



RESPONSIVE INDUSTRIES LIMITED

ANNUAL REPORT 2011-12

REGISTERED OFFICE

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

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30th Annual General Meeting on 4th August, 2012 at 10.30 a.m. at the Registered Office of the Company at Village Betegaon, Boisar (East), Mahagaon Road, Taluka Palghar, Dist. Thane – 401 501

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atit Agarwal

Mrs. Swati Agarwal

Mr. Rajesh Pandey

Mr. Shobha Singh Thakur

Mr. Vijay Kumar Chopra

Mr. Michael Freedman

Chairman & Whole Time Director

Non - Executive Director

Independent Non - Executive Director

Independent Non - Executive Director

Independent Non - Executive Director

Independent Non - Executive Director

COMPANY SECRETARY

Mr. Nitin B. Katore

STATUTORY AUDITORS

Haribhakti & Co.

Chartered Accountants,

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

Mumbai - 400021

PRINCIPAL BANKERS

State Bank of India

ING VYASYA Bank Limited

Bank of Maharashtra

Union Bank of India

Bank of India, London Branch

Canara Bank, London Branch

Union Bank of India, Hong Kong Branch

Export-Import Bank of India

SOLICITORS

Rajani & Associates

REGISTERED OFFICE & WORKS

Village Betegaon, Mahagaon Road,

Boisar (East), Taluka Palghar,

Dist. Thane - 401 501.

CORPORATE OFFICE

Eucharistic Congress Building No.1,

5, Convent Street, Colaba,

Mumbai-400001

Tel No.: 022 66562821

Fax No.: 022 66562798/99

Email: investor@responsiveindustries.com

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Ltd.,

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (W),

Mumbai, 400078.

Tel No.: 91(022) 25963838

Fax No.: 91(022) 25946969

E-mail : mumbai@linkintime.co.in

Web : www.linkintime.co.in

DIRECTORS' REPORT

TO THE MEMBERS

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

1. FINANCIAL PERFORMANCE

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

2. OPERATIONS

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

3. DIVIDEND

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

4. ALLOTMENT OF EQUITY SHARES

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

5. CONSOLIDATED FINANCIAL STATEMENTS

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

The annual accounts and financial statements of the subsidiary company of your Company and related detailed information shall be made available to members on request and are open for inspection at the Registered Office of your Company. Your Company has complied with all the conditions as stated in the circular and accordingly has not attached the financial statements of its subsidiary company for the financial year 2011-12. A statement of summarized financials of the subsidiary of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to the General Circular issued by Ministry of Corporate Office, forms part of this report.

6. DIRECTORS

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

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

8. CORPORATE GOVERNANCE

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

9. PLEDGE OF SHARES

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

10. PARTICULARS OF EMPLOYEES

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

11. PUBLIC DEPOSITS

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

12. AUDITORS

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

13. MANAGEMENT DISCUSSION AND ANALYSIS

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

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

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

15. GROUP

Pursuant to intimation from the promoters, the names of the promoters & entities comprising the "Group" are disclosed in the Annual report for the purpose of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011.

16. RECOGNITION AND AWARDS

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

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

17. 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.

18. 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 : Mumbai
Date : 24th May, 2012

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

B) TECHNOLOGY ABSORPTION:		
Efforts made in technology absorption	NIL	NIL
C) FOREIGN EXCHANGE EARNINGS & OUTGO:		
Total Exchange Earned (Rs. in Millions)	5791.90	4565.97
Total Outgo (Rs. in Millions)	4483.73	4027.40

Annexure – B

Persons constituting group coming within the definition of "Group" for the purpose of Regulation 10 (a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, include the following:

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

For and on behalf of the Board
For Responsive Industries Limited

Place : Mumbai
 Date : 24th May, 2012

Atit Agarwal
(Chairman)

CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Listing Agreement entered into with Stock Exchanges)

I. Company's Philosophy

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

II. Board of Directors

Composition:

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

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

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

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

Cessation of Directorship on 14/11/2011.

Board Meetings

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