

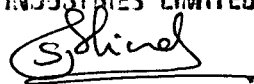
RESPONSIVE INDUSTRIES LIMITED

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ANNUAL REPORT 2009

CERTIFIED TO BE TRUE COPY

For RESPONSIVE INDUSTRIES LIMITED


DIRECTOR

REGISTERED OFFICE

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

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atit Agarwal	Whole-time Director and Chairman
Mr. Santosh Shinde	Non - Executive Director
Mr. Ashok Jha	Independent Non - Executive Director
Mr. Rajesh Pandey	Independent Non - Executive Director
Mrs. Vaishali Shinde	Independent Non - Executive Director
Mr. Ramesh Mistry	Independent Non - Executive Director
Mrs. Swati Agarwal	Non - Executive Director

COMPANY SECRETARY

Mr. Rajesh Kedia upto 13th January, 2009
Ms. V Padmavathi with effect from 13th January, 2009

AUDITORS:

Haribhakti & Co.
Chartered Accountants
42, Free Press House, 4th Floor, 215, Nariman Point,
Mumbai – 400021

BANKERS

HDFC Bank Ltd

SOLICITORS

Little & Co.

REGISTERED OFFICE

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

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Pvt Ltd.
{Formerly known as Intime Spectrum Registry Limited}.
C-13 Pannalal Silk Mill Compound, L B S Marg, Bhandup (West),
Mumbai - 400 078.

NOTICE

NOTICE is hereby given that the Twenty - seventh Annual General Meeting of the Members of **RESPONSIVE INDUSTRIES LIMITED** will be held on Wednesday, 30th day of September, 2009 at 10.00 a.m. at the Registered Office of the Company at Village Betegaon, Boisar (East), Mahagaon Road, Taluka Palghar, Dist. Thane – 401 501, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Ashok Jha, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. Haribhakti & Co., Chartered Accountants, retiring auditors of the Company, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on remuneration to be decided by the Board of Directors.”

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mrs. Swati Agarwal, who was appointed as an Additional Director of the Company and who holds office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 (Act) and in respect of whom the Company has received a notice pursuant to Section 257 of the Act, be and is hereby appointed as a Director of the Company.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Atit Agarwal, who was appointed as an Additional Director of the Company and who holds office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 (Act) and in respect of whom the Company has received a notice pursuant to Section 257 of the Act, be and is hereby appointed as a Director of the Company.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, and read with Schedule XIII of the said Act, approval of the Shareholders of the Company be and is hereby accorded to the appointment of Mr. Atit Agarwal as Whole-time Director of the Company for a period of

three years, w.e.f. 22nd August, 2008, on the terms and conditions as set out in the explanatory statement annexed hereto with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/ or remuneration in accordance with the limits specified in Schedule XIII and other applicable provisions of the Companies Act, 1956, or any amendments thereto and as may be agreed to between the Board and Mr. Atit Agarwal from time to time.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 293 (1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 and the Articles of Association of the company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein-after referred to as “the Board”) to borrow any sum or sums of money, from time to time, notwithstanding that the moneys to be borrowed, together with the money already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed, at any time, the aggregate of paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not at any time exceed Rs. 300 Crores (Rupees Three Hundred Crores Only) and that the Board be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such moneys to be borrowed, from time to time, interest, repayment, security or otherwise however as it may deem fit, as also to execute all such deeds and documents as may be necessary or required for this purpose.

RESOLVED FURTHER THAT Board be and is hereby authorized to finalize with such Banks/Financial Institutions/Trustee of Debenture holders or any other person, the documents for creating mortgage, deeds and things as may be necessary or usual for giving effect to this resolution.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT consent of the Company be and is hereby accorded under Section 293(1) (a) and other applicable provisions if any, of the Companies Act, 1956 to the Board of Directors of Company (hereinafter referred to as “the Board”) to Mortgage and/or Charging only on such conditions as they may deem fit, all or part of the movable and/or immovable property of the Company where so ever situate, both present and future, and in such manner as the Board may direct in certain events in favor of Lender(s)/Agents(s)/Trustee(s)/Financial Institutions/Bank(s) and other investing agencies to secure Rupee/Foreign Currency Loans, bonds, securities (Comprising fully/partly Convertible Debentures with or without detachable or non detachable warrants and/or secured premium notes and/or floating rate notes/bonds) or other debt instruments of an equivalent aggregate not exceeding Rs. 300 Crores (Rupees Three Hundred Crores Only) together with interest at the agreed rates and compound/additional interest, commitment charges, premium on prepayment or on redemption, costs, charges, expenses including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other money payable by the Company to the Lender(s)/ Agent(s)/ Trustee(s)/ Financial Institutions/ Banks/ other investing agencies under the arrangements entered into/ to be entered by the Company in respect of said loans, bonds, securities or other instruments.”

