

Intense

Responsive Industries Limited
Axiom Cordages Limited
Annual Report 2010-11

**The word that
best defines us is...**



Inte

It's
the extent

of creative energy
that drives our
world.

It's
the diversity

of innovation that we
bring to life each day.

nse

It's
the trust

that national and
international customers
repose in our efforts.

It's
our commitment

to reach new levels of
performance in a dynamic
global marketplace.

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Responsive Industries Limited

Responsive Industries Limited (RIL) is one of the leading global manufacturers of polyvinyl chloride (PVC) based products. We are among the top three global producers of vinyl flooring and possess the largest domestic capacity in PVC flooring and artificial leather cloth segments.

Our product portfolio includes PVC flooring, automotive upholstery solutions, FMCG and pharmaceutical packaging and transparent sheeting, which find diverse sectoral applications: healthcare, hospitality, transportation, IT and telecom, retail, education, sports infrastructure and real estate.

A decorative graphic of pink paint splashes and drips is positioned behind the 'Inside every' text.

Inside every

80 % of standalone revenue comes from poly vinyl chloride (PVC) flooring and artificial leather cloth

20 % of standalone revenue comes from packaging (FMCGs & pharmaceuticals) and soft sheeting

60 % of consolidated revenue comes from exports

50 % of standalone revenue comes from exports

88 % of flooring revenues from exports

19 % of leather cloth revenues from exports

11 sales offices

300+ retailers

23,500 million+ market capitalization*

* 'as on date of signing of the Directors Report'

We are a BSE & NSE listed Company, and a part of BSE Mid cap 200 Index. CRISIL Research has rated us a valuation grade of '3/5' combined with a fundamental grade of '3/5'. Fitch has assigned Responsive and Axiom 'A-' rating.



Axiom Cordages Limited

Axiom Cordages Limited, a subsidiary of Responsive, is into the manufacture of specialised synthetic ropes made of polypropylene (PP), polyethylene (PE), nylon and polyester. Axiom has the largest installed capacity in the domestic shipping ropes segment.

These ropes find applications in shipping and cargo, oil rigs, fishing and other industrial segments. Axiom is India's largest exporter of new generation synthetic ropes, manufactured after high end technical research and know-how. The major export markets are Europe, USA, the Middle East and Singapore.



facet of life

86 % subsidiary of Responsive

100 % export oriented unit (EOU)

90 % revenues from exports

40 % share in consolidated revenues

10 overseas sales distributors

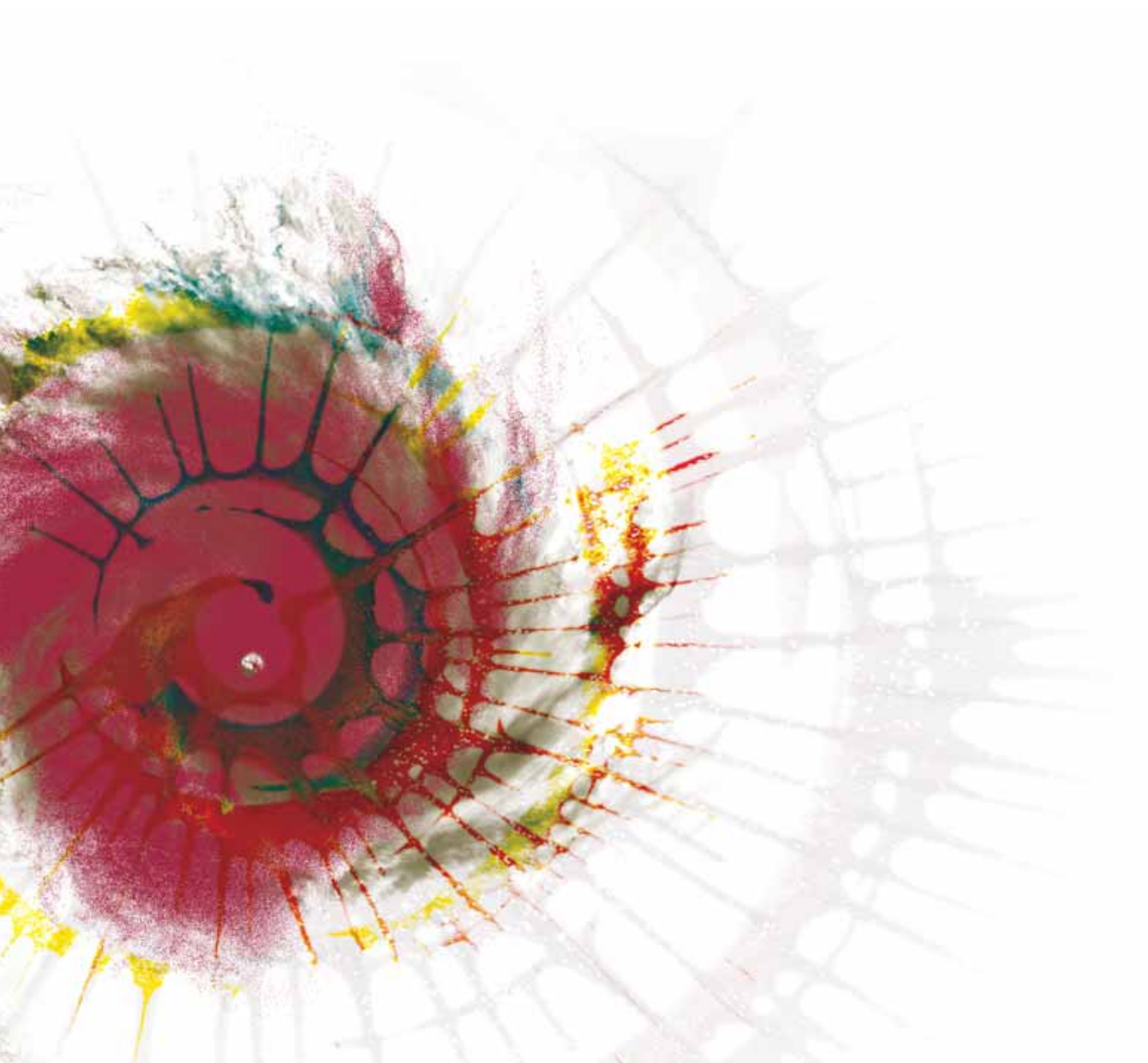
Presence



Responsive Industries Limited

- Manufacturing Facility, Mumbai, India
 - Existing Client Distribution
 - Near Future Potential Clients
-

Creating an enterprise of technology and teamwork



1982

Responsive Polymers is incorporated

1992

The first high-grade vinyl and PVC processing plant is set up, leveraging contemporary global technologies

The expansion of facilities is undertaken to cater to domestic demand

1999

Axiom Impex International Ltd. is incorporated

2000

Responsive Polymers enhances focus on export markets

Responsive Polymers receives international certifications of products and processes

2004

Responsive Polymers significantly upgrades machinery and production capabilities

Axiom undertakes capacity expansion and product innovation

2006

Axiom drives business expansion

2007

Responsive Polymers is renamed Responsive Industries Ltd. (RIL)

Capacity expansion is undertaken to increase the production of PVC leather cloth, PVC flooring, PVC sheeting, and PVC rigid pipes.

2008

FMO and Banyan Tree Netherlands Sovereign Fund invests in Axiom.

2009

Responsive widens the product portfolio through enhanced thrust on innovation

2010

Axiom Impex International Ltd. was renamed Axiom Cordages Ltd.



Responsive Industries Limited

ISO 9001:2000



For consistently providing quality products to customers

US FDA



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

ISO 14001:2004



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

Associations

U.S. Green Building Council



For providing education and training to employees of member organisations in green initiatives related to constructions

World Floor Covering Association



Provides practical solutions and tools to member organisations to modernise their business

Indian Green Building Council



For participating in the green building movement to facilitate India's emergence as one of the world leaders in green buildings by 2010

Star Net Association of USA



Will permit Responsive to become the preferred vendor for top-notch U.S. contractors

Axiom Cordages Limited

International Maritime Organisation



Develops and maintains the regulatory framework for shipping and is responsible for safety and security, environmental, legal, technical and other shipping concerns.



**We aim to
create an
environment**

EVOLVED MANAGEMENT STRATEGIES

**in which
creativity,
capability and
motivation**

AND IMPROVED LEVELS OF PERFORMANCE

**intensify and
flourish.**

HELP US DELIVER ON OUR COMMITMENTS.

The manufacturing units of both Responsive and Axiom are located at Boisar, Thane, 125 kms away from Mumbai. They are strategically located with easy access to ports, roadways, and railways.

Responsive Industries Limited

Responsive's manufacturing unit is equipped with advanced machinery, which employs cutting-edge technology.

Well experienced plant managers and operating engineers supervise the operations.

We have set up a well equipped testing and research laboratory for quality testing and assurance.

Responsive's manufacturing units receives 6 MW power from the MSEB grid, with an option to draw an additional 20% power. The unit also enjoys a 750 KVA diesel generator for back-up power support.

A 750,000 litres annual capacity water purification plant has been installed at Responsive's units.

Our primary raw materials are PVC resins, plasticisers, stabilisers, coated cotton fabric, lubricants, pigments and solvents, with PVC resins comprising the major bulk of the raw materials. Around 55% of the raw materials are imported, while the rest are sourced locally.

Axiom Cordages Limited

Axiom's facilities include a 60-acre rope manufacturing unit at Boisar and an upcoming facility at Tarapur Industrial Complex.

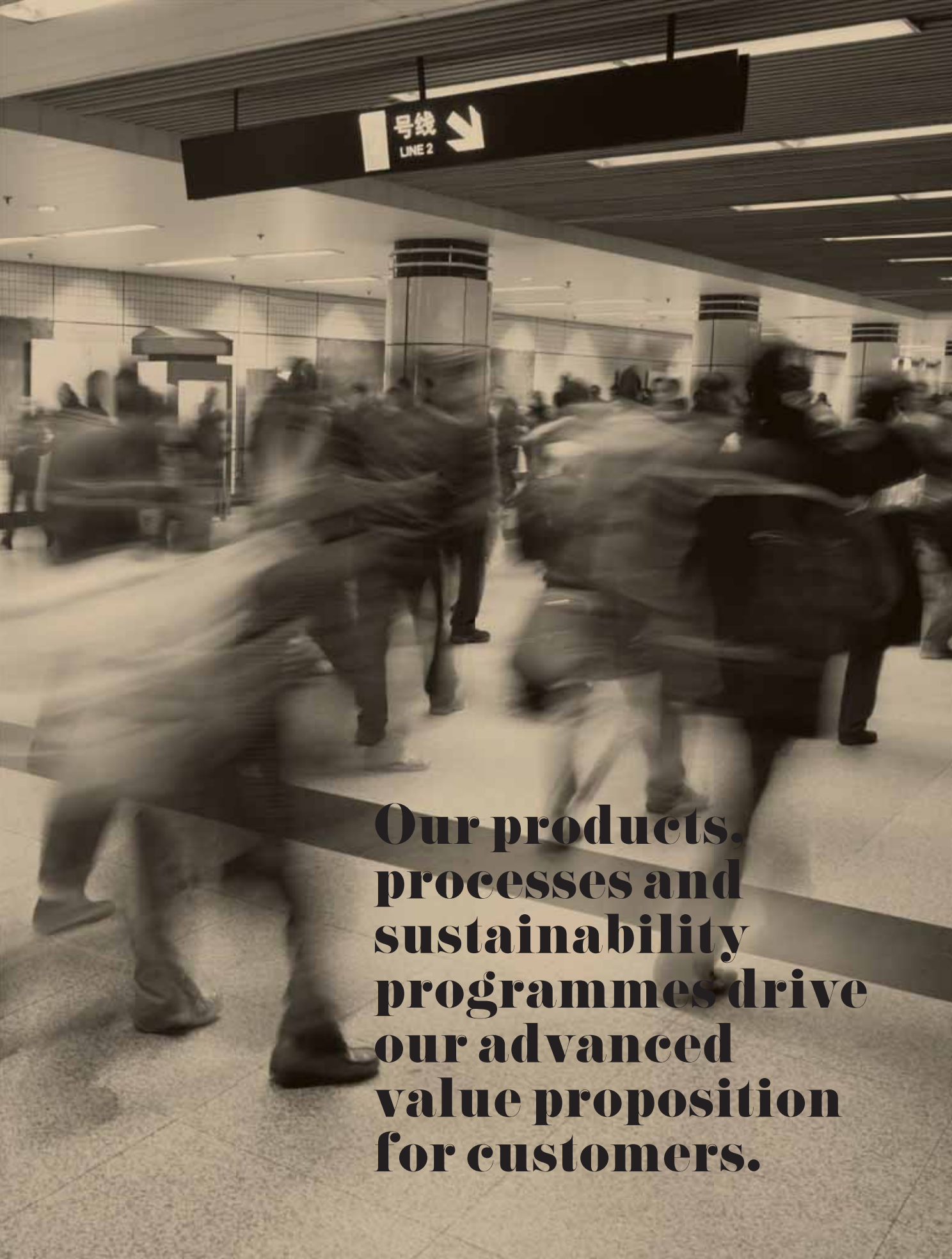
The unit gets uninterrupted power supply.

