

24th Annual Report 2012-13

Exploring Newer opportunities



We Can Do it.

Resonance Specialties Limited



Resonance Specialties Limited

BOARD OF DIRECTORS

- Mr. Rajnikant Worah** - Chairman
Dr. A.B. Gupta - Managing Director
Mr. B.P. Agrawal - Director
Mr. L.R. Daga - Director
Mr. Kamlesh Yadav - Whole-time Director (Appointed w.e.f. May 30, 2013)

REGISTERED OFFICE

301, Evershine Mall, Chincholi Bunder Junction
Link Road, Malad (W) Mumbai 400 064.

BANKERS

BANK OF BARODA
Vile Parle (E), Mumbai

PLANT

T-140 MIDC Industrial Estate, Tarapur,
Maharashtra

AUDITORS

V.R.Bhabhra & Co.
Chartered Accountants
303, Sagar Shopping center,
Andheri (W), Mumbai- 400 058.

REGISTRAR & TRANSFER AGENTS:

Ajel Ltd.

No.106, Link Plaza Commercial Complex, New Link Road, Oshiwara,
Jogeswari (West) Mumbai 400102, Maharashtra
Tel: 26303342, 26303348, Fax: 26349264

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NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of **RESONANCE SPECIALTIES LIMITED** will be held on Wednesday, 14th August, 2013 at 11 a.m. at Raheja Classique Club, Infinity Mall, New Link Road, Andheri (West), Mumbai 400 058, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2013 and the Profit & Loss Account for the financial year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B. P. Agrawal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint statutory auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Kamlesh Yadav, who was appointed as an Additional Director of the Company on May 30, 2013 and whose term of appointment expires at this Annual General Meeting, and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956, proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.”

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

“RESOLVED THAT subject to the provision of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof for the time being in force) approval of the Company be and is hereby accorded to the appointment of Mr. Kamlesh Yadav as Whole time Director of the Company for a period of three years commencing from May 30, 2013, at the remuneration and on such terms and conditions as recommended by the Board of Directors in their meeting held on May 30, 2013 and set out in explanatory statement attached hereto with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule XIII of the Companies Act, 1956, or any amendments thereto or any re-enactment thereof and as may be agreed to between the Board of Directors and Mr. Kamlesh Yadav mutually.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year, the

Company shall pay to Mr. Kamlesh Yadav, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit, subject to the limits prescribed herein and in Schedule XIII of the Companies Act, 1956.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution.

Dated: May 30, 2013

Registered Office:

301, Evershine Mall,
Off Malad Link Road,

Malad (West), Mumbai – 400064.

By Order of the Board

Sd/-

Dr. A. B. Gupta
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.
2. Relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business, as set out above is annexed hereto.
3. The disclosures required under clause 49 of the listing agreement in respect of the Directors being appointed/reappointed in this Annual General Meeting are given as annexure to this Notice convening Annual General Meeting.
4. The Register of Members and the Share Transfer Book of the Company will remain closed from August 5, 2013 to August 14, 2013 (both days inclusive).
5. Members are requested to notify immediately any change of address;
 - i. to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - ii. to the Company at its Registered office in respect of their physical shares, if any, quoting their folio number, Banker's name and account number to ensure prompt and safe receipt of dividend warrants.
6. Members are requested :
 - i. to bring their copies of Annual Report , Notice and Attendance Slip at the time of the meeting.
 - ii. to quote their Folio Nos./ ID Nos. in all correspondence.
 - iii. to note that no gifts will be distributed in the AGM.

Details of Directors seeking appointment/ *reappointment at the forthcoming Annual General Meeting

(Item no.2)

Name of the Director	Mr. Kamlesh Yadav	*Mr. B. P. Agrawal
Date of Birth	October 04,1973	January 23, 1944
Nationality	Indian	Indian
Date of appointment on the Board	May 30, 2013	June 30, 2009
Qualification	Mr. Kamlesh Yadav is a science graduate from Purvanchal University.	Mr. B.P. Agrawal is a science graduate from Bhagalpur University.
List of Directorship held in other companies	Nil	Nil
Shareholding in the Company	NIL	NIL
Experience in brief	Mr. Yadav has been associated with the Company since 1995 at the factory of the Company at Tarapur. Mr. Yadav possesses working experience of over 18 years working at various levels in the factory.	Mr. Agrawal has over 40 years of industrial experience. In his career, he had worked with various companies in India and abroad. Presently he is doing independent Consultancy in the field of chemical, plant Engineering and Environment.

EXPLANATORY STATEMENT

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

ITEM No. 4 & 5 Regularisation and Appointment of Mr. Kamlesh Yadav as Whole Time

Director

Mr. Kamlesh Yadav was appointed as additional director on May 30, 2013. Mr. Kamlesh Yadav holds office upto this Annual General Meeting. The Company has received notice from a member under Section 257 of the Companies Act, 1956, proposing candidature of Mr. Yadav as Director. The Board of Directors therefore recommends passing of resolution as laid in the item no.4 of the Notice.

Mr. Kamlesh Yadav was also appointed as a Whole Time Director by Resolution passed by the Board of Directors at their meeting held on May 30, 2013 subject to the consent of Members at the ensuing Annual General Meeting for a period of Three (3) years commencing from May 30, 2013 to May 29, 2016 including payment of his remuneration which shall be an aggregate of the following:

- (a) Salary: At the rate not exceeding Rs. 5,00,000/- per annum with annual increments effective 1st April each year, as may be decided by the Board of Directors of the Company subject to the ceiling on increment of 30% per annum over the existing salary.
- (b) Perquisites: In addition to the Remuneration as stated above, Mr. Kamlesh Yadav shall be entitled, as per Rules of the Company to perquisites like:
 - i. All perquisites and allowances shall be restricted to Rs. 2,50,000/- per annum

- ii. Reimbursement of medical expenses not exceeding Rs. 2,00,000/- per annum
- iii. Leave Travel Allowance for self and family not exceeding Rs. 50,000/- per annum
- iv. Contribution to Provident Fund as per applicable rules.

Further Mr. Kamlesh Yadav's appointment and terms of remuneration is pursuant to the provisions of section 198, 269, 309,310 and 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

Further, in Compliance of section 302 of the Companies Act, 1956, an abstract of terms of his appointment and of remuneration payable to him as a Whole Time Director of the Company was dispatched to all members.

Mr. Yadav has been associated with the Company since 1995 at the factory of the Company at Tarapur. Mr. Yadav possesses working experience of over 18 years working at various levels in the factory.

No Director, except Mr. Kamlesh Yadav is concerned or interested in passing of this resolution.

Dated: May 30, 2013

Registered Office:

301, Evershine Mall,
Off Malad Link Road,
Malad (West), Mumbai – 400064.

By Order of the Board
Sd/-

Dr. A. B. Gupta
Managing Director

DIRECTORS' REPORT

The Members

Resonance Specialties Limited

Your Directors have pleasure in presenting the 24th Annual Report along with the Audited Statements of Account of your Company for the financial year ended March 31, 2013.

1. Financial Results

A snapshot of the financial performance of the Company for the year 2012-13 is as under:

(Rs. in Lakhs)

	Current Year 2012 - 2013	Previous Year 2011 - 2012
Turnover	3957.88	3562.58
Other Income	37.71	38.50
Profit/ (Loss) Before Interest, Depreciation and Taxation	253.67	131.50
Depreciation	115.36	108.39
Exceptional Items	0.35	24.30
Profit/ (Loss) after taxes including deferred tax	45.62	(53.23)
Balance in P&L account brought forward	272.53	325.77
Balance in the P&L account carried forward to the Balance Sheet	318.15	272.53

2. Results of Operations

The Company had reported turnover of Rs. 3957.88 lakhs for the year ended March 31, 2013 as against Rs. 3562.58 lakhs in the previous year, showing increase of over 11.10%. The Company has generated net profit of Rs. 45.62 lakhs as against net Loss of Rs.53.23 lakhs in the previous year.

3. Dividend on Equity Shares

Your directors feel that it is prudent to plough back the profit and conserve the resources for the future operation & growth of the company and therefore, Board of directors do not recommend any dividend for the year 2012-13.

4. Public Deposits

During the period under review, your Company has not accepted/ renewed any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

5. Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement, is given as a separate annexure to this Report (Annexure II).

6. Corporate Governance Report

Your Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. As part of the Company's efforts towards better corporate practice and transparency, a separate report on Corporate Governance compliances is included as a part of the Annual Report.

A certificate from the Practicing Company Secretary M/s Kaushal Dalal and Associates, regarding compliance of the conditions of Corporate Governance as stipulated under clause 49 of the listing agreement is attached to the report on Corporate Governance.

7. Directors

Mr. B. P. Agrawal, Director retire by rotation and, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company. Your directors recommend his appointment as the Director of the Company liable to retire by rotation.

The Company had, at its meeting held on May 30, 2013, appointed Mr. Kamlesh Yadav as the additional director and whole-time director. Mr. Yadav holds office upto the date of Annual General Meeting. A member has recommended his appointment u/s 257 as the Director of the Company. Your Board recommends his appointment as Director and Whole-time Director of the Company.

Brief profiles of the Directors proposed to be appointed/ re-appointed; qualification, experience and the names of the Companies in which they hold directorship, membership of the board committees, as stipulated in the clause 49 of the listing agreement are provided along with the Notice convening Annual General Meeting.

8. Directors' Responsibility Statement

As required by Section 217 (2AA) of the Companies Act, 1956, your directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed;
- Appropriate accounting policies have been selected and applied consistently and that judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2013, and of its profit for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis.

9. Exports

Export including deemed export are at Rs. 1993.83 Lacs compared to Rs. 2525.85 Lacs in the previous years. The company is exploring newer market for its nutritional products and of value added Pyridine derivatives.

10. Future Prospects

Due to heavy competition and adverse forex prices, the company is exploring alternate raw material to manufacture its basic products to sustain the profitability. In case of some of the value added products of the Company there are few competitors in the world but the demand for product is limited. The Company is making all the efforts to develop new applications of its products and is confident of substantially expanding the market in near future. Nutraceuticals market is growing and more particularly in India and other third world countries.

11. Research and Development

The Research and development is an integral component of commercial exploitation of the products and processes. Your company is knowledge based entity with focus on the customer needs. The strengths of Resonance commence at its R&D centre where products and processes are created to meet regulatory standards and to address the needs of the consumer at large. The Company is making major investments in R&D facilities at Tarapur which is approved by the Government of India to improve upon the competitiveness of our manufacturing products and processes. The Company continues to conduct R&D work related to the:

1. Development of improved catalyst for the better yields of products;
2. Improvement in technology of manufacturing of value added products.

12. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The additional information required in accordance with sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is appended to and forms part of this report (Annexure I).