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

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of the Company, Foreign Exchange Management Act, 2000 (FEMA), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 and Issue of Foreign Currency Convertible bonds and Ordinary Shares (through Depository Receipt Mechanism) scheme 1993 and the regulations / guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, or any other relevant authority from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as might be required and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution) is hereby authorised to accept, the Board be and is hereby authorised on behalf of the Company to create, issue, offer and allot, (including with provisions for reservation on firm and /or competitive basis of such part of issue and for such categories of persons as may be permitted), in the course of one or more public or private offerings in domestic and and/or international market(s), Ordinary Shares and/or Ordinary Shares through depository receipts (whether GDRs or ADRs or any other form of Depository Receipts) and/or convertible bonds or debentures including Foreign Currency Convertible Bonds (FCCBs)/ External Commercial Borrowing (ECB) and / or Qualified Institutional Placements (QIP) and / or any other securities as may be decided whether expressed in Foreign currency or Indian Rupees (“Securities”) as the Board may consider appropriate.

RESOLVED FURTHER THAT the Board of Directors of the Company, whether acting at a meeting including through an Offering Committee or any other Committee be and are hereby authorised subject to applicable laws and regulations to issue the aforesaid securities to investors (including but not limited to NRIs, FIIs, Qualified Institutional Buyers (QIBs) whether or not such investors are members of the Company) through a prospectus and/or offering memorandum and/or offering circular and/or placement document including on a private / preferential basis, in such manner as they deem appropriate in their absolute discretion and if necessary in consultation with the Lead managers and/or underwriters and/or advisors of the Company concerned, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of securities; provided that the aggregate issue price of the securities to be issued does not exceed US \$ 100 million (U.S.Dollar One Hundred million) or an equivalent amount in Indian Rupees, including premium if any.”

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

“RESOLVED THAT pursuant to the provisions of section 31 of the Companies Act, 1956, the consent of the Members of the Company be and is hereby accorded for amendment of the existing Article No. 77 of the Articles of Association of the Company by deletion of the same and substituting in place thereof, the following new Article 77:

"77. Each Director may be paid out of the funds of the Company, a sum not exceeding Rs.5000/- (Rupees Five Thousand Only) by way of sitting fee for each

meeting of the Board or Committee of the Board, attended by him/her as the Director.”

**BY ORDER OF THE BOARD
FOR RESPONSIVE INDUSTRIES LIMITED**

Place : Betegaon

Date : 07 September, 2009

**V PADMAVATHI
COMPANY SECRETARY**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than 48 hours before the time of commencement of the meeting.
2. The Company's Register of Members and the Share Transfer Books will remain closed from **26th day of September, 2009 to 30th day of September, 2009 (both days inclusive).**
3. The dividend on equity shares as recommended by the Board of Directors for the Financial Year ended 31st March 2009, if approved at the meeting, will be payable:
 - a) to those members holding shares in physical form, whose names appear on the Register of Members on 26th day of September 2009, after giving effect to all valid transfers in physical form lodged with the Company and/or its Registrar & Share Transfer Agent on or before 25th day of September 2009; and
 - b) in respect of shares held in electronic form, on the basis of beneficial ownership as per the details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose at the close of business hours on 25th day of September, 2009.
4. Corporate Members are requested to send a duly certified copy of the Board resolution / Power of Attorney authorizing their representative to attend and vote at the Meeting.
5. Members / Proxies are requested to bring their attendance slips duly filled in along with their copies of the Annual Report to the Meeting for attending the Meeting.
6. Members are requested to intimate any change in their mailing address to the Company's Registrar and Share Transfer Agents of the Company.
7. Appointment / Re-appointment of Directors: At the ensuing meeting, Mr. Ashok Jha retires by rotation and being eligible offer himself for re-appointment. Mrs. Swati Agarwal and Mr. Atit Agarwal are proposed to be appointed as Directors. The information pertaining to these

Directors required to be provided pursuant to clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto.

8. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the special business at Item No.s 5 to 11 of the notice, is annexed hereto.

ANNEXURE TO THE NOTICE:

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5:

Mrs. Swati Agarwal was appointed as an Additional Director of the Company with effect from 22nd August, 2008. In terms of Section 260 of the Companies Act, 1956, Mrs. Swati Agarwal holds office upto the date of the ensuing Annual General Meeting.

The Company has received a notice from a member under section 257 of the Companies Act, 1956, with requisite deposit proposing the name of Mrs. Swati Agarwal as a candidate for the office of Director of the Company.

Mrs. Swati Agarwal is Bachelor of Management Studies. She is well experienced in the field of human resource.

Your Board is of the opinion that the appointment of Mrs. Swati Agarwal would be in the best interest of the Company. Your Directors accordingly recommend the resolution at Item No. 5 of the Notice for your approval.

None of the Directors of the Company except Mrs. Swati Agarwal and Mr. Atit Agarwal, is interested or concerned in this resolution.

ITEM NO. 6:

Mr. Atit Agarwal was appointed as an Additional Director of the Company with effect from 22nd August, 2008. In terms of Section 260 of the Companies Act, 1956, Mr. Atit Agarwal holds office upto the date of the ensuing Annual General Meeting.