The manufacturing unit has highly trained support staff for operations, marketing, internal controls and management.

We use state-of-the-art machines, imported from Germany and Korean manufacturers.

Our primary raw materials are HDPE and PP granules and Nylon, which are sourced locally.

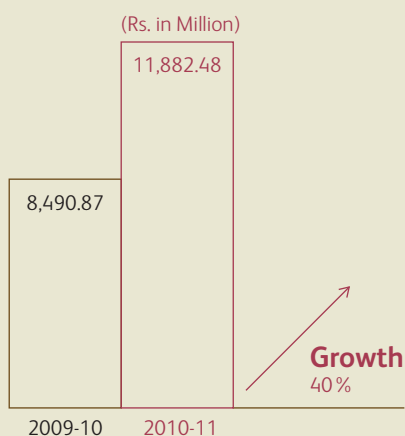




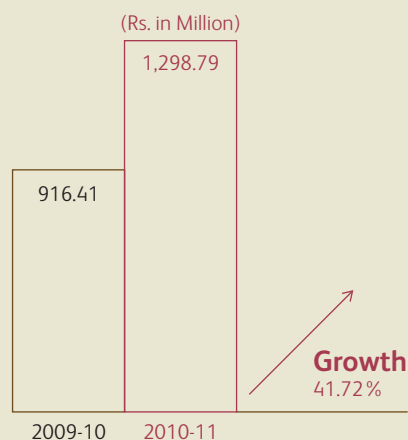
**Our products,
processes and
sustainability
programmes drive
our advanced
value proposition
for customers.**

An insight into growing numbers

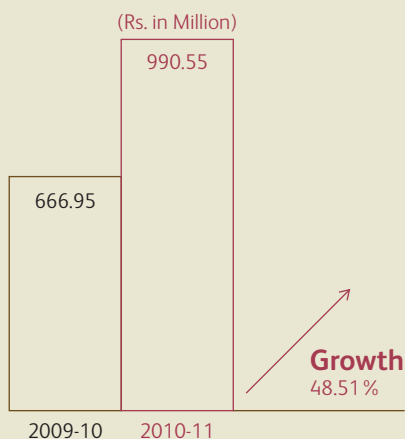
Consolidated financial highlights



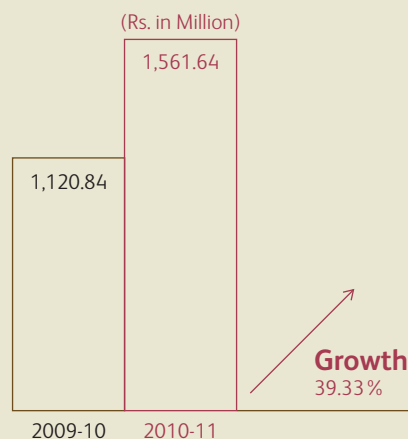
Total Income



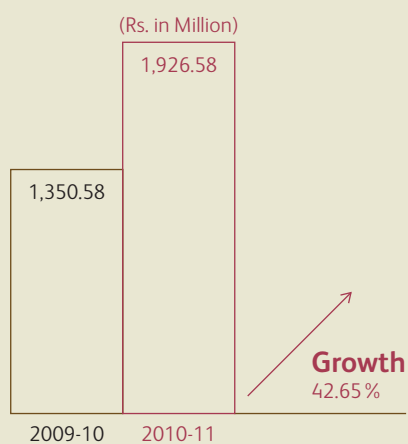
Profit Before Tax (PBT)



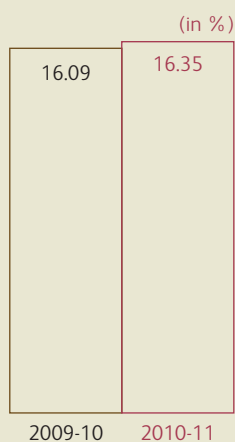
Profit After Tax (PAT)



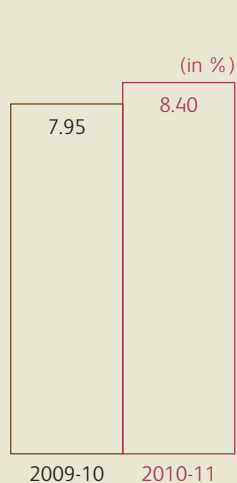
Cash Profit



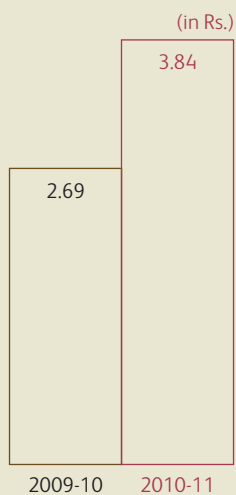
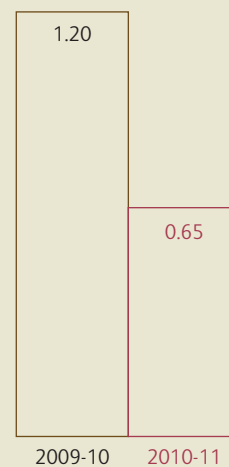
EBITDA



EBITDA Margin



Net Profit Margin

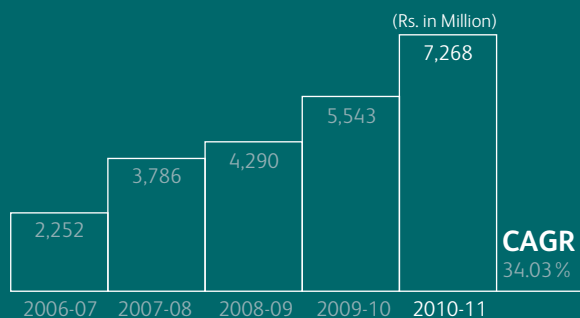
Basic EPS
(Face Value - Re. 1/- each)

Debt Equity Ratio

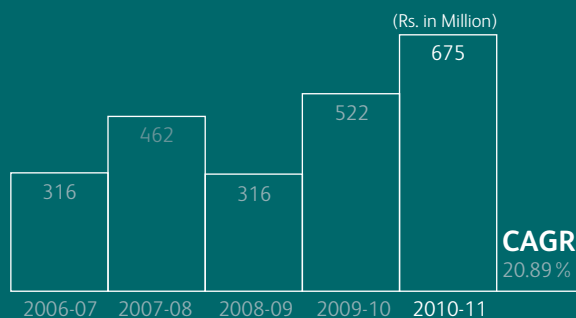
Note : Bar Graphs not to scale

5 year financial highlights - Responsive

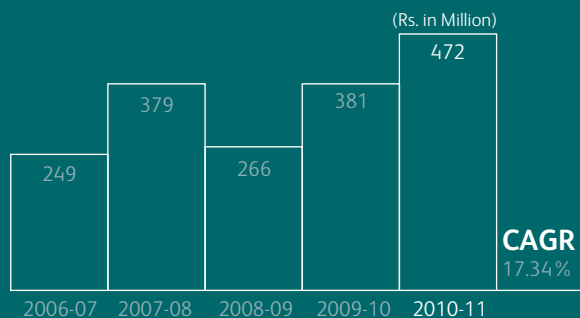
Standalone financial highlights



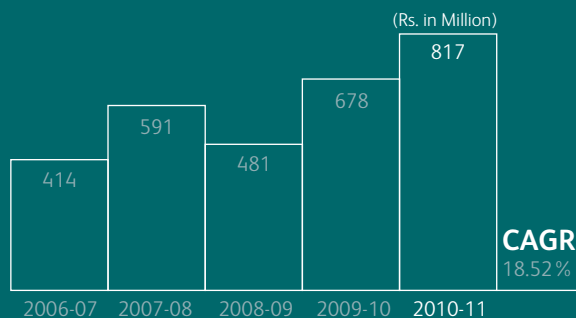
Total Income



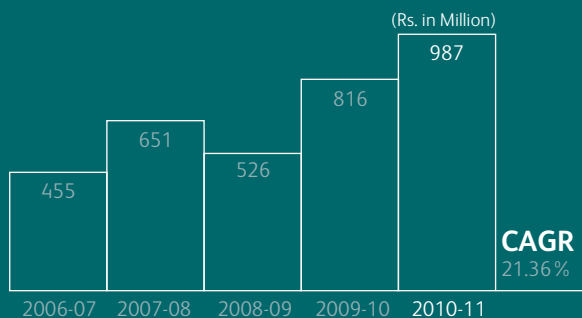
Profit Before Tax (PBT)



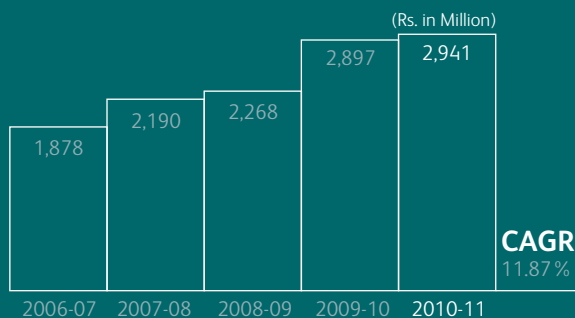
Profit After Tax (PAT)



Cash Profit



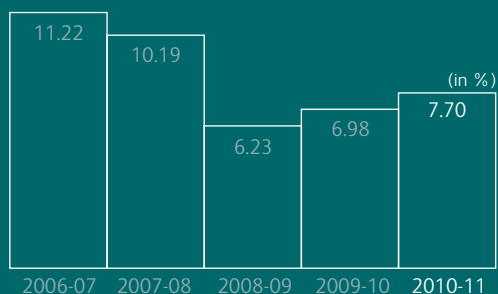
EBITDA



Gross Block



EBITDA Margin



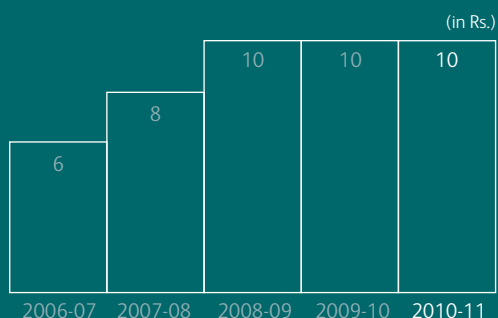
Net Profit Margin



Basic EPS (Face Value - Re. 1/- each)



Book Value (Face Value - Re. 1/- each)