13. Particulars of Employees

The details as required Pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, is not given, since your Company has no person in its employment drawing salary above the prescribed monetary ceiling.

14. Auditors & Auditors Report

M/s. V. R. Bhabhra & Co., Chartered Accountants, Mumbai, the Company's Auditors, retire at the

ensuing Annual General Meeting and being eligible offer themselves for re-appointment. M/s. V. R. Bhabhra & Co., have sought re-appointment and confirmed that their re-appointment shall be within the limits of Section 224(1B) of the Companies Act, 1956. The necessary eligibility certificate under section 224(1B) of the Companies Act, 1956 has been received from them. The Audit Committee and Board of Directors recommend the appointment of M/s. V. R. Bhabhra & Co., Chartered Accountants, as the Statutory Auditors of the Company.

The notes to the accounts referred to in the Auditors Report are self explanatory and therefore do not call for any further comments.

Acknowledgement

The Directors place on record their gratitude to the Government, Regulators, Stock Exchanges, other statutory bodies and the Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. The Directors also place on record their sincere appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all round operational performance. Last but not the least the directors would like to thank valuable shareholders for their support and contribution. We look forward to your continued support in the future.

On behalf of the board

Sd/-

Dr. A. B. Gupta
Managing Director

Sd/-

Mr. Rajnikant Worah
Chairman

Dated: May 30, 2013

Registered Office:
301, Evershine Mall,
Off Malad Link Road,
Malad (West).
Mumbai – 400064.

ANNEXURE I

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. Conservation of Energy

(a) ENERGY CONSERVATION MEASURES.

- 1) Enhancement of capacitor bank to improve power factor and Replacement of motor to optimize load capacity to reduce power consumption.
- 2) Revamping of condensate recovery and steam distribution system.

(b) ADDITIONAL INVESTMENTS AND PROPOSALS FOR REDUCTION OF CONSUMPTION OF ENERGY:-

- 1) Upgradation of chilling plants.
- 2) Upgradation of distillation to reduce time cycle.

(c) IMPACT OF THE ABOVE MEASURES:-

- 1) Energy conservation by reducing the time cycle.
- 2) Reduction in the cost of production by lower power consumption in relation to the cost of output.

(d) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION (FORM A ENCLOSED)**B. TECHNOLOGY ABSORPTION**

Efforts made in Technology Absorption (FORM – B ENCLOSED)

C. FOREIGN EXCHANGE EARNING AND OUTGO**(a) ACTIVITIES RELATING TO EXPORTS, ACTIVITIES TAKEN TO INCREASE EXPORTS, DEVELOPMENTS OF NEW EXPORT MARKETS FOR PRODUCT AND EXPORT PLANS.**

The Company is exploring new markets for its value added products through third party exports. The company's exports (including Deemed Exports) are Rs.1993.83Lacs as against Rs.2225.85Lacs in the international market during the previous year.

Foreign exchanges earned and out-go during the year ended March 2013.

	In Lakhs	
	2012-2013	2011-2012
Foreign Exchanged Earned Exports (FOB)	1503.30	1413.6
Total	1503.3	1413.60
Foreign Exchange Outgo CIF Value of Imports	909.25	456.80
Research and Development Equipments	NIL	5.46
Travelling Expenses	6.16	4.81
Total	915.41	467.07

FORM-A

Form for Disclosure of particulars with respect of conservation of energy

Particulars	2012-2013	2011-2012
1. Total Energy Consumption		
A. Electricity		
(a) Purchased Units (Nos.)	1809850	1972147
Total amount ` (lacs)	127.80	132.25
Average rate ` /Unit	7.06	6.73
(b) Own Generation	127860	132698
Through diesel generation unit (Nos.)		
Units per litre of diesel	3.40	3.40
Average cost ` /Unit	14.41	12.8
B. Coal (Quantity - MT)	1990	1821
Total Amount (in Lacs)	146.87	136.06
Average Rate ` /KG	7.48	7.46
2. Consumption per unit of production		
Pyridine & Cyanopyridines	3009	3462
Electricity (Units/MT)		
HSD (Ltrs/MT)	63	68

Form B for Disclosure of Particulars With Respect To Technology Absorption**(a) RESEARCH AND DEVELOPMENT****I. Specific areas in which R & D carried out by the company.**

- Development of Catalytic Manufacturing process for Alpha/Gamma Picolines.
- Development of Manufacturing process for 2, 3-Lutidine.
- Catalysts Development for 2, 6-Lutidine and 2, 4, 6-Collidine.
- Process development of continuous regeneration of Catalyst for pyridine.
- Process optimization for the oxidation of Picolines and Lutidines.

II. Benefits derived as a result of above.

- Cost Reduction
- Better efficiency in product formation/process development
- Newer products/process development

III. Future Plan of Action.

- Development of improved catalysts
- Synthesis of new molecules
- Development of efficient processes

IV. Expenses on R & D

- Capital ` NIL lakhs
- Recurring ` 29.94 lakhs

Total R & D Expenditure as a percentage of the total turnover is .73% (P.Y. 1.45%)

(a) TECHNOLOGY ABSORPTION / ADOPTION AND INNOVATION.

- Efforts in brief made towards technology absorption/adoption:

On-going Technology was entirely developed in-house.

- Benefits derived as a result of the above efforts:

Improvement in cost effectiveness in terms of usage of raw materials and energy efficiency in commercial production while being competitive.

Annexure II to the Directors Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INTRODUCTION

The Company is one of the few manufacturers of Pyridine and its derivatives in the world. The pyridines have wide range of applications in the industrial segments like Pharmaceuticals, Agrochemicals, Dyes, and Textiles etc. There are only few companies in the world that manufacture Pyridine and its derivatives.

2. INDUSTRY STRUCTURE AND DEVELOPMENT

The Company's main product 3,5,- Lutidine which is a raw material for Omeprazole, a major anti ulcer drug. The other product i.e Pyridine is the raw material for the manufacture of Agrochemicals like paraquat etc. besides being used as a solvent in the manufacture of some of Active Pharmaceutical ingredients like Norfloxacin and Sulphamathaxazole. It is also used as a solvent in the dye-stuff and as a denaturant in the alcohol industry.

The other products are:

- Beta-picoline and 3-cyanopyridine are used in the manufacture of Niacin and Niacinamide which have wide applications in vitamin preparations and are also used extensively as food supplement and animal feed additives.
- Gamma Picoline is used in the manufacture of Isoniazid, an Anti TB drug.
- Alpha Picoline is used in the manufacture of wide variety of agro chemicals and 2 vinyl pyridine finds extensive application in the tyre industry.

3. COMPANY OVERVIEWS

The manufacturing plant of the company is located at MIDC Tarapur (Boisar) in close vicinity of city of Mumbai. The plant is being continuously upgraded and also plant capacity utilization is being improved to efficiently manufacture value added products i.e Lutidines, Collidines, Cyanopyridines, Nutraceuticals etc.

The Company in the current year has substantially improved the business of value added Cyanopyridines, Lutidines, Collidines which have significantly contributed to the profitability of the Company and created a distinct market position worldwide. Further the Company has substantially improved its exports of Nutraceuticals.

4. RESEARCH AND DEVELOPMENT

The company takes pride in bringing innovations and excellence to develop newer processes and products. The company is making major investments in its Government of India recognized R & D to improve the competitiveness of our manufacturing processes. The Company has undertaken major R&D projects to develop the alternate processes for manufacturing of the products using different catalysts and newer product mix in the pyridine / Picoline plant. The development of the continuous regeneration in the R & D shall certainly prove a breakthrough to the production of pyridine derivatives.

5. OPPORTUNITIES AND THREATS

In the case of some of the value added products of the company there are only few competitors in the world but the demand for product is limited. The company is making all the efforts to develop new applications of its products and is confident of substantially expanding the market in near future. Nutraceuticals market is growing rapidly worldwide and in particular within India and other third world countries.

During the year the company has experienced large fluctuations in foreign exchange rates and import prices. However, due to, total backward integration and limited imports, company did not face any major setback in the performance. Further inbuilt flexibility in the plant helped in changing product mix to face the challenges due to adverse market situation during the year.

6. EXPORT

Export including deemed export are at Rs. 1993.83 Lacs which as compared to the previous years of Rs. 2525.85 Lacs. The Company has exported its product to USA, Europe, China, Australia etc. The Company has major emphasis to supply quality product and dependable supply.

7. OUTLOOK

Given the various development measures adopted by the Company, it is now optimistic about its growth prospects for the current financial year.

8. RISK AND CONCERNS THE MANAGEMENT PERCEPTION

Even though there was economic slowdown the company was able to increase its sales of its value added products and nutraceuticals. However recent crisis in Europe and large fluctuations in Euro, currency rates may affect the exports to some extent. But the Company has made substantial progress in identifying newer markets and is confident that it will be able to maintain its profitability despite economic problems persisting in Europe.

9. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Resonance Specialties Limited has a proper and adequate system of internal controls to ensure that all assets are safe-guarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

An extensive programme of internal audits/energy audit, reviewed by the management and documented policies, guidelines and procedures, supplements the internal control systems. The internal control systems are designed to ensure that the financial and other records are reliable, for preparing the financial statements and other data and for maintaining accountability of assets.

The Company has independent internal audit systems covering all operations and services spanning all functions.

The Management and the Audit Committee

of the Board review the internal audit findings and recommendations. The Audit Committee is empowered by the Board with the authority to investigate any matter relating to the internal control systems and to review the scope of internal audit. The Committee also reviews the quarterly, half yearly and annual financial statements before these are submitted to the Board and ensures compliance of internal control systems.

10. FINANCIAL REVIEW

The following statements cover financial performance review which is attached to this report.

Financial position at glance: See Annexure

Financial Summary and Distribution of Income: See Annexure

11. MATERIAL DEVELOPMENT IN HUMAN RESOURCES, INDUSTRIAL RELATION REPORT

The Company has recognized its employees as main assets. Various steps have been taken for improving their performance. The employees views are incorporated and given due weightage in decision making.

12. CAUTION

The statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be 'Forward looking statements' within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference of the Company's operations include economic demand/ supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws, other statutes and incidental factor.