The Company has received a notice from a member under section 257 of the Companies Act, 1956, with requisite deposit proposing the name of Mr. Atit Agarwal as a candidate for the office of Director of the Company.

Mr. Atit Agarwal is Bachelor of Arts in International Marketing and earned MBA degree from USA specializing in Finance.

He joined the Company after a distinguished career with reputed Company in USA and is well experienced in the field of Finance.

Your Board is of the opinion that the appointment of Mr. Atit Agarwal would be in the best interest of the Company. Your Directors accordingly recommend the resolution at Item No. 6 of the Notice for your approval.

None of the Directors except Mr. Atit Agarwal and Mrs. Swati Agarwal, is concerned or interested in this resolution.

ITEM NO. 7:

Mr. Atit Agarwal who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22nd August, 2008, at the same meeting he was appointed as Whole-time Director of the Company effective from 22nd August, 2008 for a period of 3 years on the remuneration, terms and conditions as follows:

A. Remuneration and Perquisites:

- a) Salary: Rs.12,00,000/- p.a.
- b) Medical Expenses Reimbursement
- c) Leave Travel Concession: for self and family once in a year as per the rules of the Company.
- d) Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.
- e) Encashment of Leave: Encashment of leave at the end of the tenure as per the rules of the Company.
- f) Provision of telephone at Residence.
- g) Provision of Company's Car with Driver.
- h) Provident Fund, Superannuation benefits and Gratuity as per the rules of the Company.

MINIMUM REMUNERATION

Notwithstanding anything hereinabove stated, where in any financial year during the tenure as Whole-time Director, the Company has no profits or its profits are inadequate, Mr. Atit Agarwal shall be paid remuneration by way of salary, allowances and perquisites not exceeding the maximum limits as prescribed under Section II, Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time.

Mr. Atit Agarwal is Bachelor of Science in International Marketing and earned MBA degree from USA specializing in Finance.

He joined the Company after a distinguished career with reputed Company in USA and is well experienced in the field of Finance.

The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms of appointment pursuant to the provisions of section 302 of the Companies Act, 1956.

Approval of the members is sought by way of Ordinary resolution for the above appointment on the terms and conditions set out hereinabove.

The Board commends the resolution for your approval.

Copy of the Appointment letter issued to Mr. Atit Agarwal is available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company.

None of the Directors of the Company, except Mr. Atit Agarwal and Mrs. Swati Agarwal, is interested or concerned in the proposed resolution.

ITEM No. 8 & 9:

Section 293(1)(d) of the Companies Act, 1956, stipulates that Board of Directors of the Company cannot, except with the consent of the members in General Meeting, borrow moneys, apart from the temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of paid up capital and free reserves of the company i.e. to say, reserves not set apart for any specific purpose.

The consent of the shareholders is therefore sought in accordance with the provisions of Section 293(1)(d) of the Act to enable the Directors of the Company to borrow moneys to the extent of Rs. 300 Crores (Rupees Three Hundred Crores only). The resolution under item No.8 is to obtain the consent of the shareholders for this purpose.

The proposed borrowings of the Company may, if necessary, be secured by way of Charge/Mortgage/Hypothecation on the Company's assets in favor of the lenders. As the documents to be executed between the proposed lenders and the Company may contain power to take over the management of the company in certain events, it is necessary to pass a resolution under Section 293(1)(a) of the Act, for creation of charge/Mortgage/Hypothecation for an amount not exceeding the borrowing limit of Rs. 300 Crores (Rupees Three Hundred Crores Only).

The proposed offers are in the interest of the Company and your Directors recommend the resolutions at item No. 8 & 9 of the accompanying notice for approval of the members.

None of the Directors of the Company are interested or concerned in the resolutions set out at item No. 8 & 9 of the Notice.

ITEM NO. 10:

As stated above, it is proposed to raise additional funds through the issue of securities in the domestic/international markets for an amount not exceeding US \$ 100 million or an amount equivalent in Indian Rupees, in one or more tranches, in such form, on such terms, in such manner at such price or prices and at such time as may be considered appropriate by the Board to the investors in the domestic/international markets, as set out in the Resolution at Item No. 10 of the Notice.

The Board commends the Resolution at Item No.10 of the Notice for approval by the Members.

The Directors of the Company may be deemed to be concerned or interested in the Resolution at Item No.10 of the Notice to the extent of the Securities that may be subscribed by the companies/institutions of which they are Directors or members.

ITEM NO. 11:

The Company's Articles permit a sitting fee not exceeding Rs. 250/- (Rupees Two Hundred and Fifty Only) to each Director for attending a meeting of the Board or a Committee thereof. It is proposed that the sitting fee payable to a Director may be revised to a sum not exceeding Rs.5000/- (Rupees Five Thousand Only) for attending a meeting of the Board or a Committee thereof.

It is therefore proposed to alter Article No. 77 of the Articles of Association in the manner set out in Item No. 11 of this Notice.