Dividend Payout

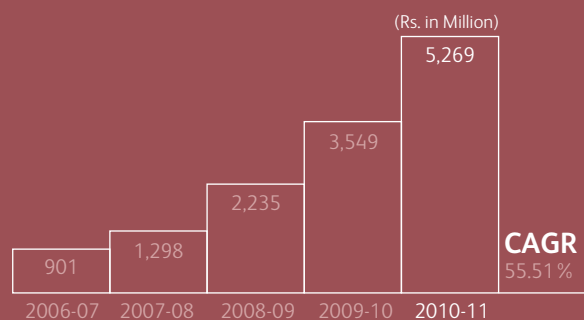


Debt Equity Ratio

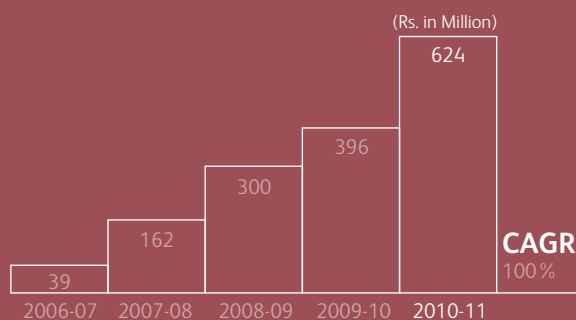
Note : Bar Graphs not to scale

5 year financial highlights - Axiom

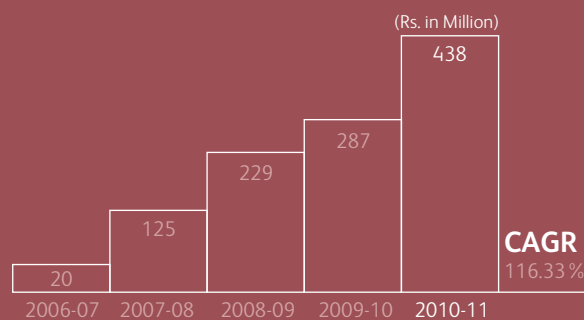
Subsidiary financial highlights



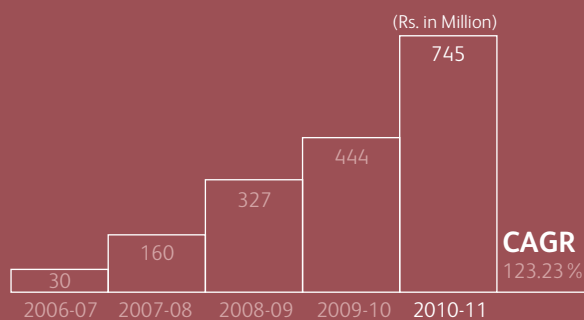
Total Income



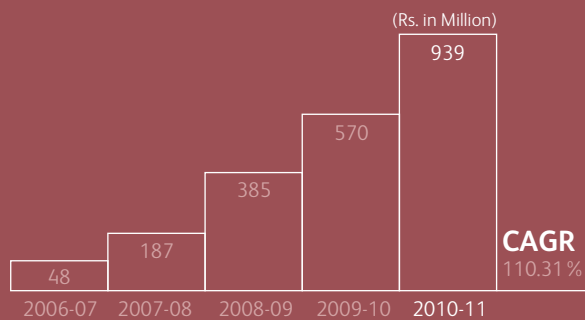
Profit Before Tax (PBT)



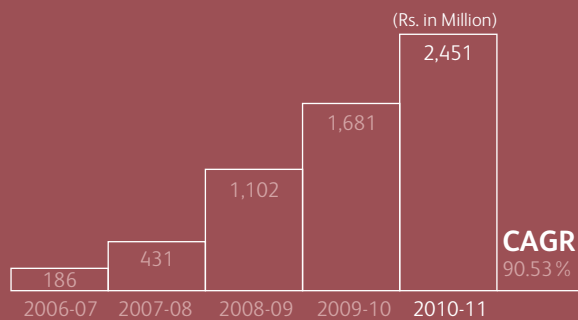
Profit After Tax (PAT)



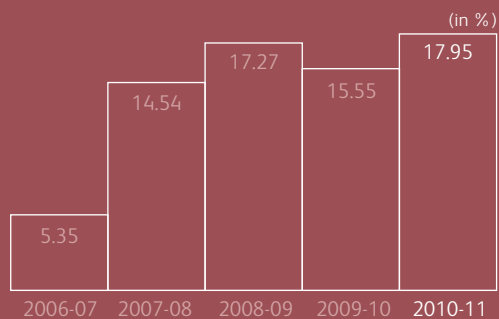
Cash Profit



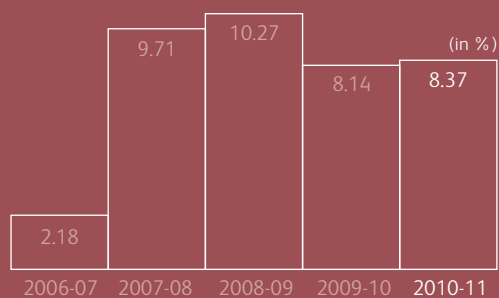
EBITDA



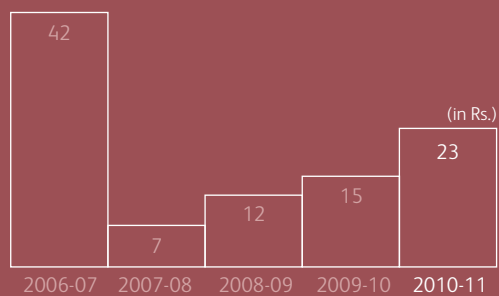
Gross Block



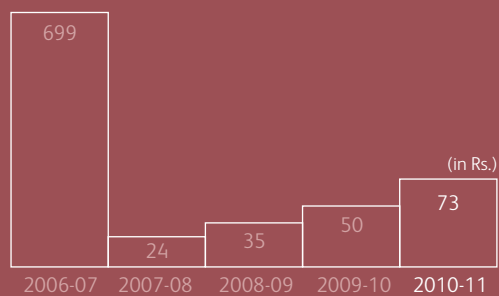
EBITDA Margin



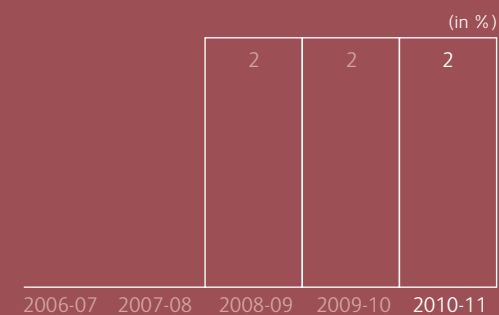
Net Profit Margin



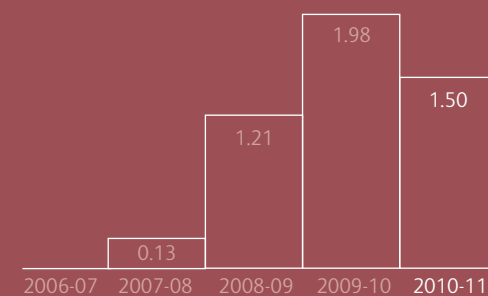
EPS



Book Value per share



Dividend Payout*



Debt Equity Ratio**

* The Directors did not declare dividend in 2006-07 & 2007-08

** The Company had zero debt in 2006-07

Note : Bar Graphs not to scale

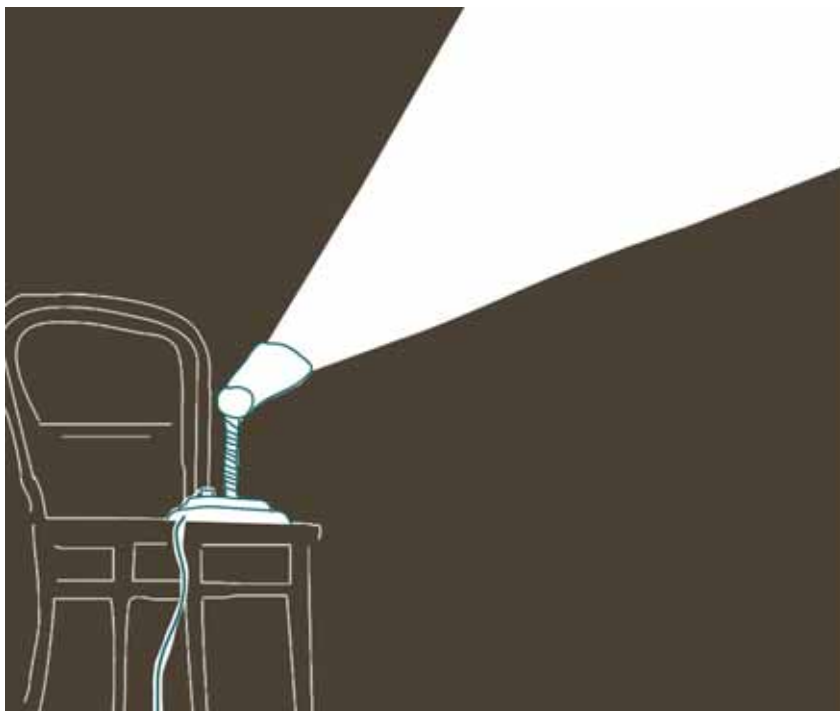




**We have adopted
challenging
environmental
standards
relevant to our
operations.**

Chairman's Message

INNOVATIONS IN
TECHNOLOGY AND
PRODUCTIZATION WILL
BE STEERED BY THE
EMERGING ECONOMIES
IN ALLIANCE WITH
GLOBALLY ACCLAIMED
PARTNERS FROM
ADVANCED NATIONS.



Dear Shareholders,

We are witnessing an age of paradigm shifts:

global economic growth is now driven by countries, which were hitherto labelled 'developing' by the developed world; the demographic dividend is now enjoyed by India and China, while matured economies are languishing under the burden of an ageing and unproductive population; more importantly, standards of higher educational infrastructure have improved considerably in the developing world and the fruits of research and development (R&D) are being leveraged by businesses to create global markets.

These socio-economic trends are leading to significant and far-reaching implications

innovations in technology and productisation will be steered by the emerging economies in alliance with globally acclaimed partners from advanced nations. Even the population of the developing world are demanding a better quality of life, creating mega-markets for products and services.

THE BIGGEST HIGHLIGHT OF THE YEAR HAS BEEN THE CAPACITY ADDITION IN VINYL FLOORING AND PVC CLOTH-TWO MAJOR PRODUCTS CONTRIBUTING TO THE TOPLINE.

IN FISCAL 2010, WE CONTINUED OUR CAPACITY EXPANSIONS AT BOTH RESPONSIVE AND AXIOM. AS PART OF OUR EXTENSIVE EXPANSION PROGRAMME, WE PLAN TO INTENSIFY OUR TECHNOLOGY LEVERAGE, FORAY INTO UNEXPLORED MARKETS, WIDEN OUR DOMESTIC OPERATIONS, AND CONTINUE TO CONSOLIDATE OUR POSITION AS ONE OF THE INDUSTRY FRONTRUNNERS.

For example, the global market for flooring is US\$150 Billion and is expected to grow by only 4%. On the other hand, the Indian market could be anywhere between US\$1 Billion and US\$1.5 Billion (although no reliable data is available) and it is growing at a faster rate compared to global markets. Responsive is the pioneer of vinyl product in India and amongst the top three companies globally. Our objective for vinyl products has always been to capture the entire customer spectrum, from the high-end to the low-end.

There are, however, obvious challenges. For an industry like ours, technology poses the biggest entry barrier, which during the initial years we were fortunate to receive from Daewoo Corp. We subsequently took it to the next level by virtue of our in-house R&D activities. Besides, certification can prove to be another limiting aspect. Responsive and Axiom possess the relevant certifications to supply products globally.

The biggest highlight of the year has been the capacity addition in vinyl flooring and PVC cloth, which are the two major products contributing to the topline. The capacity expansion would help us cater to the rising industry demands globally. Although we have reported encouraging numbers in 2010-11, rise in input costs (triggered by volatile international crude prices) remains a matter of concern. To hedge against price volatilities, we have now decided to reduce contract tenures, translating into significant benefits for the Company and the consumer.

In fiscal 2010, we continued our capacity expansions at both Responsive and Axiom. As part of our extensive expansion programme, we plan to intensify our technology leverage, foray into unexplored markets, widen our domestic operations, and continue to consolidate our position as one of the industry frontrunners.

Over the next two to three years, revenue from vinyl flooring and leather cloth will significantly increase, owing to the massive capacity expansion already being executed. Besides, the focus would be on producing green products, which help reduce our environmental impact.

Responsive is a zero debt Company, creating a significant room to raise debt to fund future expansions. In addition, we would focus on harnessing more effectively the latent skills and competencies of our people through continuous training. The markets for the products of Responsive and Axiom are witnessing a steady uptrend, and we must be prepared to leverage the opportunities.

Let me conclude by reiterating our commitment to keep raising the quality standards, expand business horizons and drive a positive change in the lives of all stakeholders by manufacturing green products and enabling people to lead a better quality of life.

Thanks for your rock-hard support and unrelenting faith in our endeavours.

Warm wishes,

Atit Agarwal

The intensity of our customer orientation helps shape our future



Responsive's products represent its inherent strength, sharpened by 29 years of industry experience.

Certified quality, recyclability, cost-effectiveness, durability, eco-friendliness, creativity in designs, slip-resistance, anti-bacterial and antistatic features and moisture-and-stain-resistance comprise the principal features of Responsive's products.

Axiom's ropes are water resistant, strong, lightweight, abrasion resistant and non-corrosive. The ropes possess controlled elongation, shock absorption capacity, and immunity to extreme atmospheric conditions - a result of 11 years of relentless drive for innovation in a constantly evolving market scenario.