ANNEXURE TO MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FINANCIAL SUMMARY

	Year ended 31.03.2013	Year ended 31.03.2012
CAPITAL ACCOUNTS		
Share capital	115,440,000	115,440,000
Reserves and Surplus	94,214,092	92,824,556
Long term Borrowing	337,730	342,842
Non-current Liabilities	32,711,463	33,609,689
Gross Block including CWIP	376,120,110	376,634,556
Net Block including CWIP	165,932,463	180,642,080
Net current Assets (Net of Short term borrowing)	72,910,540	53,544,908
REVENUE ACCOUNTS		
Sales and other income	399,559,044	360,108,038
Gross profit before extra- Ordinary items, interest, Depreciation and tax	25,367,341	13,149,568
Extra-ordinary item	35,000	2,429,609
Financial Expenses	7,553,061	6,390,951
Depreciation	11,536,220	10,838,930
Profit before tax	6,243,060	(6,509,922)
Net Profit After tax	4,561,878	(5,323,432)
Dividend amount	--	--
Retained earnings	4,561,878	--
SELECTED INDICATORS		
Return on capital employed%		--
Current Ratio	1.82	1.66
Earnings per share	0.40	(0.46)
Book Value per Share	18.16	18.04
Fixed assets Turnover	2.40	1.99

CORPORATE GOVERNANCE REPORT

1. CORPORATE PHILOSOPHY

At Resonance Specialties Limited ("RSL"), Corporate Governance is viewed as ethics and moral duty. We believe that the corporate governance is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals and ensuring interest of all the stakeholders.

RSL has adopted best of corporate governance practices and is based on following principles:

- Strong, professional, independent Board with vast knowledge and varied experience.
- Accountability for functioning and transparency in conduct.
- Compliance with applicable laws and regulations.
- Independent verification of financial reporting.
- Value creation and wealth maximization for stakeholders

The report on corporate governance, as per the applicable provisions of clause 49 of the listing agreement is as under:

2. BOARD OF DIRECTORS

(a) Composition of the Board

The Board of Directors of the Company comprises of optimum combination of executive and non-executive directors, all of whom are leading professionals in their respective fields. The Board of Directors comprises of:

Dr. A. B. Gupta -	Managing Director (Executive Director)
Mr. Rajnikant Worah -	Non Executive and Independent Director
Mr. L. R. Daga -	Non Executive and Independent Director
Mr. B. P. Agrawal -	Non Executive Director
Mr. Kamlesh Yadav-	Whole-time Director (appointed w.e.f. May 30, 2013)

The other Board and Board Committees in which the Director is member or chairman are as under:

Name of the Director	Relationship with other Director	Directorships in India under Section 275 of the Companies Act, 1956 ¹	Other Directorships ²	Membership of other Board Committees ³	
				Member	Chairman
Dr. A. B. Gupta	None	None	None	None	None
Mr. Rajnikant worah	None	None	2	None	None
Mr. B. P. Agrawal	None	None	None	None	None
Mr. L. R. Daga*	None	None	None	None	None
Mr. Kamlesh Yadav*	None	None	None	None	None

Note:

*Mr. L. R. Daga, a non executive independent director was regularised as a Director of the Company on September 29, 2013. Mr. Kamlesh Yadav was appointed as additional director and whole-time director w.e.f. May 30, 2013.

1. Directorship held by the Directors, as mentioned above, does not include Directorships in private limited companies which are neither a subsidiary nor holding company of public company, foreign companies and companies not carrying business for profit.
2. Other Directorships are those, which are not covered under Section 275 of the Companies Act, 1956.
3. The Committees considered for above purpose are those prescribed in the Listing Agreement viz. Audit Committee and Share Transfer and Investor Grievance Committee.

(b) Meeting of Board of Directors

The Board meetings are convened after giving proper notice and detail agenda. The Board meets at least once a quarter and the time gap between two Board Meetings was not more than four (4) calendar months. The Board of the Company met four (4) times during the last financial year on May 14, 2012, August 31, 2012, November 10, 2012 and February 07, 2013.

The attendance of Directors at the Board Meeting and last Annual General Meetings was as under:

Name of Director	Total Board Meetings	Board Meetings attended out of meetings held	Annual General Meeting dated September 29, 2012 whether attended
Dr. A. B. Gupta	4	4	Yes
Mr. Rajnikant Worah	4	3	Yes
Mr. B. P. Agrawal	4	4	Yes
Mr. L. R. Daga	4	4	Yes
Mr. Kamlesh Yadav*	Nil	Nil	Nil

* Mr. Kamlesh Yadav was appointed as additional director and whole-time director w.e.f. May 30, 2013.

The following information is given to the Board either as a part of agenda of the meeting or by way of presentation during the meeting:

- Quarterly, half yearly and annual results of the Company.
- Minutes of meeting of audit committee and other committees of the Board of Directors
- Information on appointment of all the key managerial personnel below the Board level
- Significant regulatory matters
- Compliance of statutory regulations, listing agreements
- Such other material and significant information

(c) Details of Director's Remuneration

The details of remuneration paid/ payable during the year ended March 31, 2013 is as follows:

Name of the Director	Salary and Perquisite	Cont to PF and other funds	Professional/ consultancy charges	Sitting fees	No. of Equity shares held	Convertible warrants
Dr. A. B. Gupta	23,02,400	1,82,400	Nil	Nil	1	Nil
Mr. Rajnikant Worah	Nil	Nil	Nil	105,000	198	Nil
Mr. L. R. Daga	Nil	Nil	Nil	90,000	Nil	Nil
Mr. B. P. Agrawal	Nil	Nil	Nil	90,000	Nil	Nil
Mr. Kamlesh Yadav ²	NA	NA	NA	NA	NA	NA

Note:

1. The Company has not paid any commission or issued any shares as ESOP to any directors of the Company.
2. Mr. Kamlesh Yadav was appointed as additional director and whole-time director w.e.f. May 30, 2013.

(d) Periodic review of compliances of all applicable laws

The Company regularly monitors compliance with various rules, regulations and Acts applicable to the Company. A compliance certificate by Managing Director in respect of various laws, rules and regulations applicable to the Company is placed periodically before the Board and reviewed by the Board.

3. AUDIT COMMITTEE

The Audit Committee of the Company met four (4) times during the last financial year on May 14, 2012, August 31, 2012, November 10, 2012 and February 07, 2013.

The gap between two Audit Committee Meetings was not more than four (4) months:

The Constitution of the Audit Committee and attendance of each member of the Committee is given below:

Name of the Members of Audit Committee	Designation	Executive/ Non-Executive/ Independent	Profession	No. of Committee Meetings held	Committee Meeting attended
Mr. Rajnikant Worah	Chairman	Non-Executive Independent	Business	4	3
Mr. B. P. Agrawal	Member	Non- Executive	Business	4	4
Dr. A. B. Gupta	Member	Executive	Business	4	4
Mr. L. R. Daga	Member	Non -Executive Independent	Business	4	4

Note:

Audit Committee meetings are attended by the Representatives of Statutory Auditors.

The scope of the Audit Committee includes the references made under Clause 49 of the Listing Agreements as well as Section 292A of the Companies Act, 1956, besides the other terms that may be referred by the Board of Directors. The broad terms of reference of the Audit Committee are:

- To supervise the financial reporting process and all financial results,
- To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board
- Review the adequacy of internal control systems in the Company, including the scope and performance of the internal audit function; review of related party transactions; reviewing with management performance of internal and statutory auditors and fixing their remuneration;
- Holding discussions with Statutory Auditors on the nature and scope of audit, ensure compliance with all the applicable Accounting Standards; Compliance with the listing and other legal requirements and the Company's financial and risk management policies and
- Compliance with the statutory requirements.

The minutes of the audit committee meetings forms part of the agenda papers circulated for the Board Meeting.

4. REMUNERATION COMMITTEE

The Remuneration Committee presently comprises of Mr. Rajnikant Worah, Independent Director, Mr. B. P. Agrawal, Non-Executive Director, Mr. L. R. Daga, Independent Director and Dr. A. B. Gupta, Executive Director. The Committee is Chaired by Mr. Rajnikant Worah.

The Committee met 4 (four) times in a year to monitor remuneration and terms of appointment of Board of Directors.

5. SHAREHOLDER/ INVESTOR GRIEVANCE COMMITTEE:

The Investor Grievance Committee presently comprises Mr. B. P. Agrawal, Non-Executive Director, Mr. Rajnikant Worah, Independent Director, Mr. L. R. Daga, Independent Director and Dr. A. B. Gupta, Executive Director. The Committee is Chaired by Mr. B. P. Agrawal.

The Committee met 4 (four) times in a year to review and approve matters relating to shareholder complaints and request received from shareholders for transfer/ transmission of equity shares etc.

6. SUBSIDIARY COMPANY

The Company does not have any subsidiary company hence compliances to be followed with regards to same is not applicable to the company.

7. DISCLOSURES

(a) Basis of related party transactions

The statement of transactions with the related parties, if any, is regularly placed before the audit committee. During the year under review, there are no materially significant related party transactions entered into by the Company with its Promoters, Directors or Management or their relatives, etc. that may conflict with the interest of the Company and all the transactions are on arms length basis and in the normal course of business.

The related party transactions have been disclosed under Notes to Accounts Note No 33 forming part of the Annual Accounts.

(b) Disclosure of accounting treatment

There is no deviation in following the treatments prescribed in any Accounting Standard (AS) in the preparation of financial statements of the Company.

(c) Disclosure on Risk Management

The internal auditors and statutory auditors tests and ensures that the Company has adequate systems of internal control to ensure reliability of financial and operational information's. The Company adheres to strict policies to ensure compliance with all the regulatory/ statutory requirements.

(d) Proceeds from Public Issue/ Rights Issue/ Preferential Issue

During the year under review, the Company has not raised any money through public/ right or preferential issue and hence the disclosure on end use of the money is not applicable.

(e) Compensation paid to Non-Executive Directors

The Non-Executive Directors and Independent Directors are paid upto Rs.20,000/- towards sitting fees for attending each Board and Committee Meeting in accordance with the resolution passed by the Board.

(f) Details of non-compliance

No strictures/ penalties have been imposed on the Company by Stock Exchanges or Securities and Exchange Board of India or any statutory authority on any matter during the last three years.

(g) Code of Conduct

The Board of Directors has adopted the Code of Conduct for Board Members and Senior Management Personnel. The said code has been communicated to the Directors and members of the senior management, and they have affirmed their compliance with the said Code. The Code adopted has been posted on the Company's website www.resonancesl.com.

(h) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the Listing Agreement

The Company has duly complied with all the mandatory requirements of Clause 49 of the listing agreement. Besides complying with all the mandatory requirements of Clause 49, we have a Remuneration Committee of the Board. All the members of the remuneration committee were present at the annual general meeting of the Company.

(i) CEO/CFO Certificate

The certificate required under Clause 49(V) of the listing agreement duly signed by the Managing Director has been given to the Board and the same is annexed to this report.

(j) Means of Communication to the Stakeholders

The primary source of information to the shareholders, customers and other stakeholders of the Company and to public at large is through the website of the Company www.resonancesl.com. The annual report, quarterly results, shareholding pattern, material events copies of press releases etc., are regularly sent to Stock Exchanges and uploaded on the Company's website.

