Rs. 14.18 Million
More than 5 years	Rs. Nil	Rs. Nil

Lease rentals charged to revenue for the current year Rs. 12.99 Million (Previous Year 8.55 Million).

These premises comprise residential flats & usage of office equipments. The agreements for lease are executed for tenure of 11 to 24 months.

11. Deferred Tax Liability

The Deferred Tax Liability as on 31st March, 2011 comprises of:

(Rs. in Million)

Particulars	Opening Year ended 31st March, 2010	Adjustment during the Year	Closing Year ended 31st March, 2011
Depreciation	224.98	48.10	273.08
Disallowance u/s 40(a)(ia)	(1.45)	-	(1.45)
Expenses allowed on payment basis	-	(3.37)	(3.37)
Others	-	(4.52)	(4.52)
Deferred Tax Liability / (Assets)	**223.53**	**40.21**	**263.74**

12. The previous year's figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year

For and on behalf of the Board of Directors

Atit Agarwal
Director

Santosh Shinde
Director

Dhirajkumar Neve
Company Secretary

Place: Betegaon
Date: 20th May, 2011

Statement pursuant to Section 212

of the Companies Act, 1956, related to Subsidiary Companies.

Rs. in Million

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 31st March, 2011	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 31st March, 2011
1	2	3	4	5
Axiom Cordages Limited	1st April, 2010 to 31st March, 2011	16,400,000	437.83	Nil

For and on behalf of the Board of Directors

Atit Agarwal
Director

Santosh Shinde
Director

Dhirajkumar Neve
Company Secretary

Place: Betegaon
Date: 20th May, 2011

Summary of Financial information of Subsidiaries

Rs. in Million

Particulars	Axiom Cordages Limited
Capital	190.47
Reserve	1,199.64
Total Assets	4,012.00
Total Liabilities	4,012.00
Investment other than investment in subsidiary	94.29
Turnover	5,286.24
Profit before taxation	624.03
Provision for taxation	186.19
Profit after taxation	437.83
Proposed dividend	3.81

Corporate Information

Responsive Industries Limited

Board of Directors
Mr. Atit Agarwal – Chairman cum Whole-time Director
Mrs. Swati Agarwal – Non-Executive Director
Mr. S.S. Thakur – Independent Non-Executive Director
Mr. V.K. Chopra – Independent Non-Executive Director
Mr. Akil Hirani – Independent Non-Executive Director
Mr. Michael Freedman – Independent Non-Executive Director
Mr. Santosh Shinde – Non-Executive Director
Mr. Rajesh Pandey – Independent Non-Executive Director

Company Secretary
Mr. Dhirajkumar Neve

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

Principal Bankers
State Bank of India
ING Vysya Bank Limited
Bank of Maharashtra

Solicitors
Rajani Associates

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

Registrars & Share Transfer Agents
Link Intime India Pvt. Ltd.
C-13 Pannalal Silk Mill Compound, LBS Marg,
Bhandup (West), Mumbai - 400 078

Axiom Cordages Limited

Board of Directors
Mr. Atit Agarwal – Chairman cum Whole-time Director
Mrs. Swati Agarwal – Whole-time Director
Mr. Rajesh Pandey - Director
Mr. S. Santhanakrishnan – Independent Director
Mr. S. Krishnamurthy – Independent Director
Mr. Sanjiv Singhal - Nominee Director
Mr. Bharat Mahalik - Director

Solicitors
Rajani Associates

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

Bankers
State Bank of India
ING Vysya Bank Limited

Registered Office & Factory
Gat No. 114B & 120C, Betegaon Village,
Boisar (E), Tal. - Palghar, Dist. - Thane - 401 501

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