Leading the market

A matter of prestige

Responsive's products were used in events like the Commonwealth Games and the Olympics. We provide flooring and upholstery solutions to Indian Railways, Mercedes Benz, Tata and Volvo, to name a few.

Replacement demand

Responsive's and Axiom's products enjoy high replacement demand, generating repeat business. Moreover, as per International Maritime Laws, after a specified number of trips, ropes have to be compulsorily replaced, creating enhanced business opportunities for Axiom.

85%

market share in the domestic surface transport manufacturing industry

95%

market share in the domestic three-wheeler upholstery and canopy market

65%

market share in the domestic PVC flooring market

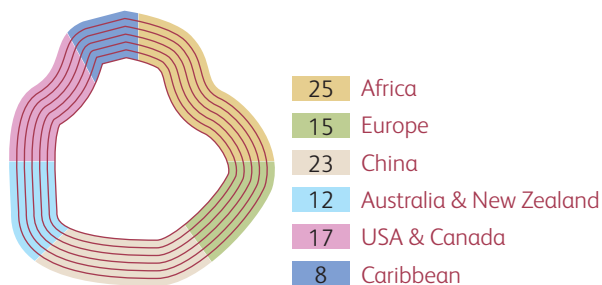
60%

market share in the domestic shipping ropes industry



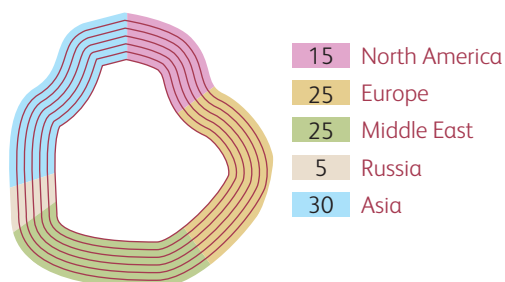
Responsive's products find use across 70 countries globally

Geographic revenue break-up (%)



Axiom's products enjoy footprints across 65 countries of the world

Geographic revenue break-up (%)



Low competition

We enjoy an edge on pricing and product quality over our global peers and domestic competition is low.

Strategic alliances and partnerships

We have formed strategic alliances and partnerships with some of the globally acclaimed companies of the world.

Certified quality

Responsive's products have received DMF registration under FDA, and have been certified by agencies like ISO, ASTM, EN standard certification and CE certification.

Axiom's products have received Germanischer Lloyds certification for quality and minimum breaking strength. We have received certification from Lloyds Register of Shipping, which only a few global manufacturers have received.

We have received the ISO 9000 and 14001 certifications for our quality commitments. The ropes are eligible to pass the stringent quality parameters of inspecting agencies like Bureau Veritas, DNV and SGS.

We continue to invest in operational capability to execute long-term growth plans. Besides, capacity expansion entails economies of scale, reassured customers and big-ticket orders.

High-end technology leverage

A combination of in-house customisation, in-plant integration, process layout and IT infrastructure with an efficient communication system and technical know-how have helped us achieve cost competitiveness, increased employee productivity and enabled faster response to customers.

For rope manufacture, we use modern hi-tech and state-of-the-art machines and technical know-how from Europe. Axiom possesses an R&D facility and testing laboratory that helps in improving the strength of ropes and lowering raw material costs. Our constant research and development endeavours have helped us bring out innovative products.

Capacity expansion

Responsive has undertaken brown-field expansion at the existing unit. During the year, it has successfully added manufacturing capacities in vinyl flooring and PVC leather cloth.

As part of our expansion plan, we are planning to triple the existing capacity of vinyl flooring by 2012, which is expected to increase our share in the global PVC flooring market to nearly 10%. Besides, we are also augmenting the capacity of PVC leather cloth

Capacity expansion of Responsive would be completed by September 2012. The new production capacity would help improve revenues, profitability and market share. The technologically superior infrastructure would result in higher capacity utilisation, streamline existing operations and reduce operational bottlenecks.

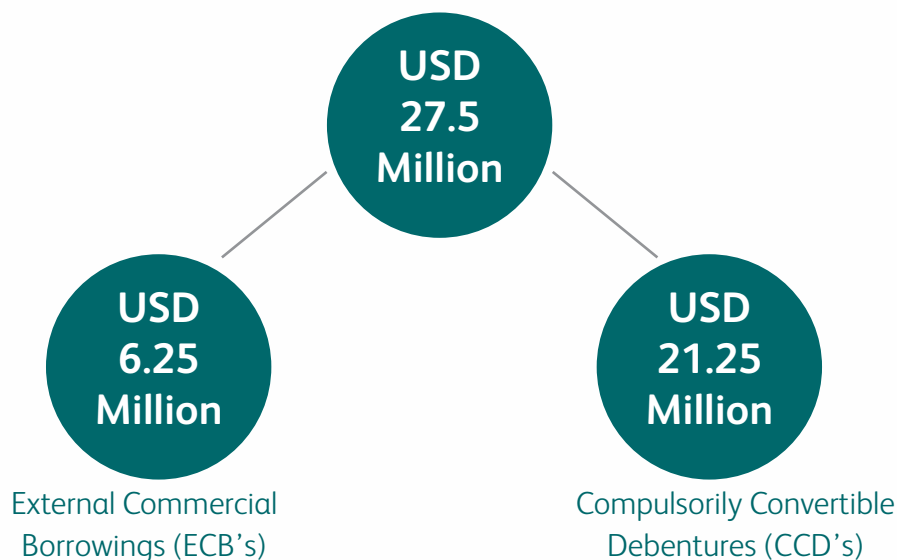
Proposed CAPEX break-up

Mode of funding	Total Amount	Status
Debt	Rs. 3.5 Billion	Received sanction
Equity (internal accruals and promoter funding)	Rs. 2.1 Billion	Will be sanctioned, if required
Total CAPEX	Rs. 5.6 Billion	



At Axiom, we plan to expand the rope manufacturing capacity by 2013. The capital required for the expansion would be invested in phases between 2011 and 2013.

FMO (Dutch Sovereign Fund) and Banyan Tree funding for capacity expansion at Axiom



Widening our presence

At Responsive, we plan to widen our global footprint to 130 countries by 2013 from our 70 country presence. We would be offering premium products in larger volumes to developed markets of America and Europe. We plan to enter the high growth developing countries of Asia, Middle East and Africa with our range of globally accredited superior quality products.



We make
products that
enrich the way
our customers
live, work, shop,
travel, conduct
businesses,
receive
healthcare
support and
entertain
themselves.



**They
wait
for our
futuristic
products
with
Intense
aspirations.**

RIL
caters to



Educational Institutes



Fitness Centres



Healthcare



Transportation



Specialty



Fitness centres
Gymnasiums
Sports' Courts
Athletic centres



Commercial Spaces
Offices
Warehouses

Transportation
Railways
Automobiles
Airports
Buses

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



Healthcare
Hospitals
Clinics & Labs
Packaging
Pharmaceuticals
FMCGs
Electronics

Axiom caters to

Marine industry

Shipping

Fishing

Aquaculture

Oil Exploration

Defence

Navy

Military applications

Power

Construction



Oil Exploration



Defence & Navy



Power



Construction

Transport
 Railways
 Automobiles
 Airports
 Buses
 Telecom
 Sports
 General purposes
 Industrial ropes
 Packaging



PVC flooring tiles

Product categories

a) Homogenous flooring b) Heterogeneous flooring c) Compact/Acoustic flooring d) Safety & Transport flooring
e) Antistatic & Conductive flooring f) Rubber flooring g) Sports flooring h) Printed flooring

Features

a) Major contributor to the top line b) A high growth product c) Available in easily installable and customisable forms – sheets & tiles d) Used in high traffic areas like malls, restaurant, offices and gyms

Industry applications

Automobiles, Railways, Airports, Buses, Hospitals & Clinics, Fitness Centres, Shopping Malls, Educational Institutes, Commercial spaces, i.e., Offices, IT & Telecom, Hotels & Restaurants, Movie theatres and Amusement Parks, Homes

Demand drivers

a) Economy and Industry growth b) Infrastructure development c) Proposed capital expenditure by Indian Railways
d) Shift in consumer preferences and rising disposable incomes e) Increased exports

PVC leather clothing and seat covering

Product categories

a) Sponge leather b) Un-foamed leather c) Coated leather

Features

a) Major contributor to the top line b) A high growth product c) Synthetic leather cloth is fast replacing natural leather

Industry applications

Railways, Automobiles, Buses, Household items (Jackets, wallets, footwear, sports goods, shoes, belts, purses, garments, furniture, bags, soft luggage, diary covers, cushion covers etc.)

Demand drivers

a) Economy and Industry growth b) Proposed capital expenditure by Indian Railways c) Shift in consumer preferences and rising disposable incomes d) Increased exports

Rigid Blister Films

Product categories

Packaging films

Features

a) PVC Rigid Blister Films are flexible and durable b) Can be thermoformed, welded, printed and laminated

Industry applications

For packing FMCGs, electronics and pharmaceuticals (toothbrushes, shaving razors, food, drugs & capsules and electronics)

Demand drivers

a) Industry growth b) Replacement demand c) Shift in consumer preferences and rising disposable incomes

Soft Plastic Sheeting

Product categories

a) Opaque sheeting b) Printed films c) Clear transparent films

Features

a) Also known as transparent sheeting, it has multiple uses across industries b) Used in various household items

Industry applications

Rainwear, Shower curtains, Baby mats & nappies, Soft luggage, Covers for fridges, televisions, washing machines and computers, Table mats, Diary & passbook covers, Stationary items (files & folders)

Demand drivers

a) Industry growth b) Replacement demand c) Shift in consumer preferences and rising disposable incomes

Shipping Ropes

Product categories

a) 3-strand ropes b) 4-strand ropes c) 8-strand ropes d) 12-strand ropes

Features

a) The 8-strand ropes account for 75 % of production b) The length of 3 and 4-strand ropes range from 40mm to 120mm
c) The 12-strand ropes makes us one of the only three manufacturers in the world

Industry applications

Shipping, Oil Exploration, Defence & Navy, Power, Construction, Transport, Telecom, Sports, General purposes

Demand drivers

a) Economy and Industry growth b) Increased sea bound exports c) Mandatory replacement demand d) Increased port construction and infrastructure development