The quarterly and annual results of the Company are published in widely circulated national newspapers like Business Standard and Mahanayak (Marathi).

8. GENERAL BODY MEETING

The following table gives the details of the last three Annual General Meetings of the Company:

Date of AGM	Location	No. of Special Resolutions passed
September 25, 2010	Raheja Classique Club, Near Infinity Mall, Link Road, Andheri (West), Mumbai 400 059.	1
September 30, 2011	Raheja Classique Club, Near Infinity Mall, Link Road, Andheri (West), Mumbai 400 059.	Nil
September 29, 2012	Raheja Classique Club, Near Infinity Mall, Link Road, Andheri (West), Mumbai 400 059.	2

All the above Special Resolutions were passed unanimously by show of hands.

9. GENERAL SHAREHOLDERS' INFORMATION

1. **Annual General Meeting** : August 14, 2013
2. **Financial Calendar (2012-2013)** : Financial Year April 1, 2013 to March 31, 2014.
Results for the Quarter Ended 30.06.2013 – 14.08.2013
Results for the Quarter Ended 30.09.2013 – before 15.11.2013
Results for the Quarter Ended 31.12.2013 – before 15.02.2014
Results for the Quarter Ended 31.03.2014 – before 15.05.2014
3. **Book Closure Date** : 5th August, 2013 to August 14, 2013 (both days inclusive)
4. **Dividend payment date** : No Dividend is declared
5. **Listing of equity shares on stock exchanges at** : The Bombay Stock Exchange Limited
6. **Stock Code** : The Bombay Stock Exchange Limited - 524218
7. **Demat ISIN Numbers in NSDL & CDSL for equity shares** : ISIN No. INE486D01017
8. **Registrar & Transfer Agent** : Ajel Ltd.
No.106, Link Plaza Commercial Complex,
New Link Road, Oshiwara,
Jogeswari (West)
Mumbai 400102
Maharashtra
Tel: 26303342, 26303348
Fax: 26349264
9. **Share Transfer System** : The Company's shares are compulsorily traded in dematerialised form. In the case of transfers in physical form, which are lodged at the Registrar & Transfer Agent's Office, these are processed within a period of 30 days from the date of receipt.
10. **Dematerialisation of Shares** : As on March 31, 2013, 89.86% of the paid up share capital of the Company was in dematerialised form. Trading in Equity shares of the Company is permitted only in dematerialised form through CDSL and NSDL as per notification issued by the Securities and Exchange Board of India.
11. **Correspondence** : Ajel Ltd.
No.106, Link Plaza Commercial Complex,
New Link Road, Oshiwara,
Jogeswari (West)
Mumbai 400102
Maharashtra
Tel: 26303342, 26303348
Fax: 26349264
For dematerialization, transfer of shares, non –receipt of dividend on shares, and any other query relating to the shares of the Company

- 12 Any query on Annual Report Contact at** : Dwarika Prasad Agarwal
301, Evershine Mall,
Chincholi Bunder Junction,
Link Road, Malad (West),
Mumbai – 400064
- 13 Registered office** : 301, Evershine Mall,
Chincholi Bunder Junction,
Link Road, Malad (West),
Mumbai – 400064
- 15 Plant** : T-140 MIDC Industrial Estate, Tarapur, Maharashtra
- 16 Outstanding Convertible instruments, conversion date and likely impact on equity** : The Company do not have any outstanding convertible instruments, which are likely to be converted in equity and impact on equity.

17. Shareholding pattern

The detailed shareholding pattern of the Company as on March 31, 2013 is as under:

Category	No of Shares held	Percentage of Shareholding
Shareholding Of Promoter & Promoter Group		
Indian	74,70,802	64.72%
Foreign	0	0.00%
SUB TOTAL (A) :	74,70,802	64.72%
Public Shareholding (Institutions)		
Mutual Funds / UTI	3,300	0.03%
Financial Institutions / Banks	5,000	0.04%
Central / State Government(S)	0	0.00%
Venture Capital Funds		
Insurance Companies	0	0.00%
FII's	0	0.00%
Foreign Venture Capital	0	0.00%
Any Other	100	0.00%
SUB TOTAL (B) :	8,400	0.07%
Public Shareholding (Non-Institutions)		
Bodies Corporate	2,82,785	2.45%
Individual	37,74,075	32.69%
Clearing Member	0	0.00%
Market Maker	0	0.00%
Foreign Nationals	0	0.00%
Non Resident Indians (Repatriable)	7,938	0.07%
Non Resident Indians (Non Repatriable)	0	0.00%
Foreign Companies	0	0.00%
Overseas Bodies Corporate	0	0.00%
Trusts	0	0.00%
SUB TOTAL (C) :	40,64,798	35.21%
GRAND TOTAL (A)+(B)+(C) :	1,15,44,000	100.00%

18. Distribution of shareholding as on March 31, 2013

The distribution of shareholders as on March 31, 2013 is as follows:

No. of Equity Shares held (Range)	No. of Shareholders	% of Shareholders	No. of Shares	% of share Holdings
1 – 500	9,596	92.66	13,28,993	11.51
501 – 1,000	393	3.79	3,37,215	2.92
1,001 – 2,000	173	1.67	2,66,567	2.30
2,001 – 3,000	62	0.60	1,62,182	1.41
3,001 – 4,000	38	0.36	1,35,653	1.17
4,001 – 5,000	25	0.24	1,15,263	1.00
5,001 – 10,000	31	0.30	2,21,899	1.93
100,001 & 9,99,99,999	38	0.37	89,76,828	77.76
Total	10,356	100	1,15,44,000	100

19. Stock Market Data

Table below gives the monthly high and low quotations of shares traded at the Bombay Stock Exchange for the current year. The chart below plots the monthly closing price of RSL versus the BSE - Sensex for the year ended March 31, 2013.

Month	BSE			Total Turnover on BSE
	High (Rs.)	Low (Rs.)	Volume	
Apr-12	12.60	11.26	19,306	232,050
May-12	12.69	10.53	7,077	85,453
Jun-12	12.99	10.46	25,880	2,94,267
Jul-12	12.75	10.40	13,977	1,61,688
Aug-12	13.40	11.41	8,900	1,09,622
Sep-12	16.84	11.50	19,397	2,87,635
Oct-12	16.80	13.40	29,875	4,76,489
Nov-12	13.77	12.00	15,086	1,91,181
Dec-12	15.80	12.50	8,670	1,28,941
Jan-13	16.00	13.20	40,174	5,81,280
Feb-13	15.85	13.00	1,13,937	15,97,623
Mar-13	15.00	11.85	7,634	97,555

Annexure**Declaration on Compliance with the Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for its Board members and the senior management and the same is available on the Company's website. I confirm that the Company has in respect of financial year ended March 31, 2013, received from the senior management team of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, the term 'senior management' means the direct reporters to the Chairman and Managing Director.

For Resonance Specialties Limited

Sd/-

Dr. A. B. Gupta
Managing Director

Mumbai, May 30, 2013

Annexure

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

I, Dr. A. B. Gupta, Managing Director, of Resonance Specialties Limited, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- (i) significant changes in internal control during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control.

For Resonance Specialties Limited

Sd/-

Dr. A. B. Gupta
Managing Director

Mumbai, May 30, 2013

Certificate of Company Secretary in Whole-time practice on Compliance of conditions of Corporate Governance

To the Members of

Resonance Specialties Limited

We have examined the compliance of conditions of corporate governance by Resonance Specialties Limited, for the year ended 31st March 2013 as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges.

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. It is neither an audit nor an expression of opinion on the financial statement 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 in all material respect with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We state that 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.

Kaushal Dalal & Associates
Company Secretaries
By the hand of

sd/-

Kaushal Dalal
Proprietor

Place: Mumbai

Date: May 30, 2013

Membership No.: FCS: 7141 CP: 7512

INDEPENDENT AUDITORS' REPORT

To
The Members of
RESONANCE SPECIALTIES LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of RESONANCE SPECIALTIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2013 and the statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and 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 2013;
- b) In the case of the Profit and Loss Statement, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) 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;
 - b) 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;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **V R BHABHRA & CO.**
Chartered Accountants
FRN: 112861W)

Sd/-
Vimal R. Bhabhra
Proprietor
Membership No: 046043

Place: Mumbai
Date: May 30, 2013

Annexure to the Auditors' Report

The annexure referred to in Paragraph I of the Auditors' Report to the members of **Resonance Specialties Limited** (the Company) for the year ended 31st March 2013. We report that:

- i. In respect of Fixed Assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The Company has a regular programme of verification of its fixed assets which, in our opinion, is reasonable regard to the size of the Company and the nature of its fixed assets. We have been informed that no material discrepancies were noticed on such verification as compared to book records.
 - c. Based on the information and explanation given by the management and on the basis of audit procedures performed by us, we are of the opinion that the Company has not disposed off substantial part of its fixed assets during the year and hence the going concern assumption is not affected.
- ii. In respect of Inventories :
 - a. We are informed that the inventory have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and nature of its business.
 - c. On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. We are informed that the discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Company.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The Company has not taken any loans, secured or unsecured, from the parties covered in the register maintained under section 301 of the Companies Act, 1956
- iv. In our opinion and according to the information and explanations given to us, internal control system need to be strengthened to make it commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets, and for the sale of goods. However, during the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956 :
 - a. To the best of our information and according to the information and explanations provided to us by the management, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the Register required to be maintained under that Section.
 - b. According to the information and explanations provided to us by the management, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 in respect of any party during the year are reasonable having regard to prevailing market prices at the relevant time as per information available with the Company. However, for some products there are no similar transactions with any other party, hence we are not able to express an opinion on the same.
- vi. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules made there under. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the company.
- vii. In our opinion, the scope and coverage of internal audit and periodicity of the audit reports needs to be widened / increased to make the internal audit system commensurate with the size of the Company and the nature of its business.
- viii. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix. In respect of Statutory dues :
 - a. According to the books and records of the Company as produced and examined by us and according to the information and explanations provided to us, there have been delays in depositing undisputed statutory dues in respect of Provident Fund, Income Tax, Service Tax, with the appropriate authorities.

- b. According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable except as mentioned below:

NAME OF THE STATUTE	NATURE OF THE DUES	AMOUNT (Rs.)	PERIOD TO WHICH THE AMOUNT RELATES	DUE DATE	DATE OF PAYMENT
Bombay Sales Tax Act/ MVAT Act	Erroneous refund of Sales Tax & Sales Tax Deferral Loan	1,66,89,316	Various	Various Dates	Not Paid

- c. According to the information and explanations provided to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or cess which have not been deposited on account of any dispute.

However, Other Non Current liability includes Rs. 1.67 Crores being the amount received during the earlier years from Sales Tax department (net of repaid Rs. 1.40 Crore) which will be repaid after ascertaining the complete facts from the concerned consultant and Sales tax department.

