



# RESPONSIVE

We listen. We're responsive.

*Annual Report*

2013-14

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**32<sup>nd</sup> Annual General Meeting on 09<sup>th</sup> August, 2014 at 10.00 a.m. at Hotel Silver Avenue, Ostwal Empire, Next to Big Bazar, Boisar (West), Thane – 401 501.**



**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Atit Agarwal

Mrs. Swati Agarwal

Mr. Rajesh Pandey

Mr. S. S. Thakur

Mr. V. K. Chopra

Mr. Michael Freedman\*

(\*Resigned w.e.f. 30<sup>th</sup> May, 2014)

Chairman & Whole Time Director

Non - Executive Director

Director

Independent Non - Executive Director

Independent Non - Executive Director

Independent Non - Executive Director

**COMPANY SECRETARY**

Ms. Alpa Ramani

**STATUTORY AUDITORS**

Haribhakti & Co.

Chartered Accountants,

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

Mumbai – 400021

**PRINCIPAL BANKERS**

Union Bank of India, Mumbai

Bank of India, London Branch

Canara Bank, London Branch

Union Bank of India, Hong Kong Branch

Export-Import Bank of India

**SOLICITORS**

Rajani & Associates

**REGISTERED OFFICE & WORKS**

Village Betegaon, Mahagaon Road,

Boisar (East), Taluka Palghar,

Dist. Thane – 401 501.

CIN NO: L99999MH1982PLC027797

**CORPORATE OFFICE**

7<sup>th</sup> Floor, Esperanca Building,

Shahid Bhagat Singh Road,

Colaba, Mumbai - 400 001.

Tel No.: 022 66562821

Fax No.: 022 66562798

Email: investor@responsiveindustries.com

Website: www.responsiveindustries.com

**REGISTRARS & SHARE TRANSFER AGENTS**

Link Intime India Private Ltd.,

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (W),

Mumbai- 400078.

Tel No.: 91(022) 25963838

Fax No.: 91(022) 25946969

E-mail : mumbai@linktime.co.in

Web : www.linkintime.co.in



## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting this Thirty-Second Annual Report on the business and operations of your Company with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2014.

### 1. FINANCIAL PERFORMANCE

Financial Results	(Rs. in millions)	
	2013-14	2012-13
Sales and Other Income	18572.05	15215.36
Profit before Interest, Depreciation & Tax	1978.00	1717.96
Less: Interest (Net)	294.28	278.63
Profit before Depreciation & Tax	1683.72	1439.33
Less: Depreciation	1059.89	921.21
Profit before Tax	623.83	518.12
Less: Provision for Taxation	115.95	44.70
<b>Net Profit after Tax</b>	<b>507.88</b>	<b>473.42</b>
Balance Brought Forward from previous year	2576.52	2134.33
<b>Profit available for appropriations</b>	<b>3084.40</b>	<b>2607.75</b>
<b>Appropriations</b>		
Transfer to General Reserve	-	-
Proposed Dividend – Equity Shares	26.69	26.69
Corporate Dividend Tax	4.54	4.54
<b>Balance carried to Balance Sheet</b>	<b>3053.17</b>	<b>2576.52</b>

### 2. OPERATIONS

Your Company earned revenue of Rs. 18,572.05 Million for the year ended 31<sup>st</sup> March, 2014, an increase of about 22.06 % as compared to Rs. 15,215.36 Million in the previous financial year.

The Company recorded a Net Profit after Tax of Rs.507.88 Million compared to Rs.473.42 Million in the previous financial year, an increase of about 7.28%.

### 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% i.e. Re. 0.10 per Equity Share of Re. 1/- each fully paid up for the year ended 31<sup>st</sup> March 2014 and seek your approval for the same.

### 4. 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 30<sup>th</sup> May, 2014, approved the Audited Consolidated Financial Statements for the financial year 2013-14 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 2013-14, 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 2013-14. 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.

## **5. DIRECTORS**

In terms of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, Mr. S.S.Thakur (DIN 00001466), and Mr. V.K.Chopra (DIN 02103940) being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors of the Company for three consecutive years for a term up to the conclusion of Annual General Meeting in the calendar year 2017. The Company has received requisite notices in writing from members proposing Mr. S.S.Thakur (DIN 00001466) and Mr. V.K. Chopra (DIN 02103940) for appointment as independent directors.

In accordance with provisions of section 149 of the Companies Act, 2013 and the Listing agreement with the Stock Exchanges, independent directors have given a declaration to the Company that they meet the criteria of independence as mentioned in Section 149 (6) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement. The details of the proposal for appointment of independent directors are mentioned in the statement under Section 102 of the Companies Act, 2013, annexed to the Notice of the 32<sup>nd</sup> Annual General Meeting of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Swati Agarwal (DIN 02330442) retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment. Accordingly, her re-appointment forms part of the notice of the ensuing Annual General Meeting.

Mr. Michael Freedman (DIN 03289409) has resigned from Board of Directors of the Company w.e.f. 30<sup>th</sup> May, 2014.

The Board of Directors recommends revision in the term and re-appointment of Mr. Atit Agarwal (DIN 02330412) as a Whole-time Director of the Company for a period of 3 years w.e.f. 22<sup>nd</sup> August, 2014.



**6. 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, 2014 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.

**7. 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.

**8. PLEDGE OF SHARES**

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

**9. 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.

**10. PUBLIC DEPOSITS**

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

**11. 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 up to the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.



## **12. 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.

## **13. 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.

## **14. 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.

## **15. 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 looks forward to their co-operation.

## **16. ACKNOWLEDGEMENTS**

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

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

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

Place : Mumbai  
Date : 30<sup>th</sup> May, 2014

**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

<b>Power &amp; Fuel Consumption</b>	<b>Financial Year 2013-14</b>	<b>Financial Year 2012-13</b>
<i>1 Electricity</i>		
(a) Purchased Units	25876512	25446861
Total amount (Rs. in Millions)	168.14	190.11
Rate / Unit (Rs.)	6.50	7.47
(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)	4040550	3803615
Total Amount (Rs. In Millions)	172.65	150.87
Average Rate (Rs.)	42.73	39.67
<i>4 Other/Internal Generation (Please give details)</i>		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate/Unit	NIL	NIL