In step with multiple brands





Indian Railways



Reliance
Industries Limited
Reliance Industries Limited



LARSEN & TOUBRO
Larsen & Toubro



PENTAGON

Pentagon



VIDEOCON

Videocon



Tata



Hindustan Unilever Limited
Hindustan Unilever Limited



Oil and Natural Gas Corporation Ltd.
ONGC



PHILIPS

Philips



Bhabha Atomic Research Centre



**State Bank
of India**

State Bank of India

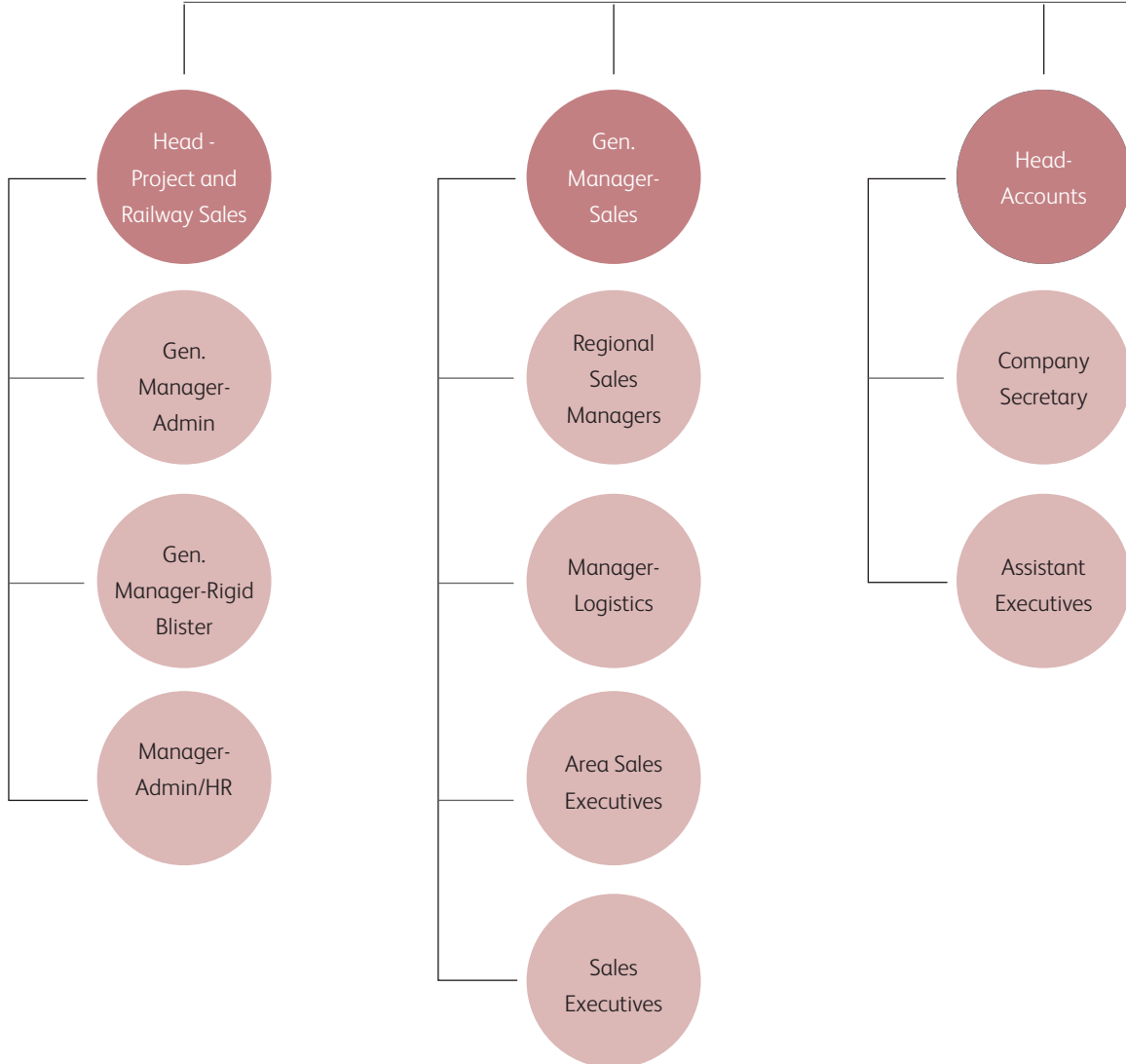


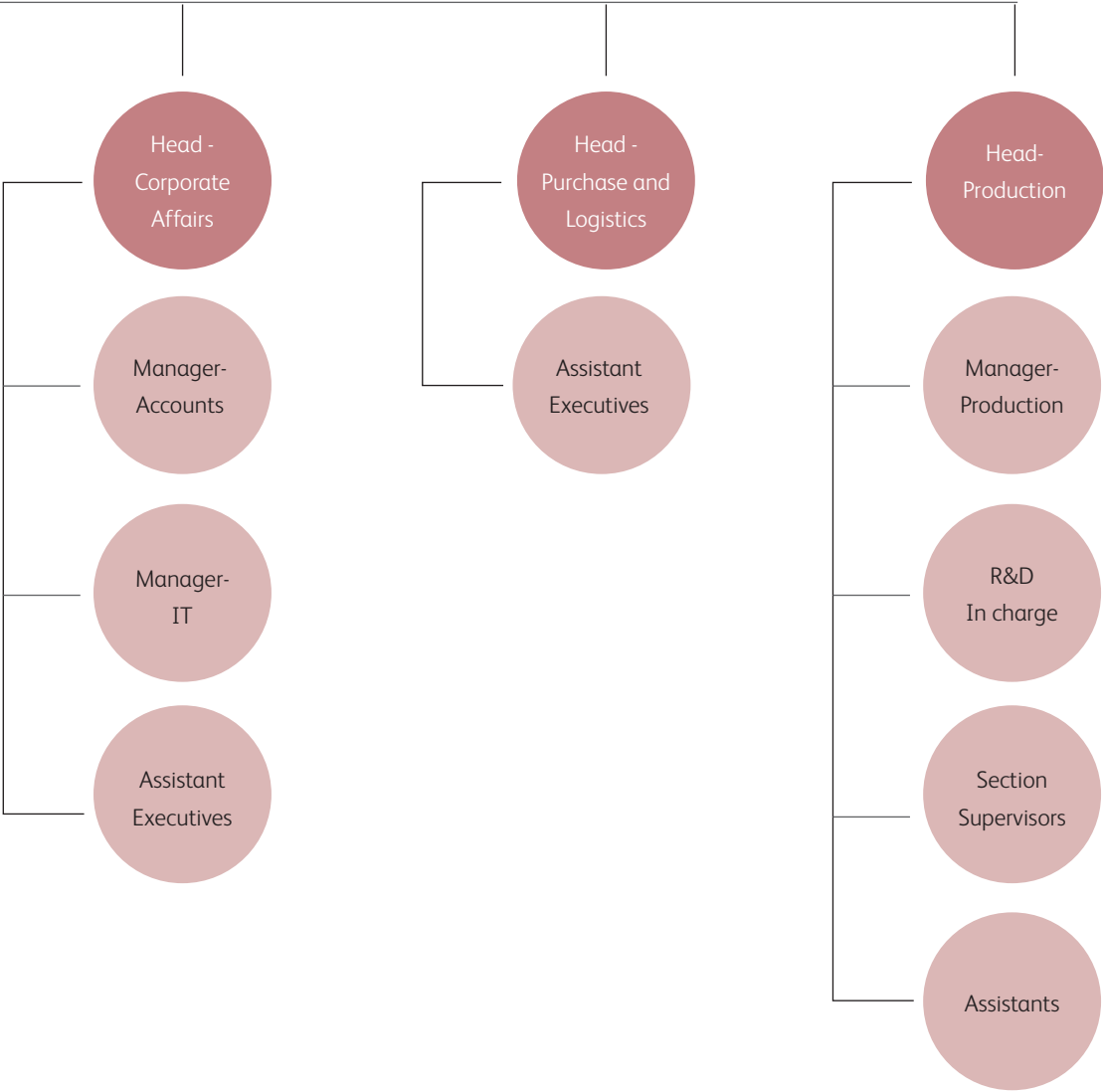
LG

Life's Good
LG



Organisational structure





Board of Directors



Mr. Atit Agarwal, 33
On the Board of:

Chairman & Whole-time Director of Responsive
Chairman & Whole-time Director of Axiom

Qualifications:

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

Experience:

Rich and diverse experience of multiple industries, including commercial banking

Role:

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

Mrs. Swati Agarwal, 30
On the Board of:

Non-Executive Director of Responsive
Whole-Time Director of Axiom

Qualifications:

Bachelor's degree in management studies

Experience:

7 years of industry experience

Role:

Responsible for overseeing general administration at both Responsive & Axiom

Mr. S.S.Thakur, 82
On the Board of:

Independent Non-Executive Director of Responsive

Qualifications:

Graduate in Mathematics from Madras University

Experience:

Former Controller, Foreign Exchange, Reserve Bank of India (RBI)
Key role in promoting the enactment of the Foreign Exchange Regulation Act (FERA), 1973
Former Senior Advisor, UN International Civil Service
Chairman, Central Depository Services (India) Ltd. (CDSL)
Former Chairman, HDFC Bank
Has worked in MCX Stock Exchange
Experience across Banking, Foreign Exchange and Capital Market related areas
As the Advisor to Governor at the Bank of Zambia, brought about extensive reforms as part of Zambia's Structural Adjustment Programme

Other Directorships:

Public Director on the Bombay Stock Exchange (BSE)

Non-Executive Director of Reliance Capital Ltd.

Lafarge India Pvt. Ltd.

KEC International Ltd.

Kotak Mahindra Old Mutual Life Insurance Co. Ltd.

DSP BlackRock Trustee Company Pvt. Ltd.

MCX Stock Exchange India Ltd.

Shrenuj & Co. Ltd.

Kamat Hotels (India) Ltd.

Quantum Advisors Co. Pvt. Ltd.

Quantum Information Services Pvt. Ltd.

Urban Infrastructure Venture Capital Ltd.

KLG Capital Services Ltd.

Harirani Investment and Trading Pvt. Ltd.

Mr. V.K. Chopra, 65**On the Board of:**

Independent Non-Executive Director of Responsive

Qualifications:

Chartered Accountant, CAIIB

Experience:

Former Banker at Central Bank of India, Oriental Bank of Commerce, SIDBI and Corporation Bank

Former SEBI Official

Experience in the Commercial Banking, Foreign Exchange and Capital Market & Financial Market related areas

Other Directorships:

Pantaloon Retail India Limited

Rolta India Limited

Deewan Housing & Finance Limited

Metlife India Insurance Co. Ltd.- Bangalore

Havells India Ltd.- Noida

Future Finance Ltd

Religare Asset Management Co. Ltd.

SIDBI Venture Capital Ltd.

Reliance Capital Pension Fund Ltd.

Jaiprakash Associates Ltd.-Noida

Milestone Capital Advisors Ltd.

Deutsche Post Bank Home Finance Ltd.

Mr. Akil Hirani, 42**On the Board of:**

Independent Non-Executive Director of Responsive

Qualifications & Achievements: :

BA-Psychology,
LLB

Experience:

Solicitor, Mumbai and England & Wales

Attorney-at-Law, California

Partner in Majmudar & Co., International Lawyers

Ranked as a top tier law firm by Chambers and Partners, Legal 500, Practical Law Company

Experience in M & A, joint ventures, private equity, project finance, tax structuring, corporate recognitions and technology deals

Other Directorships:

Hirani Foundation U.S. 25

Hirani Properties and Investments Private Limited

**Mr. Michael
Freedman, 50****On the Board of:**

Independent Non-Executive Director Of Responsive

Director of FloorFolio Industries

Qualifications & Achievements: :

Graduate of New York University Stern School of Business

Experience:

Vast experience in the commercial flooring industry

Developed successful products for Armstrong, Marley Flexco Inc, LG Floors and Responsive

Formulated unique programs and forged partnerships

Helped new companies and products in USA achieve leadership position in the flooring industry

Introduced LG Floors to North America

Regional sales manager in Marley Flexco Inc.; contract specialist for Armstrong Commercial Flooring, extensively collaborating with architecture and design communities

**Mr. Santosh B.
Shinde, 41****On the Board of:**

Non-Executive Director of Responsive

Qualifications:

Bachelor's Degree in Commerce

Experience:

15 years industry experience

Role:

Oversees administrative affairs of Responsive

Mr. Rajesh Pandey, 41

On the Board of:

Independent Non-Executive Director of Responsive
Director at Axiom

Qualifications:

Bachelors degree in Chemical Engineering

Experience:

16 years of experience in manufacturing

12 years of experience in the field of rope manufacture

Role:

Oversees chemical engineering of Responsive

Responsible for production and supervision of day-to-day factory
operations at both Responsive and Axiom

Mr. Bharat Mahalik, 38

On the Board of:

Director at Axiom

Qualifications:

Bachelor's Degree in Commerce

Experience:

12 years industry experience in general administration

Role:

Oversees administrative affairs of Axiom

Mr. Sankaran Krishnamurthy, 64

On the Board of:

Independent Non-Executive Director of Axiom

Qualifications:

Graduate in Mathematics from Madras University

Experience:

Former Dy. MD of State Bank of India

Former MD & CEO of SBI Life Insurance Co. Ltd.

18 years experience in Corporate Finance and Project Appraisal

Experienced in SME lending

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

Advised a Pune based IT company on insurance solutions

Other Directorships:

Aptus Value Housing Finance India Ltd.

Sri Kaveri Medical Care (Trichy) Ltd.

Mr. Subramaniam Santhanakrishnan, 67

On the Board of:

Independent Non-Executive Director at Axiom

Qualifications & Achievements :

Postgraduate from Madras University

Certified Associate of Indian Institute of Bankers (CAIIB)

Qualified trainer (Dip. in Trg and Development) from ISTD and DSM from Bombay University

Contributed several articles in financial journals on banking and credit

Experience:

Former Dy. MD of State Bank of India

Executive Chairman of Credit Information Bureau of India Ltd. (CIBIL)

Other Directorships:

Easy Access Financial Services Ltd.

ICICI Home Finance Ltd.

Dhanlaxmi Bank Ltd.

Sundaram Clayton Ltd.

TVS Credit Service Ltd.

Reliance Capital Trustee Co.Ltd.