- x. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations provided to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, bank and debenture holders.
- xii. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company 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 / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order, 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 provision of clause (xiv) of paragraph 4 of the Order, are not applicable to the company.
- xv. In our opinion and according to the information and explanations provided to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- xvi. According to the records of the Company the term loan raised were applied by the company for the purposes for which it was obtained.
- xvii. On the basis of review of utilization of funds, which is based on an overall examination of the Balance Sheet of the Company and related information as made available to us and as represented to us by the management, funds raised on short-term basis have not been used for long-term purposes.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures during the period covered by this report.
- xx. During the year, the Company has not raised money through public issue.
- i. Based upon the audit procedures performed and the information and explanations provided to us by the management, we report that no material fraud on or by the Company has been noticed or reported during the year under audit.

For **V R BHABHRA & CO.**
Chartered Accountants
 FRN: 112861W)

Sd/-
 Vimal R. Bhabhra
 Proprietor
 Membership No: 046043

Place: Mumbai
 Date: May 30, 2013

BALANCE SHEET AS AT 31ST MARCH 2013

Amount (`)

Particulars	Note no.	As at 31.03-2013	As at 31.03.2012
EQUITY & LIABILITIES			
1] SHARE HOLDERS' FUNDS :			
Share capital	3	115,440,000	115,440,000
Reserves & Surplus	4	94,214,092	92,824,556
		<u>209,654,092</u>	<u>208,264,556</u>
2] NON CURRENT LIABILITIES :			
Long- term borrowing	5	337,730	342,842
Other non current liabilities	6	16,689,317	16,689,317
Long term provisions	7	666,146	608,372
Deferred tax liabilities (Net)	8	15,356,000	16,312,000
		<u>33,049,192</u>	<u>33,952,531</u>
3] CURRENT LIABILITIES			
Short- term borrowing	9	33,624,790	34,518,864
Trade payable	10	45,864,917	39,657,697
Other current Liabilities	11	5,491,094	3,940,541
Short-term provisions	12	3,773,911	2,582,330
		<u>88,754,712</u>	<u>80,699,432</u>
		<u>331,457,996</u>	<u>322,916,519</u>
ASSETS			
1] NON CURRENT ASSETS			
Fixed assets	13		
Tangible assets		155,981,525	169,625,480
Intangible assets		9,627,284	7,033,125
Capital work in progress		323,655	3,983,475
Long-term loans & advances	14	3,860,281	8,030,099
		<u>169,792,744</u>	<u>188,672,179</u>
2] CURRENT ASSETS			
Inventories	15	69,713,661	56,011,253
Trade receivable	16	76,565,190	64,059,378
Cash & cash equivalents	17	4,681,683	5,212,273
Short term loans & advances	18	433,751	324,078
Other current assets	19	10,270,967	8,637,358
		<u>161,665,252</u>	<u>134,244,340</u>
		<u>331,457,996</u>	<u>322,916,519</u>
Company Information	1		
Basis of preparation & Statement of Significant Accounting Policies	2		

As per Report of even date

FOR V.R.Bhabhra & Co.

Firm Reg.no.112861W

Chartered Accountants

Sd/-

Vimal R.Bhabhra

Proprietor

Mem.No.046043

Mumbai, Dated May 30, 2013

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mr. Rajnikant Worah

Chairman

Sd/-

Dr. Atma B.Gupta

Manging Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013			Amount (`)
PARTICULARS	Note No.	As at 31.03.2013	As at 31.03.2012
INCOME			
Revenue from operation(Gross)	20	408,216,545	366,087,575
Less: Excise duty		12,428,530	9,829,364
Revenue from operation(net)		395,788,015	356,258,211
Other Income	21	3,771,029	3,849,827
Total:-		<u>399,559,044</u>	<u>360,108,038</u>
EXPENDITURE			
Cost of raw material consumed	22	94,424,610	72,738,177
Purchases of Traded Goods	23	149,082,654	148,436,471
(Increase)/Decrease in inventories of Finished Goods, and stock in trade and work in process	24	(2,400,631)	9,730,500
Employees benefit Expenses	25	24,082,795	16,269,484
Others Expenses	26	109,002,275	99,783,837
Total:-		<u>374,191,703</u>	<u>346,958,468</u>
Earning Before Interest, Depreciation & Taxation		<u>25,367,341</u>	<u>13,149,570</u>
Interest & Financial Cost	27	7,553,061	6,390,950
Depreciation	28	11,536,220	10,838,930
Earning Before Exception items & Taxation		<u>6,278,060</u>	<u>(4,080,311)</u>
Exceptional Items	29	(35,000)	(2,429,609)
Earning Before Taxation		<u>6,243,060</u>	<u>(6,509,920)</u>
Less : Provision for			
Current Tax		(1,800,000)	-
Add(Less): Taxation of earlier years		(365,090)	(256,510)
MAT Credit Utilised		(472,092)	-
Deferred Tax Asset/(Expenses)		956,000	1,443,000
Surplus After Taxation carried to Balance Sheet		<u>4,561,878</u>	<u>(5,323,431)</u>
Earning per equity share		-	
Basic & Diluted earning per share		0.40	(0.46)
Face value per share		10.00	10.00
Company Information	1		
Basis of preparation & Statement of Significant Accounting Policies	2		

As per Report of even date

FOR V.R.Bhabhra & Co.

Firm Reg.no.112861W

Chartered Accountants

Sd/-

Vimal R.Bhabhra**Proprietor**

Mem.No.046043

Mumbai, Dated May 30, 2013

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mr. Rajnikant Worah**Chairman**

Sd/-

Dr. Atma B.Gupta**Manging Director**

CASH FLOW STATEMENT

	2012-13	Amount (`) 2011-12
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	6,243,060	(6,509,920)
Non Cash adjustments to reconcile profit/(loss) before tax to net cash flows		
Depreciation	11,536,220	10,838,930
Provision for Doubtful advance	-	-
Unspent liabilities/provisions written back/off	3,565,427	(1,042,934)
Loss/(Profit) on sale of Fixed assets	-	148,283
Loss of Fixed Assets in fire	-	2,831,857
Insurance Claim Received	-	(2,481,825)
Loss of Material in fire	-	1,820,427
Interest Expense	7,553,061	6,390,950
Operating Profit before Change in Working Capital Changes	28,897,768	11,995,769
Movement in working Capital		
Increase(Decrease) in Trade payable	6,813,511	(22,721,839)
Increase(Decrease) in Long term provisions	57,774	(514,959)
Increase(Decrease) in Short term provisions	528,609	6,935
Increase(Decrease) in other current liabilities	1,550,553	221,473
Increase(Decrease) in other non current liabilities	-	-
Decrease/(Increase) in inventories	(13,702,408)	13,381,844
Decrease/(Increase) in Trade Receivables	(12,505,812)	5,425,129
Decrease/(Increase) in short term advances	(109,673)	860
Decrease/(Increase) in Long Term advances	(1,900)	(169,188)
Decrease/(Increase) in other current assets	(2,105,701)	(1,806,728)
	(19,475,049)	(6,176,473)
Cash generated from operation	9,422,719	5,819,296
Direct Taxes paid	(1,502,118)	(256,510)
Net cash flows from operating activities	7,920,601	5,562,786
B CASH FLOW USED IN INVESTMENTS ACTIVITIES		
Purchases of Fixed assets including capital advances	(5,273,943)	(6,245,186)
Sale of fixed assets	-	110,000
Insurance Claim on loss of fixed assets	5,275,000	2,481,825
Net cash flows from Investment activities	1,057	(3,653,361)
C Cash flow from financing activities		
Proceeds of Long term borrowings	(5,112)	102,584
Repayment of long term borrowings	-	-
Proceeds from short term borrowings (Net)	(894,074)	4,923,325
Interest paid	(7,553,061)	(6,390,950)
Net cash flows /(used in)from Investment activities	(8,452,247)	(1,365,041)
Net cash increase/(decrease) in cash and cash equivalents	(530,589)	544,383
ADD : cash and cash equivalents at the beginning of the year	5,212,272	4,667,894
cash and cash equivalents at the end of the year	4,681,683	5,212,277
Components of cash and cash equivalents		
Cash on hand	15,321	913,624
Cheque in hand		57,805
Bank balance in current accounts	20,955	47,897
Bank balance in Fixed deposit accounts	4,645,407	4,192,946
	4,681,683	5,212,272

As per Report of even date

FOR V.R.Bhabhra & Co.

Firm Reg.no.112861W

Chartered Accountants

Sd/-

Vimal R.Bhabhra

Proprietor

Mem.No.046043

Mumbai, Dated May 30, 2013

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mr. Rajnikant Worah

Chairman

Sd/-

Dr. Atma B.Gupta

Manging Director

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013**NOTE-1****GENERAL INFORMATION**

M/s Resonance Specialties Limited (company) is incorporated under the companies Act 1956, and is listed with Bombay stock exchange, the main activity of company is manufacturing of Pyridine, Picoline, Cynopyridine and derivatives of the same. Bulks drugs and nutritional products are toll converted. In view of multi products manufacturing and fractional distillation in batches, overall average production cycle is around 2 to 4 months from the procurement till the disposal.

NOTE-2**BASIS OF PREPARATION**

The financial statements of the company have been prepared in accordance with generally accepted accounting principals in India (Indian GAAP). The Company has prepared these financial statement to comply in all material respect with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006.(as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under historical cost convention.

NOTE 2.1 SIGNIFICANT ACCOUNTING POLICIES.**a) Change in accounting policy:**

Presentation and disclosure of financial statements-During the year ended March 31, 2013, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the company, for preparation and presentation of its financial statements. The company has reclassified the previous year figures in accordance with the requirements applicable in the current year's financial statements have been prepared under historical cost convention and on accrual basis in accordance with the provisions of the Companies Act, 1956; and generally accepted accounting principles.

b) Use of estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialised.

c) Fixed Assets :

Tangible Assets: These Fixed assets are stated at cost of acquisition or construction, net of Cenvat/Value Added Tax, less accumulated depreciation and impairment loss, if any. All costs, including finance cost till commencement of commercial production & net charges on forward exchange contracts attributable to the fixed assets are capitalized.

Intangible Assets: these assets are stated at cost incurred in respect of successful development of respective manufacturing/process technology.

d) Capital Work - in - Progress:

Assets under installation / commissioning are shown under the head Capital Work – in Progress.

e) Inventories :

I) In general, all inventories of Finished Goods, Work-in-Process etc., are stated at lower of cost or net realizable value. Finished goods stored in tanks pending final packing are included in the finished goods stock and valued accordingly. Cost of inventories comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw Materials, Packing material & Stores and Spares are stated at cost on FIFO Basis. Inventories of Finished Goods include excise duty, wherever applicable.

II) Catalyst charged to Cyanopyridine plant is valued at cost and amortised over its estimated life of 10 yrs. However, the catalyst which is deactivated is fully written off in the year in which new catalyst is procured.

III) Cost Comprises all cost of purchases. Cost of conversion and other cost incurred in bringing the inventory to the present location and condition

f) Revenue Recognition:

Revenue is recognized only when there is no significant uncertainty as to measurability or collectibility of the amount. Turnover includes sale of goods, and excise duty and are net of sales tax, value added tax, discounts and claims. Revenue for the technical assistance is recognized on accrual basis as per the terms of contract

g) Foreign Currency Transactions:

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of transaction. The year-end balance receivable and payable in foreign currencies are translated at the exchange rate prevailing on that date. The gain / loss arising out of fluctuation in the exchange rate are recognised in the profit & loss Account in the period to which they relate.

h) Excise and Custom Duties:

Liability on account of Customs Duty on Imported materials is accounted for only on clearing / debonding of materials
Excise duty on finished goods lying in stock is accounted on the basis of prevailing selling price at year end.

i) Export Incentives:

Export benefits are accounted for on accrual basis to the extent considered receivable.

j) Depreciation /Amortisation:

- a) Depreciation on tangible fixed assets has been provided on straight-line method at the rates specified in Schedule XIV of the Companies Act, 1956. In case of additions, pro-rata depreciation is charged. Any software purchased during the year is charged to revenue in conformity with AS-26 except which have licensing period exceeding one year, which is amortised over the license period. . Leasehold land is being amortized over a period of lease.
- b) Assets costing less than Rs. 5,000/- fully depreciated in the year of Purchases.
- c) Intangible asset, are amortised over a period of ten years from the date of its development.

k) Impairment of Assets

At each balance sheet date the company reviews whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount, and charged to profit & loss account in the year in which asset is identified as impaired. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

l) Employees Benefits :

Short Term employees benefit payable wholly within twelve months of rendering services such as salaries, wages etc. are recognized in the period in which the employee renders the related service.

Defined Contribution Plan: The Company's Contribution to the state governed employee's provident fund scheme is a defined contribution plan. The contribution paid / payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Company's gratuity fund is not funded. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method.

As per the policy of the Company, no leave encashment is allowed.

m) Research & Development Expenses:

Revenue expenditure pertaining to Research & Development which are not for enduring benefit are charged to Profit & Loss Account.

Expenditure incurred for enduring benefit for the development of the products /processes which will generate future economic benefit by way of improvement in yield and efficiency of those products are carried over as R & D work in progress under the head 'Capital Work in Progress'. The value of the process/products so developed is amortized over a period of ten years from the year of successful development.

n) Borrowing Costs.

Borrowing Cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended its use. All other cost is charged to revenue.

o) Taxation

Provision for income taxes comprises of current taxes including deferred taxes.

Current Tax is determined on the basis of taxable income and tax credits computed in accordance with provisions of Income Tax act, 1961.

Deferred Tax liability is recognized for the future tax consequences of the timing differences between the tax basis and the carrying value of assets and liabilities. Deferred tax assets are recognized on the basis only if there is virtual certainty that they will be realized and are reviewed every year. The tax effect is calculated on the accumulated timing differences using the tax rates and laws enacted or substantially enacted as on the balance sheet date.

p) Provisions & Contingent Liability:

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

All material known liabilities are provided for and liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to account. Contingent assets are neither recognized nor disclosed in financial statements.

q) Cash and cash equivalent

Cash and cash equivalent for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

r) Measurement of EBITDA

As permitted by the Guidance Note on the revised schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expenses, finance costs and tax expenses.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Amount (`)

Particulars	2012-13	2011-12
NOTE-3		
SHARE CAPITAL		
AUTHORISED:		
1,50,00,000 (1,50,00,000) Equity shares of ` 10/- each	150,000,000	150,000,000
	150,000,000	150,000,000
ISSUED, SUBSCRIBED & PAID UP		
1,15,44,000 (1,15,44,000) Equity shares of ` 10/- each fully paid up	115,440,000	115,440,000
	115,440,000	115,440,000

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	31-Mar-2013		31-Mar-2012	
	No of shares	Amount	No of shares	Amount
At the beginning of the period	11544000	115,440,000	11544000	115,440,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	11544000	115,440,000	11544000	115,440,000

b) Terms/ rights attached to equity shares

1. The Company has only one class of shares referred to as equity shares having a par value of ` 10/-. Each holder of equity shares is entitled to one vote per share.

c) Details of shareholders holding more than 5% shares of the company

Equity share of Rs 10/-each fully paid	31-Mar-2013		31-Mar-2012	
	No of shares	% of holding	No of shares	% of holding
Vista Finance & Leasing Pvt.Ltd	3964100	34.34%	34.34%	3964100
Usma Investment Pvt.Ltd	3295200	28.54%	28.54%	3295200

d) As per the records of the company, including its register of the shareholders/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares

NOTE-4**RESERVE & SURPLUS****a) CAPITAL RESERVE**

State Subsidy

Balance as per last financial statements	2,000,000	2,000,000
--	-----------	-----------

b) REVALUATION RESERVE

Balance as per last financial statements	63,571,258	66,743,602
Less: Depreciation on revaluation for the year	3,172,344	3,172,344
	60,398,914	63,571,258

c) SURPLUS IN THE STATEMENT OF PROFIT & LOSS

Balance as per last quarter	27,253,300	32,576,730
Profit/(Loss) for the year	4,561,878	(5,323,432)
	31,815,178	27,253,298
	94,214,092	92,824,556

d) The Company had revalued its factory land & building and plant & machineries situated at T-140 MIDC, Tarapur on 31st March, 2005 based on the report of the registered valuer. Accordingly, the appreciation/diminution in the value of fixed assets has been added to/deducted from the value of the respective assets. The net appreciation amounting to Rs. 85,777,652 had been credited to Revaluation reserve account, which is being amortized year after year at the prescribed rate of depreciation and net amount is shown in note 4(b) above

NOTE-5

LONG TERM BORROWING

SECURED TERM LOANS

a) Vehicle loan from ICICI Bank (secured by hypothecation of a Vehicle)	337,730	342,842
b) The Vehicles term loans are payable over a period of 3 years with interest @ 11.25%, till July, 2015)		
	<u>337,730</u>	<u>342,842</u>

NOTE-6

OTHER NON CURRENT LIABILITIES

a) Towards Sales Tax	<u>16,689,317</u>	<u>16,689,317</u>
b) Amount represent refund received in earlier years, net of Rs. 140 Lacs was paid under protest. The final determination of refund/liabilities will on completion of reassessment.	<u>16,689,317</u>	<u>16,689,317</u>

NOTE-7

LONG TERM PROVISIONS

Provision for retirement benefit	<u>666,146</u>	<u>608,372</u>
	<u>666,146</u>	<u>608,372</u>

NOTE-8

DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities

Deference between tax and book depreciation	16,300,000	17,121,000
Claims u/s 35(2AB) of Income tax Act, 1956.	-	1,231,000

Deferred Tax Assets

Provision for doubtful advances	<u>16,300,000</u>	<u>18,352,000</u>
Business Loss	309,000	309,000
Timing Differences pursuant to section 43B of the Income tax Act	-	1,121,000

	<u>635,000</u>	<u>610,000</u>
	<u>944,000</u>	<u>2,040,000</u>
	<u>15,356,000</u>	<u>16,312,000</u>

NOTE-9

SHORT TERM BORROWING

SECURED

a] Cash Credit	28,624,790	29,518,864
b] Export Packing Credit	5,000,000	5,000,000
	<u>33,624,790</u>	<u>34,518,864</u>

c) Note on Nature of Security on secured loan

(The above borrowing from Bank is secured by hypothecation of present and future stock of raw material, stock in process and Finished goods and book debts of the company, and further secured by first charge by way of equitable mortgage of land and building, plant and machineries and all immovable properties of the company situated at T 140 MIDC Tarapur, Dist-Thane and further guaranteed by Managing Director of the company and is repayable on demand)

d) Working capital borrowing carry interest rate of 16% per annum

NOTE-10**TRADE PAYABLE**

Trade payable against goods and services	45,864,917	39,657,697
	<u>45,864,917</u>	<u>39,657,697</u>

NOTE-11**OTHER CURRENT LIABILITIES**

Current maturities of long term borrowing (refer Note-5)	575,731	431,737
Advances from customers	17,322	233,167
Outstanding salaries & expenses	3,516,384	2,848,387
Tax Deducted at source payable	883,627	356,884
Other Statutory dues payable	498,029	70,366
	<u>5,491,094</u>	<u>3,940,541</u>

NOTE-12**SHORT TERM PROVISION**

for Excise duty on Finished Goods	1,871,000	1,470,600
for income tax(Net of advance tax paid)	662,972	-
For gratuity	1,239,939	1,111,730
	<u>3,773,911</u>	<u>2,582,330</u>

SCHEDULE-13**FIXED ASSETS**

ASSETS DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2012	Addition during the Year	Deductions Adjustment	Block as on 31.03.13	As on 01.04.2012	For the Year	Deductions Adjustment	Up to 31.03.13	As on 31.03.2013	As on 31.03.2012
Lease Hold Land	39,949,055	-	-	39,949,055	3,963,108	492,790	-	4,455,898	35,493,157	35,985,947
Buildings	19,441,270	-	-	19,441,270	13,957,301	641,524	-	14,598,825	4,842,444	5,483,968
Plant & Machinery	272,343,994	3,678,791	5,788,392	270,234,393	153,982,991	10,609,045	513,392	164,078,645	106,155,749	118,361,003
Furniture & Fixtures	1,693,311	15,300	-	1,708,611	917,691	75,742	-	993,433	715,178	775,620
Office Equipment	4,190,828	187,277	-	4,378,105	2,425,810	272,161	-	2,697,971	1,680,134	1,765,018
Motor Car	2,425,113	938,921	-	3,364,034	829,817	283,660	-	1,113,477	2,250,557	1,595,296
Electric Installation	15,489,008	-	-	15,489,008	13,902,745	706,829	-	14,609,574	879,434	1,586,263
R & D Equipment	7,208,816	130,000	-	7,338,816	3,136,453	237,497	-	3,373,950	3,964,866	4,072,363
Intangible Assets	9,909,685	3,983,475	-	13,893,160	2,876,560	1,389,316	-	4,265,876	9,627,284	7,033,125
Total	372,651,080	8,933,764	5,788,392	375,796,452	195,992,476	14,708,564	513,392	210,187,648	165,608,804	176,658,604

Note : There was a fire on 22nd March, 2012 at the plant, however the plant being adequately insured on reinstatement basis, no provision for the loss was made in the books in last year. The loss of Rs. 52.75 Lacs was duly recouped against the insurance claim during the year.