Mr. Sanjiv Singhal, 44

On the Board of:

Axiom, representing Banyan Tree Growth Capital

Qualifications & Achievements :

Management Degree from Wharton Business School (USA)

Master's Degree with distinction from the University of Essex, UK

Bachelor's Degree with honours from the Delhi University

Honoured with the Chevening Scholarship from the British Council to spend 10 weeks at the London School of Economics in 2001

Authored the book Internet Banking: The Second Wave

Experience:

3 years as an entrepreneur of an automobile components manufacturing company

13 years of banking experience in Citibank and Standard Chartered Bank. In Standard Chartered Bank, headed Structured Finance for SE Asia from Singapore and for India

Other Directorships:

GEI Industrial Systems Ltd

Trimax IT Infrastructure Limited

Deepak Fasteners Limited

No. 1 at LACP Awards

The Responsive Annual Report 2009-10 received significant global acclaim



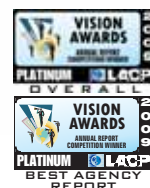
It was ranked no. 1

in the list of 50 Best Annual Reports of the world by the League of American Communication Professionals (LACP), USA, at the Vision Award 2010

The report also won in two other categories both Platinum Awards,

for the Best Overall Annual Report and the Best Agency Report in Consumer Services

The LACP Vision Awards is the world's largest award programme for annual reports in which over 2,500 companies from over 20 countries participate



Responsive Industries Limited

STATUTORY REPORTS AND FINANCIAL STATEMENTS

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Directors' Report

To the Shareholders

To
The Members,

Your Directors have great pleasure in presenting this Twenty Ninth Annual Report on the business and operations of your Company with the Audited Statement of Accounts for the year ended 31st March, 2011.

Financial Performance

	(Rs. in Million)	
Financial Results	2010-11	2009-10
Sales and Other Income	7,267.53	5,542.86
Profit before Interest, Depreciation & Tax	996.29	815.99
Less: Interest (Net)	38.04	41.33
Profit before Depreciation & Tax	958.25	774.66
Less: Depreciation	283.49	253.02
Profit before Tax	674.76	521.64
Less: Provision for Taxation	122.04	140.22
Net Profit after Tax	552.72	381.42
Less: Prior Period Adjustment	4.16	-
Balance Brought Forward from previous year	1,157.72	805.21
Profit available for appropriations	1,706.28	1,186.63
Appropriations		
Transfer to General Reserve	-	-
Proposed Dividend – Equity Shares	26.16	24.79
Corporate Dividend Tax	4.24	4.12
Balance carried to Balance Sheet	1,675.88	1,157.72

Operations

Your Company has posted a turnover of Rs. 7,178.61 Million, an increase of about 31.29% as compared to Rs. 5,467.71 Million in the previous financial year. The Company recorded a net profit of Rs. 552.72 Million as against Rs. 381.42 Million in the corresponding previous financial year depicting a rise of 44.91%.

Dividend

Considering the profitability for the year under consideration and the future capital requirements of the Company, your Directors recommended a Dividend of Re. 0.10/- per Equity Share of Re. 1/- each (i.e. 10%) for the year ended 31st March, 2011 and seek your approval for the same.

Setting up of Mega Project

During the year under consideration, the Company has set up an Expansion Project for the manufacture of PVC/CCF Leather Cloth and Vinyls Floorings at Company's factory located at Village Betegaon, Boisar (E), Tal. - Palghar, Dist. - Thane and commercial production has been started.

Sub-Division of Shares

The Company reinforced its investor-friendliness with another initiative: a sub-division of the face value of equity shares from Rs. 10/- per share to Re. 1/- per share in pursuance of the resolution passed by the shareholders in the Annual general meeting held on 10th September, 2010.

This sub-division was carried with specific objectives: to increase the volume of floating stock, to increase affordability for smaller shareholders and stimulate a higher trading volume without increasing the Company's equity

A Dividend per share of Re. 0.10/- has been recommended on each Equity Share of Re. 1/- (i.e. 10%) for the year ended 31st March, 2011

base. In view of the above, the authorised equity share capital of the Company was altered to 42,00,00,000 equity shares of Re. 1/- each and the issued and the paid-up share capital of the Company to 26,16,45,000 equity shares of Re. 1/- each.

Listing on NSE

For years, the Company's small equity capital prevented its listing on the National Stock Exchange of India. Following the stock split, your Company's equity increased, which made the listing possible. In the opinion of the Management, the listing, which came into effect from October 2010 and help narrow the gap between the market capitalisation and what the Company's fundamentals warrant.

Allotment of Equity Shares Pursuant to Conversion of CCDs

The Board in their meeting held on 9th August, 2010 has allotted 13,72,500 Equity Shares of Rs. 10/- each at a premium of Rs. 500/- per share pursuant to conversion of 0% 7000 Compulsorily Convertible Debentures (CCDs).

Consolidated Financial Statements

The Ministry of Corporate Affairs (MCA) by General Circular No. 2/2011 dated 8th February, 2011, issued a direction under Section 212(8) of the Companies Act, 1956 that the provisions of Section 212 shall not apply to Companies in relation to their subsidiaries, subject to fulfilling certain conditions mentioned in the said circular with immediate effect. The Board of Directors of your Company at its meeting held on 20th May, 2011, approved the Audited Consolidated Financial Statements for the financial year 2010-11 in accordance with the Accounting Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as Clause 32 of the Listing Agreement, which include financial information of all its subsidiaries, and forms part of this report. The Consolidated Financial Statements of your Company for the financial year 2010-11, are prepared in compliance with applicable Accounting Standards and where applicable Listing Agreement as prescribed by the Securities and Exchange Board of India.

The annual accounts and financial statements of the subsidiary company of your Company and related detailed information shall be made available to members on request and are open for inspection at the Registered Office of your Company. Your Company has complied with all the conditions as stated in the circular and accordingly has not attached the financial statements of its subsidiary Companies for the financial year 2010-11. A statement of summarised financials of the subsidiary of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to the General Circular issued by Ministry of Corporate Office, forms part of this report.

Directors

During the year 2010-11, Mr. Shobha Singh Thakur, Mr. Vijay Kumar Chopra, Mr. Akil Hirani and Mr. Michael Freedman have been appointed as Additional Directors. As per the provisions of Section 260 of the Companies Act, 1956, these Directors hold office only up to the date of the forthcoming Annual General Meeting of the Company, and are eligible for appointment as Directors. The Company has received notices under Section 257 of the Act, in respect of

the above persons, proposing their appointment as Directors of the Company. Resolutions seeking approval of the Members for the appointment of Mr. Shobha Singh Thakur, Mr. Vijay Kumar Chopra, Mr. Akil Hirani and Mr. Michael Freedman as Directors of the Company have been incorporated in the Notice of the forthcoming Annual General Meeting along with brief details about them.

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

Directors' Responsibility Statement

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

- that in preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on that date;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the Directors have prepared the annual accounts on a going concern basis.

Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement with the stock

Exchanges. A separate report on Corporate Governance and a certificate from M/s. P. P. Shah & Co., Practicing Company Secretaries regarding compliance with the conditions of Corporate Governance is given in a separate section and forms part of the Annual Report. Further, a declaration signed by the Chairman cum Whole-time Director, affirming compliance with the code of conduct by all the Board Members and Senior Management personnel along with Certificate from CEO/CFO required under clause 49(V) of the Listing Agreement are also given therein.

Pledge of Shares

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

Particulars of Employees

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

Public Deposits

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

Auditors

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

Management Discussion and Analysis

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

Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo

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

Group

Pursuant to intimation from the Promoters, the names of the Promoters & entities comprising the "group" are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1977.

Industrial Relations

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

Acknowledgements

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

For and on behalf of the Board

For **Responsive Industries Limited**

Place: Betegaon

Date: 20th May, 2011

Atit Agarwal

(Chairman)

Annexure - A to the Directors' Report

Information pursuant to the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988.

A) Conservation of Energy

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

Power & Fuel Consumption	Financial Year 2010-11	Financial Year 2009-10
1 Electricity		
(a) Purchased		
Units	19,801,734	17,834,927
Total amount (Rs. in Million)	114.78	96.64
Rate/Unit (Rs.)	5.80	5.42
(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)	3,123,876	2,488,335
Total Amount (Rs. in Million)	73.03	51.11
Average Rate (Rs.)	23.38	20.54
4 Other/Internal Generation (Please give details)		
Quantity	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil

B) Technology Absorption

Efforts made in technology absorption

Nil

Nil

C) Foreign Exchange Earnings & Outgo

(Rs. in Million)

Total Exchange Earned	4,565.97	2,624.30
Total Outgo	4,023.50	2,850.12

For and on behalf of the Board

For **Responsive Industries Limited**

Place: Betegaon

Date: 20th May, 2011

Atit Agarwal

(Chairman)

Annexure -B

Persons constituting group coming within the definition of “Group” for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, include the following:

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

Corporate Governance Report

(As Required Under Clause 49 of The Listing Agreement Entered Into With Stock Exchanges)

I. Company's Philosophy

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

II. Board of Directors

Composition:

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

Name of Director	Category	No. of Directorships in other Public Limited Companies*	Committee Positions	
			Chairman**	Member**
Mr. Atit Agarwal	Chairman & Whole-time Director	1	-	-
Mrs. Swati Agarwal	Non-Executive	1	-	-
Mr. Santosh Shinde	Non-Executive	-	-	-
Mr. Rajesh Pandey	Non-Executive	1	1	-
Mr. Shobha Singh Thakur (Since 9th November, 2010)	Independent	8	3	4
Mr. Vijay Kumar Chopra (Since 9th November, 2010)	Independent	13	5	4
Mr. Akil Hirani (Since 9th November, 2010)	Independent	-	-	-
Mr. Michael Freedman (Since 10th February, 2011)	Independent	-	-	-

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

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

Board Meetings

During the year, 11 (Eleven) Board Meetings were held on 12th April, 2010, 30th April, 2010, 29th May, 2010, 14th June, 2010, 30th July, 2010, 9th August, 2010, 13th August, 2010, 30th October, 2010, 9th November, 2010, 28th January, 2011 and 10th February, 2011 and the particulars of attendance of the Directors are as under :

Name of Director	No. of Board meetings attended	Attendance at AGM held on 10th September, 2010
Mr. Atit Agarwal	11	Yes
Ms. Swati Agarwal	4	Yes
Mr. Ashok Jha	8	No
Mr. Rajesh Pandey	9	No
Mr. Santosh Shinde	10	No
Mr. Ramesh Mistry	2	No
Mr. Shobha Singh Thakur	2	-
Mr. Akil Hirani	1	-
Mr. Vijay Kumar Chopra	1	-

III. Audit Committee

Terms of Reference

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

Audit Committee Composition

The Audit Committee consists of 2 Independent Directors and 1 Non-Executive Director having requisite knowledge of Finance, Accounts and Company Law. The Company Secretary, Mr. Dhiraj Kumar D. Neve, acts as the Secretary of the Committee.

Audit Committee Meetings

During the year under review, the Committee met 4 times on 14th June, 2010, 13th August, 2010, 9th November, 2010 and 10th February, 2011.

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

Name of the Member	Designation	No. of meetings attended
Mr. Rajesh Pandey	Chairman	4
Mr. Santosh Shinde	Member	4
Mr. Shobha Singh Thakur	Member	1
Mr. Ramesh Mistry	Member	1

IV. Remuneration Committee

During the last quarter of the financial year 2010-11, the Board of Directors of the Company constituted the Remuneration Committee.

Terms of Reference

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

Remuneration Committee Composition

The Remuneration Committee consists of three Independent Directors, namely Shri S.S. Thakur, Shri Akil Hirani and Shri V.K. Chopra.

V. Share Transfer and Shareholders'/Investors' Grievance Committee

Terms of Reference

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

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

The above Committee met 4 times during the financial year ended 31st March, 2011.

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

Name of the Member	Designation	No. of meetings attended
Mr. Rajesh Pandey	Chairman	4
Mr. Santosh Shinde	Member	4
Mr. S.S. Thakur	Member	1
Mr. Ramesh Mistry (upto 30th July, 2010)	Member	2

The Company Secretary, Shri Dhiraj Kumar D. Neve, has been designated as Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges.