NOTE-14**LONG TERM LOAN AND ADVANCES**

(Unsecured and considered good)

Security Deposits	1,615,462	1,613,562
Loans & advances to related parties	-	4,171,718
Other advances	5,010	5,010
VAT Refundable	2,239,809	2,239,809
	<u>3,860,281</u>	<u>8,030,099</u>

(Unsecured, considered Doubtful)		
Other advances to suppliers	1,000,000	1,000,000
Less: Provision for doubtful advances	<u>1,000,000</u>	<u>1,000,000</u>
	-	-
	<u>3,860,281</u>	<u>8,030,099</u>

NOTE-15

INVENTORIES

(As taken, valued and certified by the Management)

Raw Material	4,963,908		
Add : Raw material under loan	<u>8,394,779</u>	13,358,687	2,655,896
Stock Work In Progress		37,423,945	37,279,384
Finished Goods		17,010,785	13,368,357
Traded Goods		-	1,386,358
Packing Material		191,404	267,239
Stores & Spares		888,650	539,569
Fuel		840,190	514,450
		<u>69,713,661</u>	<u>56,011,253</u>

NOTE-16

TRADE RECEIVABLE

(Unsecured and considered good) *

Debts outstanding for a period exceeding six months from the date they are due for payment		1,544,148	3,269,409
Other debts		75,021,042	60,789,969
* Subject to confirmation		<u>76,565,190</u>	<u>64,059,378</u>

NOTE-17

CASH AND CASH & EQUIVALENTS

Cash on hand		15,321	913,624
Cheque on hand		-	57,805
Balance with banks			
in Current accounts		20,955	47,897
in Fixed Deposits (Margin Money)*		4,645,407	4,192,947
*(Under Lien towards margin of Letter of credits & Guarantees)		<u>4,681,683</u>	<u>5,212,273</u>

NOTE-18

SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

Staff advances		408,912	316,496
Tax deducted recoverable		24,839	7,582
		<u>433,751</u>	<u>324,078</u>

NOTE-19

OTHER CURRENT ASSETS

(Unsecured and considered good)

Prepaid expenses		730,037	644,368
Advances for supply of goods & services		1,569,548	1,522,363
Balance with Excise Authorities		6,683,415	3,637,277
Excise rebate, drawback and MAT credits		1,287,967	2,180,751
Advance Income Tax (Net of provisions)		-	652,599
		<u>10,270,967</u>	<u>8,637,358</u>

NOTE-20**REVENUE FROM OPERATIONS****Sale of Products**

Finished Goods	234,838,493	171,749,713
Traded Goods	158,636,119	159,474,674
Others Sale	136,540	191,649
	<u>393,611,152</u>	<u>331,416,036</u>
Less Excise duty on Sale	12,428,530	9,829,364
	<u>381,182,622</u>	<u>321,586,672</u>

Sale of Service

Conversion (Job) Charges	14,605,393	34,671,539
	<u>395,788,015</u>	<u>356,258,211</u>

Note: Products wise Sales

Pyridine/ Picoline & Derivatives	236,737,469	202,875,363
Cynopyridine & Derivatives	143,685,587	116,914,362
Others	759,565	1,796,948
	<u>381,182,621</u>	<u>321,586,672</u>

NOTE-21**OTHER INCOME**

Interest on Fixed deposit with bank	292,662	365,487
Gain on exchange fluctuation	2,251,796	2,135,580
Duty Drawback	851,137	265,826
Sundry Claims	375,435	-
Balances written back	-	1,042,934
Miscellaneous Income	-	40,000
	<u>3,771,029</u>	<u>3,849,827</u>

NOTE-22**COST OF RAW MATERIAL CONSUMED**

Inventory at the beginning of the year	2,655,895	5,886,935
Add : Purchases	96,732,623	69,507,138
	<u>99,388,518</u>	<u>75,394,073</u>
Less: Inventory at the end of the year	4,963,908	2,655,896
	<u>94,424,610</u>	<u>72,738,177</u>

The Consumption of the raw material are reported after deducting the cost of material received from third parties for conversion but used by the company for captive use amounting to Rs. 1,57,92,090 (P Y Rs. 1,00,24,201.) The conversion charges received, therefore, are also net of the said amount

Additional information pursuant to provisions of para 3 and 4 of the part II of the schedule VI to the companies act 1956

Value of the productwise material consumed		
Basic Chemicals	88,376,894	68,067,706
Solvents	6,047,714	4,670,471
	<u>94,424,608</u>	<u>72,738,177</u>

NOTE-23**PURCHASES OF TRADED GOOD**

(a) Purchases	149,082,654	148,436,471
	<u>149,082,654</u>	<u>148,436,471</u>

(b) Pyridine & its Derivatives	84,327,789	99,733,986
Cyanopyridine & Derivative	64,751,025	48,119,360
Others	3,840	583,125
	<u>149,082,654</u>	<u>148,436,471</u>

NOTE-24

CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS

Inventories at the end of the year				
Work in progress	37,423,945		37,279,384	
Trading goods	-		1,386,358	
Finished goods	<u>17,010,785</u>	54,434,730	<u>13,368,357</u>	52,034,099
Inventories at the beginning of the year				
Work in progress	37,279,384		37,655,559	
Less : Material lost in fire	-		1,820,427	
	<u>37,279,384</u>		<u>35,835,132</u>	
Traded goods	1,386,358		2,225,030	
Finished goods	<u>13,368,357</u>	52,034,099	<u>23,704,436</u>	61,764,598
		<u>(2,400,631)</u>		<u>9,730,500</u>

NOTE-25

EMPLOYEE BENEFITS EXPENSES

Salaries and wages	21,263,628	14,415,355
Workmen and staff welfare expenses	1,757,756	823,561
Contribution to Provident fund	875,428	433,797
Provision for Gratuity	185,983	596,771
	<u>24,082,795</u>	<u>16,269,484</u>

NOTE-26

OTHER EXPENSES

Store & Spare Part Consumed	5,915,498	3,371,724
Packing Material Consumed	3,420,572	3,652,684
Conversion Charges	26,741,840	26,210,242
Power & Fuel	31,414,664	30,651,890
Freight & Transport Charges	12,437,960	12,517,367
Excise duty expenses	460,090	(743,000)
Repair & Maintenance		
For Plant & Machineries	2,962,277	2,618,404
For Buildings	170,000	727,559
For Others	1,264,981	1,384,093
Traveling, Conveyance, Lodging & Boarding	2,367,577	1,725,157
Postage, Telephone & Internet Charges	848,127	940,425
Professional & Legal Expenses	4,393,261	4,459,714
Insurance Premium	1,253,645	1,234,019
Rent	1,440,000	1,440,000
Rate & Taxes	861,539	231,946
Commission	881,984	944,362
Cash Discount	620,811	120,000
R & D Expenses	2,994,407	5,242,273
Director Sitting Fee	299,664	333,884
Balances W off	3,565,427	-
Auditor Remuneration		
Audit Fees	400,000	280,900
Certifications and others	40,630	76,545
Other Expenses	4,247,321	2,363,649
	<u>109,002,275</u>	<u>99,783,837</u>

NOTE-27**INTEREST & FINANCIAL COST**

Interest on fixed term Loan	118,947	130,111
Interest on others	5,046,305	3,981,583
Financial Charges	2,387,809	2,279,257
	<u>7,553,061</u>	<u>6,390,950</u>

NOTE-28**DEPRECIATION**

Depreciation for the year (Ref note 13)	14,708,564	14,011,274
Less: Transferred to Revaluation reserve	3,172,344	3,172,344
	<u>11,536,220</u>	<u>10,838,930</u>

NOTE-29**EXCEPTIONAL ITEMS**

Loss By Fire	-	2,170,459
Loss in sale of assets	-	148,283
Prior Period Items	35,000	110,867
	<u>35,000</u>	<u>2,429,609</u>

NOTE -30: CONTINGENT LIABILITIES:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL-net of advance (Previous year Rs. NIL).
- b) Bank Guarantees issued and outstanding on Balance Sheet date: Rs.6,00,000 (Previous year Rs. 5,00,000)
- c) Letters of credit outstanding Rs 1,39,47,463 Previous year: Rs 1,09,07,456).

NOTE-31: DISCLOSURE PURSUANT TO THE ACCOUNTING STANDARD -15 : EMPLOYEES BENEFIT.

Company adopted the Accounting Standard (AS-15) (Revised 2005) "Employee Benefits" effective from April 01, 2007.

The Company has classified the various benefits provided to employees as under:

I Defined Contribution Plans

The Company has recognized the amounts of Provident Fund of Rs. 875428 (P.Y. 596771) in Profit and Loss Account for the year ended 31st March, 2013:

II Defined Benefit Plans

Contribution to Gratuity Fund (Non Funded Scheme)

In accordance with the Accounting Standard (AS 15) (Revised 2005) actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

	2012-13	2011-12
Discount Rate (per annum)	8.06%	8.65%
Rate of increase in compensation levels (per annum)	5%	5%
Expected Average remaining working	3.80	7.66

A. Change in the Present Value of Obligation

	Year Ended March 31, 2013	Year Ended March 31, 2012
	Non - Funded Scheme (Rs.)	Non - Funded Scheme (Rs.)
Present Value of Defined Benefit Obligation as at beginning of the period	1720102	11,23,331
Interest Cost	148789	91,776
Current Service Cost	180190	1,77,000
Past Service Cost- (non vested benefits)	-	-
Past Service Cost- (vested benefits)	-	-
Benefits Paid	-	-
Actuarial (gain) / loss on Obligations	(142996)	327995
Present Value of Defined Benefit Obligation as at the end of the period	1906085	17,20,102

B. Fair Value of Assets

	Year Ended March 31, 2013 (Rs.)	Year Ended March 31, 2012 (Rs.)
Present Value of Funded Obligation as at end of the period	-	-
Fair Value of Plan Assets as at end of the period	-	-
Funded Asset recognized in the Balance Sheet	-	-
Included in provision (Schedule)	-	-
Present Value of Unfunded Obligation as at end of the period	-	-
Unrecognized Actuarial gains / (losses)	-	-
Unfunded Liability recognized in the Balance Sheet	-	-
Included in provision (Schedule)	17,20,102	11,23,331

C. Amount recognized in the Balance Sheet (revised schedule VI)

	Year Ended March 31, 2013 (Rs.)	Year Ended March 31, 2012 (Rs.)
Present Value of Defined Benefit Obligation as at the end of the period (non current)	666146	6,08,372
Current liability	12,39,939	11,11,730
Fair Value of Plan Assets as at end of the period	-	-

D. Expenses recognized in Profit and Loss Account

	Year Ended March 31, 2013 (Rs.)	Year Ended March 31, 2012 (Rs.)
Current Service Cost	1,80,900	1,77,000
Past Service Cost- (non vested benefits)	-	-
Past Service Cost- (vested benefits)	-	-
Interest Cost	148789	91,776
Expected Return on Plan Assets	-	-
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (gain) / Loss recognized in the Period	(142996)	3,27,995
Total Expenses recognized in the Profit and Loss Account	185983	5,96,771

NOTE-32. DISCLOSURE PURSUANT TO THE ACCOUNTING STANDARD -17 : SEGMENT REPORTING

The Company has only one segment i.e. 'Chemical Manufacturing'. Therefore, as per Accounting Standard –17 (AS-17) the disclosure under 'Segment Reporting' is not considered necessary.