Details of Investor Complaints

Number of Complaints from 1st April, 2010 to 31st March, 2011

Pending as on 1st April, 2010	Received	Redressed	Pending as on 31st March, 2011
Nil	Nil	Nil	Nil

VI. General Body Meetings

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

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

Year	Date	Time	Type of Meeting	Special Resolutions Passed
2009-10	10th September, 2010	10.30 a.m.	Annual General Meeting	Issue of equity shares under Section 81(1A) of the Companies Act, 1956
2008-09	30th September, 2009	10.00 a.m.	Annual General Meeting	1. Issue of equity shares under Section 81(1A) of the Companies Act, 1956. 2. Amendment in Articles of Association of the Company.
2007-08	20th August, 2008	11.00 a.m.	Annual General Meeting	Issue of equity shares under Section 81(1A) of the Companies Act, 1956

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

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

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

Year	Date	Time	Type of Meeting	Special Resolutions Passed
2010-11	31st January, 2011	10.00 a.m.	Extra-ordinary General Meeting	Modification to the special Resolution passed under Section 81(1A) of the Companies Act, 1956 in the Annual General Meeting held on 10th September, 2010.
2009-10	28th May, 2009	11.00 a.m.	Extra-ordinary General Meeting	1. Alteration of Capital Clause in the Memorandum of Association. 2. Substitution of Articles of Association. 3. Ratification for modification of number of shares to be issued upon conversion of 0% CCDs.
	27th November, 2009	10.00 a.m.	Extra-ordinary General Meeting	For further issue of securities under Section 81(1A)

VII. Code of Conduct

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

VIII. Disclosures

- (i) There are no transactions of materially significant nature that have been entered into by the Company with the Promoters, Directors, their relatives and the Management and in any company in which they are interested, that may have potential conflict with the interest of the Company.
- (ii) The Company has complied with the requisite regulations relating to capital markets. No penalties/strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the last three years.

IX. Means of Communication

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

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

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

X. General Shareholder Information

1. Annual General Meeting	
Date:	20th June, 2011
Time:	10.30 a.m.
Venue:	Village Betegaon , Mahagaon Road, Boisar (E), Tal. - Palghar, Dist. - Thane – 401 501, Maharashtra
2. Financial Calendar (Tentative)	
1st April, 2011 to 31st March, 2012	
Financial Year of the Company	
Results for the Quarter ending:	
30th June, 2011	On or before 14th August, 2011
30th September, 2011	On or before 14th November, 2011
31st December, 2011	On or before 14th February, 2012
31st March, 2012	On or before 15th May, 2012 or 30th May, 2012
3. Date of book Closure	
4. Listing of Equity Shares on the Stock Exchange	
1.	Bombay Stock Exchange Ltd P.J. Towers, Dalal Street, Fort Mumbai – 400 001
2.	National Stock Exchange of India Ltd. Exchange Plaza Bandra – Kurla Complex Bandra (East) Mumbai – 400 051
Listing Fees as applicable have been paid	

5. Stock code/Symbol

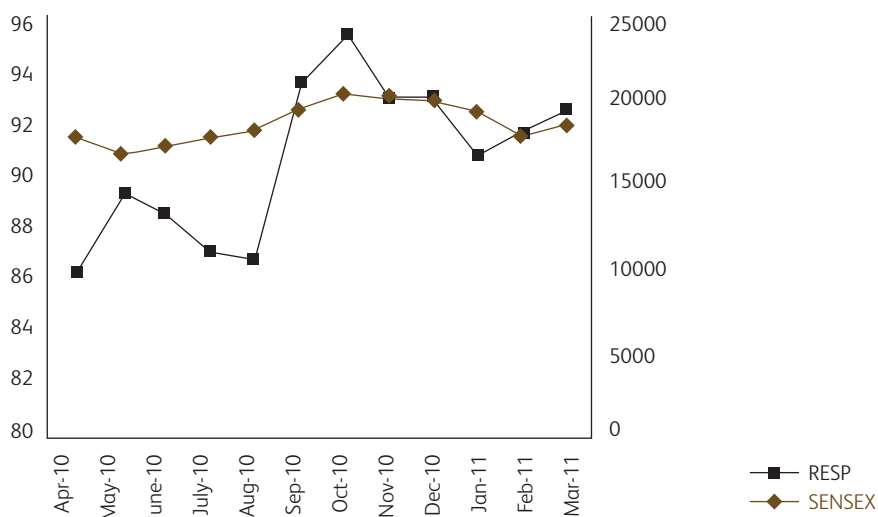
(a) Stock Exchange	Stock Code
1. Bombay Stock Exchange Ltd.	505509
2. National Stock Exchange of India Ltd.	RESPONIND
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE 688D01026

6. Stock Market Data

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High# (Rs.)	Low# (Rs.)	High (Rs.)	Low (Rs.)
April-2010	92.07	87.50	-	-
May-2010	95.00	84.53	-	-
June-2010	84.50	82.82	-	-
July-2010	92.55	82.35	-	-
Aug-2010	92.50	83.59	-	-
Sep-2010	97.50	87.99	-	-
Oct-2010	98.60	90.25	94.30	90.75
Nov-2010	100.00	88.45	100.00	88.55
Dec-2010	95.50	90.75	94.60	90.10
Jan-2011	96.50	85.65	95.20	85.65
Feb-2011	93.90	89.00	93.70	88.50
Mar-2011	94.80	89.00	95.00	89.70

adjusted for subdivision of equity share into 10 equity shares of Re 1 each, wherever applicable.

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



8. Registrar and Share Transfer Agents

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

Link Intime India Private Ltd.,	Tel No.: 91(022) 25963838
C-13, Pannalal Silk Mills Compound,	Fax No.: 91(022) 25946969
LBS Marg, Bhandup (W),	E-mail: mumbai@linktime.co.in
Mumbai – 400 078.	Web: www.linkintime.co.in

9. Share Transfer System

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

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

10. Distribution of Shareholding as on 31st March, 2011

Range	No. of Shareholders	% of total shareholders	No. of Shares held	% of shareholding
1 to 500	186	80.52	24956	0.01
501 to 1000	14	6.06	13135	0.01
1001 to 2000	6	2.60	8760	0.01
2001 to 3000	2	0.87	5500	0.00
3001 to 4000	2	0.87	6084	0.00
4001 to 5000	-	-	-	-
5001 to 10000	4	1.73	26859	0.01
10001 and above	17	7.35	261559706	99.96
Total	231	100.00	261645000	100.00

11. Shareholding Pattern as on 31st March 2011

Sr. No.	Category	No. of shares held	% of Shareholding
1	Promoter and Promoter Group	156000310	59.62
2	Foreign Institutional Investors	11469980	4.38
3	Financial Institutions	1400000	0.53
4	Other Bodies Corporate	140153	0.06
5	Overseas Corporate Bodies	92322902	35.29
6	Clearing Member	1701	0.00
7	Public	309894	0.12
8	Non Resident Indians	60	0.00
	Grand Total	261645000	100.00

12. Dematerialisation of shares and liquidity

As of 31st March, 2011, 261644000 equity shares representing 99.99% of the paid up equity capital of the Company have been dematerialised with the following Depositories:

Description	ISIN No.	Depositories
Fully Paid	INE 688D01026	National Securities Depository Ltd (NSDL) Trade World, A Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013.
		Central Depository Services (India) Ltd. (CDSL) Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai – 400 023.

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

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

14. Registered Office & Plant Location

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

15. Address for correspondence

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

Registrar & Share Transfer Agents:

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

Registered Office:

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

16. Secretarial Audit for Reconciliation of Capital

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

17. Practicing Company Secretary's Certificate on Corporate Governance

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

Declaration on Compliance with the Code of Conduct Under Clause 49 of the Listing Agreement

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

I confirm that all the Members of the Board of the Company and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to each one of them, for the financial year ended, 31st March, 2011.

Place : Betegaon

Atit Agarwal

Dated : 20th May, 2011

Chairman & Whole-time Director

Certificate on Corporate Governance

To

The Members of RESPONSIVE INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by RESPONSIVE INDUSTRIES LIMITED ("the Company") for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement.

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

For **P.P. SHAH & Co.**

Practicing Company Secretary

Pradip C. Shah

Partner

FCS – 1483

COP – 436

Place : Mumbai

Dated : 20th May, 2011

Management Discussion & Analysis Report

A. Industry Structure and Developments

Responsive Industries Limited exclusively engages in the manufacture of PVC products widely used in both, the household and commercial arenas. During last year, the Indian plastic products sector witnessed a sturdy double-digit growth, with voluminous off-take from key user industries like packaging, automotives and infrastructure.

Slowdown in the Indian manufacturing sector resulted in a meagre 7.8 % fourth quarter GDP, as against 9.4 % in the same three-month period of the previous fiscal. However, overall GDP for 2010-11 exhibited overall improvement – an above-average 8.5 %, from 2009-10's 8 %, thanks to the appreciable quality of raw materials, construction activities and financial services performance.

During the year under review, Responsive Industries Limited's performance was satisfactory. The Company succeeded in meeting a hefty chunk of the demand for PVC products. Despite the slowdown, the Company sees a bright future for its business.

B. Opportunities and Threats

The Company is among market leaders in the PVC products segment. The consumption of PVC products like PVC Leather Cloth has increased at a reasonable rate in the commercial as well as household segments. For other PVC products like PVC Sheeting and PVC Rigid too, the consumption in commercial purposes has increased notably. With this growing demand of PVC products in the domestic markets as well as the overseas markets for commercial and household applications, the Company expects several avenues opening up for profitable growth. The Company is poised to meet these challenges and continue to be among the frontrunners in this sector.

The unorganised sector in domestic markets poses the greatest threat to the Company, with its cheaper imports. European and other overseas competition are also marked challenges for the Company. However, the strong product development and market efforts have enabled the Company to stay ahead.

C. Product Wise Performance

The Company specialises and is focused towards producing excellence in PVC products. The product wise performance during the year is shown below.

Product	Production (Sq. Mtr./Linear Mtr./Kg)	Production (Sq. Mtr./Linear Mtr./Kg)	Sales (Rs. in Million)	Sales (Rs. in Million)
	(2010-11) Qty. (000)	(2009-10) Qty. (000)	(2010-11)	(2009-10)
PVC Leather Cloth	40,367.00	43,980.47	2,493.00	2,353.56
PVC Flooring	13,364.00	10,745.52	4,008.00	2,673.81
PVC Sheeting	5,622.00	5,885.98	219.10	247.99
PVC Rigid	4,328.00	4,419.70	359.70	352.78

D. Outlook

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

E. Risk and Concerns

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

F. Internal Control Systems and their Adequacy

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

We conduct an internal audit at regular intervals at our manufacturing facilities, in which we cover key areas of operations. It is an independent objective and assurance function to evaluate and improve the effectiveness of risk management control, and governance processes.

G. Financial & Operational Performance

Your Company achieved net sales of Rs. 7,178.61 Million for the year ended 31st March, 2011, as compared to Rs. 5,467.71 Million in the previous fiscal year. Further, the Company recorded a net profit after tax of Rs. 552.72 Million as compared to Rs. 381.42 Million for the previous year.

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

Sales	(Rs. in Million)	
	Year Ended 31st March, 2011	Year Ended 31st March, 2010
Local	2,589.24	2,822.98
Export	4,589.37	2,644.73
Total	7,178.61	5,467.71

H. Human Resources

Responsive Industries Limited's total strength, including factory and regional office employees, is about 1,300. The Company's industrial relations continued to be harmonious during the year under review. Your Company conducts regular in-house training programmes for employees at all levels.

I. Transparency in Sharing Information

Transparency refers to sharing information and acting in an open manner. Processes and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Your Company believes in total transparency in sharing information about its business operations with all its stakeholders. Your Company strives to provide maximum possible information in this report to keep the stakeholders updated about the business performance.

J. Cautionary Statement

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

Auditors' Report

To

The Members of **Responsive Industries Limited**

1. We have audited the attached Balance Sheet of Responsive Industries Limited ('the Company') as at 31st March, 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 purpose of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on 31st March, 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 Responsive Industries 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 the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure 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 which is commensurate with the 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) The Company has not obtained any term loan.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the Company had not issued any debentures. However, the Company has not created any security or charge in respect of debentures issued in earlier years.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

Sarah George
Partner
Membership No. 45255

Place: Mumbai
Date: 20th May, 2011

Auditors' Report		Cash Flow Statement	Schedules & Notes	Balance Sheet Abstract
	Balance Sheet	Profit and Loss Account		

Balance Sheet

as at 31st March, 2011

Particulars	Schedule No.	(Rs. in Million)	
		As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	261.65	247.92
Share Application Money (Pending Allocation)		584.72	760.22
Reserves & Surplus	B	2,536.51	1,332.10
		3,382.88	2,340.24
Loan Funds			
Secured Loans	C	686.54	464.40
Unsecured Loans	D	-	700.00
Supplier's Credit (In Foreign Currency)		613.62	1,018.39
Deferred Tax Liabilities (Net)		103.18	122.39
		4,786.22	4,645.42
APPLICATION OF FUNDS			
Fixed Assets	E		
Gross Block		2,941.19	2,896.91
Less: Depreciation		1,104.67	821.66
Net Block		1,836.52	2,075.25
Capital Work in Progress (including Capital Advances)		2,342.93	1,212.01
		4,179.45	3,287.26
Investments	F	398.73	570.00
Current Assets, Loans & Advances			
Inventories	G	395.32	324.95
Sundry Debtors	H	144.63	477.96
Cash & Bank Balances	I	77.18	211.38
Loans & Advances	J	58.09	94.52
		675.22	1,108.81
Less: Current Liabilities & Provisions	K		
Current Liabilities		415.64	246.65
Provisions		51.54	74.00
		467.18	320.65
Net Current Assets		208.04	788.16
Significant Accounting Policies & Notes Forming Part of the Accounts	S	4,786.22	4,645.42

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

Profit and Loss Account

for the year ended 31st March, 2011

Particulars	Schedule No.	(Rs. in Million)	
		Year Ended 31st March, 2011	Year Ended 31st March, 2010
INCOME			
Gross Sales		7,557.39	5,749.21
Less: Excise Duty		378.78	281.51
Net Sales		7,178.61	5,467.71
Other Income	L	88.92	75.15
Increase / (Decrease) in Stocks	M	(8.53)	(44.18)
		7,259.00	5,498.68
EXPENDITURE			
Manufacturing & Other Expenses	N	6,009.51	4,489.01
Personnel Cost	O	84.23	63.78
Administrative & Other Expenses	P	82.00	54.64
Selling & Marketing Expenses	Q	86.97	75.26
Interest & Finance Charges	R	38.04	41.33
Depreciation	E	283.49	253.02
		6,584.24	4,977.04
Profit Before Tax		674.76	521.64
Less: Provision for tax			
Current Tax		141.24	94.59
Deferred Tax (Credit)/Charge		(19.20)	43.61
Tax Adjustment for earlier years		-	2.02
Profit After Tax		552.72	381.42
Less: Prior Period adjustment		4.16	-
Add: profit brought forward from earlier years		1,157.72	805.21
		1,706.28	1,186.63
Appropriations			
Proposed Dividend		26.16	24.79
Tax on Dividend		4.24	4.12
Balance carried to Balance Sheet		1,675.88	1,157.72
Earning Per Share of Re. 1 each/- (in Rs.)			
Basic		2.14	1.54
Diluted		2.09	1.45
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

Cash Flow Statement

for the year ended 31st March, 2011

		(Rs. in Million)	
Sr. No.	Particulars	Year ended	Year ended
		31st March, 2011	31st March, 2010
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit Before Tax	674.76	521.64
	Adjustments For:		
	Depreciation	283.49	253.02
	Loss on Sale/Discard of Fixed Assets	0.46	0.26
	Interest Expense	38.04	41.34
	Interest Income	(9.06)	(26.99)
	Dividend Income	(3.77)	0.00
	Provision For Bad Debts	9.79	3.71
	Provision for Diminution in Value of Investment	2.00	-
	(Profit) on Sale of Investment	-	(0.71)
	Provision for Gratuity	1.05	0.00
	Unrealised (Gain) on Foreign Exchange	(10.82)	(3.04)
	Operating Profit Before Working Capital Changes	985.94	789.23
	Adjustment For:		
	Inventories	(70.38)	(94.37)
	Trade & Other Receivables	325.45	(307.06)
	Loans and Advances	36.42	338.99
	Trade Payables	169.06	(619.61)
	Cash Generated From Operations	1,446.49	107.17
	Income Tax Paid	(170.41)	7.56
	Net Cash From Operating Activities	1,276.08	114.74
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets (Including Capital Advances)	(1,176.47)	(1,703.28)
	Sale of Fixed Assets	0.39	0.24
	Interest Received	9.05	26.99
	Dividend Income	3.77	-
	Sale / (Purchase) of Investments	169.24	(465.13)
	Profit on sale of Investments	-	0.71
	Net Cash Used in Investing Activities	(994.02)	(2,140.48)

Cash Flow Statement

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

Sr. No.	Particulars	(Rs. in Million)	
		Year ended 31st March, 2011	Year ended 31st March, 2010
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Issue of Shares	699.98	-
	Interest Paid	(38.04)	(41.34)
	(Repayment) / Receipt of Loans	(873.76)	1,475.49
	(Payment) / Receipt of Share Application Money	(175.50)	760.22
	Fixed Deposits pledged against Letter of Credit	2.06	(38.07)
	Payment of Dividend (Including Dividend Distribution Tax)	(28.91)	(29.01)
	Net Cash Used in Financing Activities	(414.17)	2,127.29
	(Decrease) / Net Increase in Cash and Cash Equivalents	(132.11)	101.55
	Cash & Cash Equivalents (Opening Balance)	173.30	71.75
	Cash & Cash Equivalents (Closing Balance)	41.19	173.30

NOTES:

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

Particulars	(Rs. in Million)	
	As at 31st March, 2011	As at 31st March, 2010
Cash & Cash Equivalent (As per Schedule "I")	77.19	211.38
Less: Unrealised Gain / (Loss) in Banks Accounts	(0.01)	0.01
Less: Fixed Deposits under Lien	36.01	38.07
Total	41.19	173.30

- Figures in brackets represents outflows.
- 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 accounts for the year ended 31st March, 2011

Particulars	As at 31st March, 2011	(Rs. in Million) 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 (P.Y. 24,792,000 Equity Shares of Rs. 10/- each) Equity Shares of Re. 1/- each fully paid up.	261.65	247.92
(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 allotted as Bonus Shares by capitalisation of Profit and Loss Account in F.Y. 2007-08.)		
(Of the above 14,31,57,640 Equity Shares of Re. 1/- each (P.Y. 1,43,15,764 Equity Shares of Rs. 10/- each) are held by the Holding Company Wellknown Business Ventures Private Limited)		
(Refer Note No. 4)	261.65	247.92
SCHEDULE - B : Reserves and Surplus		
Capital Reserve Account	1.38	1.38
Securities Premium Account		
Balance as per last account	172.90	172.90
Add: Additions during the year	686.25	-
	859.15	172.90
General Reserve	0.10	0.10
Profit and Loss Account	1,675.88	1,157.72
	2,536.51	1,332.10
SCHEDULE - C : Secured Loans (Refer Note 5 to Schedule "S")		
Working Capital Loans from Banks	580.87	368.19
Buyer Credit from Banks	87.05	-
Other Loans	-	90.00
Vehicle Loans	18.62	6.21
	686.54	464.40
SCHEDULE - D : Unsecured Loans		
0% Nil (P.Y. 7000) Compulsorily Convertible Debentures of Rs. 100,000/- each	-	700.00
	-	700.00

Schedules

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

SCHEDULE - E : Fixed Assets

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As At	Additions	Deductions	As at	Up to 31st	For the	As at	As At 31st
	1st April, 2010	During the year	During the year	31st March, 2011	March, 2010	year during the year	31st March, 2011	March, 2010
Freehold Land	78.10	-	-	78.10	-	-	78.10	78.10
Factory Buildings	147.70	-	-	147.70	17.73	4.93	125.04	129.97
Plant & Machinery	2,586.88	20.59	-	2,607.47	781.66	268.67	1,557.14	1,805.22
Electric Installations	22.34	1.98	-	24.32	5.16	2.43	16.73	17.18
Computers	6.48	0.61	-	7.09	2.49	1.08	3.52	3.97
Furniture & Fixtures	1.16	0.05	-	1.21	0.18	0.08	0.95	0.98
Office Equipments	6.24	0.91	0.07	7.08	0.58	0.32	6.20	5.66
Weighing Scale	0.25	0.01	-	0.25	0.03	0.01	0.22	0.21
Motor Cars	25.64	11.87	1.26	36.26	6.01	2.71	27.99	19.63
Motor Trucks	22.12	9.59	-	31.71	7.82	3.26	20.63	14.30
TOTAL	2,896.91	45.61	1.33	2,941.19	821.66	283.49	1,836.52	2,075.24
Previous Year	2,267.94	629.71	0.74	2,896.91	568.89	253.02	2,075.24	

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 accounts for the year ended 31st March, 2011

Particulars	(Rs. in Million)	
	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - F : Investments		
(As per Annexure "1")	398.73	570.00
	398.73	570.00
SCHEDULE - G: Inventories		
(As taken, valued and certified by the Management)		
Raw Materials	346.13	261.58
Stores and Spares	2.09	5.23
Packing Materials	3.09	5.60
Work in Progress	44.01	40.67
Finished Goods	-	11.87
	395.32	324.95
SCHEDULE - H : Sundry Debtors		
(Unsecured)		
(a) Debts due for more than six months		
Considered Good	0.29	17.00
Considered Doubtful	13.50	3.71
	13.79	20.71
(b) Other Debts (Considered Good)	144.34	460.96
	158.13	481.67
Less: Provision for Doubtful Debts	13.50	3.71
	144.63	477.96
SCHEDULE - I : Cash and Bank Balances		
Cash on hand	2.12	4.63
Balances with Scheduled Banks		
On Current Accounts	38.84	168.48
In Fixed Deposit Accounts **	36.22	38.27
** [Includes Rs. 36.01 Million (P.Y. Rs. 38.07 Million) over which bank has lien]		
	77.18	211.38
SCHEDULE - J : Loans and Advances		
(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	29.91	70.72
Balance with Customs, Excise, VAT, etc.	15.99	14.17
Other Deposits	12.19	9.63
	58.09	94.52

Schedules

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

Particulars	(Rs. in Million)	
	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 17 to Schedule "S")	5.46	1.56
- Others	245.63	203.25
Advance received from Customers	143.25	12.72
Other Current Liabilities	21.30	29.12
	415.64	246.65
Provisions		
Provision for Gratuity	5.21	-
Provision for Tax (Net of Advances)	15.93	45.09
Proposed Dividend	26.16	24.79
Provision for Dividend Distribution Tax	4.24	4.12
	51.54	74.00
	467.18	320.65

Particulars	(Rs. in Million)	
	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - L : Other Income		
Interest on Fixed Deposits [TDS Rs. 0.13 Million (P.Y. Rs. 0.31 Million)]	1.33	1.75
Other Interest	7.72	26.99
Dividend Income		
Long Term Investments - Non Trade	0.49	0.43
Investments in subsidiary - Long Term	3.28	3.28
Commission Received [TDS Rs. 0.01 Million (P.Y. Rs. Nil)]	0.10	-
Gain on Exchange Fluctuations (Net)	66.44	38.24
Profit on Sale of Investments	-	0.71
Rent Income [(TDS Rs. 0.06 Million (P.Y. Rs. 0.09 Million)]	0.60	0.60
Insurance Claim Received	4.40	-
Other Income	4.56	3.15
	88.92	75.15

Schedules

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

Particulars	(Rs. in Million)	
	Year Ended 31st March, 2011	Year Ended 31st March, 2010
SCHEDULE - M : Increase / (Decrease) in Stocks		
Closing Stocks		
Stock-in-Process	44.01	40.67
Finished Goods	-	11.87
	44.01	52.54
Less : Opening Stocks		
Stock-in-Process	40.67	96.72
Finished Goods	11.87	-
	52.54	96.72
	(8.53)	(44.18)
SCHEDULE - N : Manufacturing & Other Expenses		
Raw Materials Consumed		
Opening Stock	261.58	128.14
Add: Purchases	5,712.98	4,341.55
Less: Closing Stock	346.13	261.58
	5,628.43	4,208.11
Other Expenses		
Power & Fuel Charges	188.16	147.75
Loading and Unloading Charges	68.32	45.71
Packing Materials Consumed	55.00	40.54
Stores and Spares Consumed	49.65	27.97
Repairs & Maintenance (Trucks)	0.00	-
Repairs & Maintenance (Machinery)	19.61	18.19
Repairs & Maintenance (Buildings)	0.34	0.74
	6,009.51	4,489.01
SCHEDULE - O : Personnel Costs		
Salaries, Wages & Bonus	75.02	55.05
Workmen & Staff Welfare Expenses	6.82	6.96
Contribution to Provident & Other Funds	2.39	1.77
	84.23	63.78