NOTE-33: DISCLOSURE PURSUANT TO THE ACCOUNTING STANDARD -18 : RELATED PARTY TRANSACTION

a) Particulars of Related Parties

	NAME OF RELATED PARTY	NATURE OF RELATIONSHIP
i)	Vista organics Pvt. Ltd.	Associate Company
ii)	Avignon Exim Pvt. Ltd.	Associate Company
iii)	Vista Finance & Leasing Pvt Ltd.	Associate Company
iv)	Avignon Chemicals P Ltd.	Associate Company
v)	Ushma Investments Pvt Ltd.	Associate Company
vi)	Ushma Technologies Pvt Ltd	Associate Company

b) Key Management Personnel

	NAME OF RELATED PARTY	NATURE OF RELATIONSHIP
	Dr Atma Gupta	Managing director
	Mr. B .P. Agarwal	Director

c) Transactions with Related Parties:

Name of party, Nature of relationship	Nature of Transaction	Value of Transaction (Rs.)	Outstanding amount. (Rs.)
Vista organics Pvt. Ltd.	Conversion Charges Paid.	2,674,184 (2,621,024)	NIL (67,695,36-cr)
Avignon Exim Pvt. Ltd.	Sales*	10,52,75,383 (11,58,44,261)	3,70,10,816-Dr (3,33,76,578-Dr)
Avignon Exim Pvt. Ltd.	Conversion Charges **	1,46,05,393 (3,46,71,539)	Nil (Nil)
Avignon Exim Pvt. Ltd.	Purchases*	8,99,11,823 (11,41,41,572)	Nil (Nil)
Vista Finance & Leasing Pvt Ltd.	Rent	480,000 (480,000)	1,80,000-Cr (3,24,000- Cr)
Ushma Investment Pvt Ltd.	Rent	480,000 (480,000)	1,80,400-Cr (12,00,577-Cr)
Avignon Chemicals Pvt Ltd.	Rent	480,000 (480,000)	1,80,000-Cr (13,22,445-Cr)
Dr. Atma B. Gupta	Salary, PF & Others	23,02,400 (16,03,200)	Nil (Nil)
Ushma technology Pvt Ltd.	Temporary Advances Given	NIL (3,35,000)	NIL (2,68,250-Dr)
Ushma technology Pvt Ltd.	Temporary Advances Recovered	NIL (3,75,000)	NIL (NIL)
Ushma technology Pvt Ltd.	Share Application Money	NIL (Nil)	NIL (30,00,000)
B P Agarwal	Professional Charges	NIL (2,50,000)	NIL (NIL)
Ushma technology Pvt Ltd.	Temporary Advances/share application w/off	46,21,044 (NIL)	NIL (NIL)

*Purchases & Sales figures mentioned above include amount of High Seas Purchases & High seas Sales respectively and exclusive of duties & Taxes.

** Conversion charges are net off material supplied for Conversion.

Remarks: a) Related parties are as identified by the management and relied upon by the auditors

b) Reimbursement of expenses in normal course of business are not considered hereinabove.

NOTE-34: DISCLOSURE PURSUANT TO THE ACCOUNTING STANDARD -20 : EARNING PER SHARE

	2012-13	2011-12
Net Profit attributable to equity shareholders (Rs.)	4561879	(53,23,432)
Total No. of Equity shares outstanding during the year	11,544,000	11,544,000
Basic & Diluted Earning Per share	0.39	(0.46)
Face value per share	10.00	10.00

NOTE -35 REPORTING ON OTHER DISCLOSURES

- The Company has no information as to whether any of its suppliers constitute Micro, Small or Medium Enterprise and therefore, the claims for suppliers and other related data as per the requirement of Micro, Small and Medium Enterprises Development Act, 2006 could not be ascertained.
- In the opinion of Board, current assets, loan and advances are stated at a value at least equal to the expected value on realisation in the ordinary course of business.
- During the year the company had carried out development of certain process technology for efficient commercial production in its approved R & D facilities at Tarapur and incurred an amount of Rs. 28,66,587/- (P.Y. 57,37,609/-) as Research & Development expenditure which have been accounted as follows :

Particulars	2012-13 (Rs.)	2011-12 (Rs.)
Charged to Profit & Loss account		
As revenue expenditure	28,66,587	51,91,609
Capitalized under Lab Equipment	-	5,46,000
Total	28,66,587	57,37,609

The Company developed Certain process technologies over a period of time, and on successful completion, the same we capitalised as 'intangible assets' for an amount of Rs. 39,83,475/-.

- Provision for Income Tax has been made considering the benefits available u/s 35 of the Income tax act.
- The Consumption of the raw material are reported after deducting the cost of material received from third parties for conversion but used by the company for captive use amounting to Rs. 1,57,92,090 (P Y Rs. 1,00,24,201.) The conversion charges received, therefore, are also adjusted by the said amount.

f) Value of Import and indigenous Raw Material, Stores and Spare consumed.

	%	2012 –13	%	2011 –12
		Amount In (Rs.)		Amount In (Rs.)
A. Raw material				
Indigenous	62.00	58671749	86.35	5,89,08,646
Imported	38.00	35752861	13.65	1,38,29,531
Total	100.00	94424610	100.00	7,27,38,177
B. Others/Stores spares				
Indigenous	100.00	5915498	100.00	33,71,724
Imported	--	--	--	--
Total	100.00	5915498	100.00	33,71,724

g) Earnings in foreign exchange on account of :

	2012-13 (Rs.)	2011-12 (Rs.)
FOB Value of Exports (Service)	Nil	Nil
FOB Value of Exports (Material)*	15,03,29,708	14,13,60,559
*Net of Re-import		

h) Expenditure in Foreign currency:

	2011-12 (Rs.)	2011-12 (Rs.)
CIF Value of Imports of materials	9,09,25,104	4,56,80,457
CIF Value of imports of R & D Equipments	-	5,46,000
Traveling Expenses	615,732	3,07,702

k) Managerial Remuneration to Managing Director

	2012-13 (Rs.)	2011-12 (Rs.)
Salary	15,20,000	9,60,000
House rent allowance	7,60,000	4,80,000
Company's contribution to P.F	1,82,400	1,15,200
Other monetary benefits	22,400	48,000
Total	23,02,400	1,603,200

ii) Since no commission is payable to Managing Director computation of net profit under section 198 read with section 349 of the Companies Act, 1956 has not been disclosed.

As per Report of even date

FOR V.R.Bhabhra & Co.

Firm Reg.no.112861W

Chartered Accountants

Sd/-

Vimal R.Bhabhra

Proprietor

Mem.No.046043

Mumbai, Dated May 30, 2013

FOR AND ON BEHALF OF THE BOARD

Sd/-

Mr. Rajnikant Worah

Chairman

Sd/-

Dr. Atma B.Gupta

Manging Director



RESONANCE SPECIALTIES LIMITED

Registered Office: 301, Evershine Mall, Off Malad Link Road, Malad (West), Mumbai - 400064.

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Attendance Slip

Joint shareholders may obtain additional attendance slip on request.

NAME AND ADDRESS OF THE SHAREHOLDER: _____

Master Folio No.: _____

No. of Shares held: _____

Client ID No. _____

DP ID No. _____

I hereby record my presence at the 24th ANNUAL GENERAL MEETING of the Company held on the August 14, 2013 at 11:00 a.m.

Signature of Shareholder/Proxy :

*Strike out whichever is not applicable

----- (Tear Here) -----



RESONANCE SPECIALTIES LIMITED

Registered Office: 301, Evershine Mall, Off Malad Link Road, Malad (West), Mumbai - 400064.

Form of Proxy

Master Folio No.: _____

No. of Shares held: _____

Client ID No. _____

DP ID No. _____

I/We _____ of _____ being a member
members of RESONANCE SPECIALTIES LIMITED hereby appoint _____ of
or failing him _____ of _____ as my/our proxy
to vote for me/us and on my/our behalf at the 24th Annual General Meeting to be held on the August 14, 2013
at 11:00 a.m or at any adjournment thereof.

Signed this _____ day of _____ 2013

Affix
1 Rupee
Revenue
Stamp

Signature of the shareholder(s)

Note : The Proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting. The Proxy need not be a member of the Company.

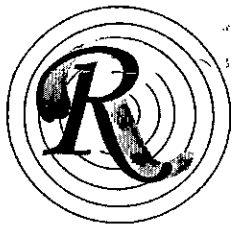
BOOK POST

If undelivered please return to :

Resonance Specialties Limited



1, Evershine Mall, Chincholi Bunder Junction, Link Road, Malad (West), Mumbai - 400 064.
Tel.: +91 (22) 4217 2222 • Fax : +91 (22) 4217 2233
E-mail: info@resonancesl.com • Website : www.resonancesl.com



Resonance Specialties Limited

Head Office: 301, Evershine Mall, Off Malad Link Road, Malad (W) Mumbai: 400064.
Tel: + 91-22-40038920/42172222, FAX NO. 91-22-42172233
E-MAIL - info@resonancesl.com Website: www.resonancesl.com

July 19, 2013

The Manager
Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai 400 001

Dear Sir,

Subject: Submission of six copies of Annual Report

FORM A

Name of the company	Resonance Specialties Limited
Annual financial statements for the year ended	March 31, 2013
Type of Audit observation Un-qualified / Matter of Emphasis	
Frequency of observation Whether appeared first time...../ repetitive...../ since how long period	
To be signed by- Managing Director – Dr. A. B. Gupta CFO Auditor of the company – Vimal Bhabhara (Proprietor of V, R. Bhabhara & Co., Chartered Accountants)	<p>FOR RESONANCE SPECIALTIES LIMITED</p> <p><i>[Signature]</i> MANAGING DIRECTOR</p> <p>For V. R. BHABHRA & CO., Chartered Accountants</p> <p><i>[Signature]</i> V. R. BHABHRA Proprietor.</p> <p><i>[Signature]</i></p>
Audit Committee Chairman – Mr. L. R. Daga	

