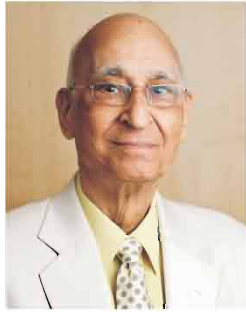




Annual Report 2011-2012

PUNEET RESINS LIMITED



Mahendra Kapoor
Chairman



Aditya Kapoor
Managing Director

BOARD OF DIRECTORS



Nakul Kumar
Director



Dilip Shah
Director



Arvind Kapoor
Director



Jayesh Dadia
Director

COMPANY SECRETARY

Auditors

B.D. Jokharkar & Co.
Chartered Accountants

AUDITORS & BANKERS

Bankers

Company Secretary
Nilesh Jain

Saraswat Co-op. Bank Ltd
Central Bank of India
Kotak Mahindra Bank

Registrar & Share Transfer Agent

Link Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (W)
Mumbai 400078
Tel: (022) 2594-6970
E-Mail: Mumbai@linkintime.co.in

REGISTRAR &
SHARE TRANSFER
AGENT

PLANTS & OFFICES

Satpur Plant & Registered Office

W-75(A) & W-76(A)
MIDC Industrial Area
Satpur, Nasik 422007

Wadivare Plant

Nasik Highway
Wadivare Village
Taluka Igatpuri, Nasik

Corporate Office

84, Atlanta
Nariman Point
Mumbai 400021

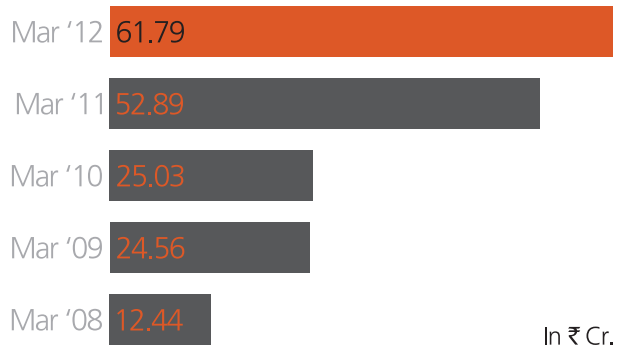
ANNUAL REPORT 2011-12

27th Annual Report

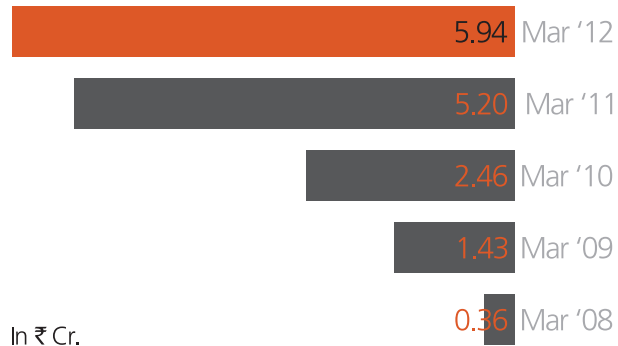
4	Notice
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30	Notes Forming Part of Accounts

2011-12 KEY TRENDS

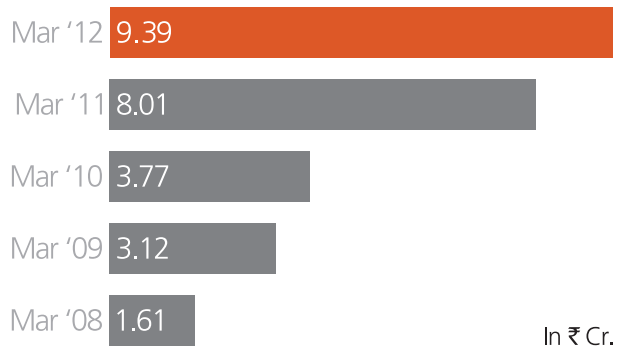
Revenue



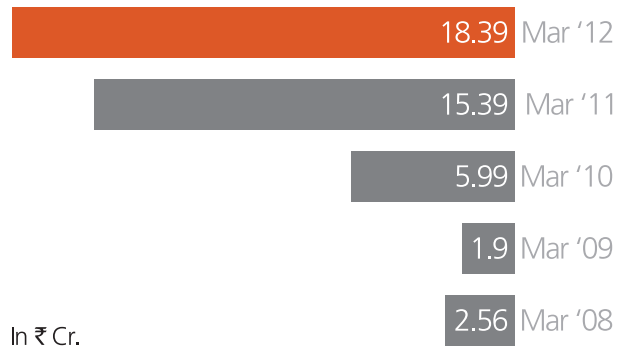
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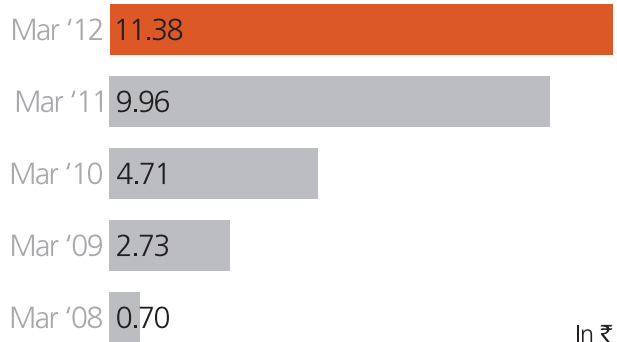
EBIDTA



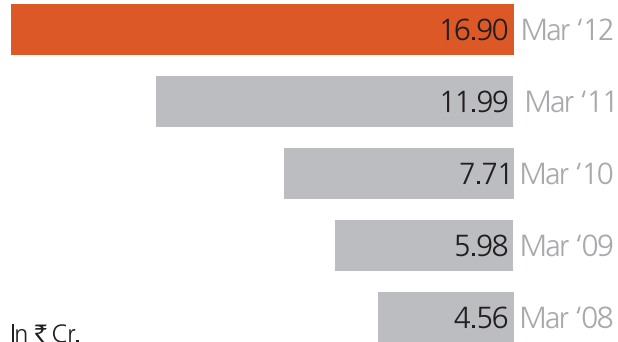
Market Cap



Earnings per Share



Net Worth



FINANCIAL HIGHLIGHTS						(₹ In Lacs)
Particulars	31.03.2012	31.03.11	31.03.10	31.03.09	31.03.08	
Sales	6148.69	5,210.53	2,476.35	2,444.84	1,241.32	
Other Income	30.78	56.47	26.39	11.25	2.79	
Exceptional Income	-	22.07	-	-	-	
Total Income	6,179.47	5,289.07	2,502.74	2,456.09	1,244.11	
EBIDTA (Operating Profit)	938.79	801.24	377.17	312.48	161.17	
Profit before Tax	878.08	743.42	337.53	245.33	85.47	
Profit after Tax	593.63	519.53	245.72	142.53	36.34	
Share Capital	521.58	521.58	521.58	521.58	521.58	
Reserve & Surplus	1168.13	677.55	248.95	76.45	(66.08)	
Secured / Unsecured Loan	28.58	35.25	32.24	76.27	329.69	
Fixed Assets (Net)	242.41	267.21	211.21	219.53	244.59	
Investments	333.61	100.25	100.86	0.25	0.25	
Cash and Bank Balances	89.06	156.61	165.86	104.37	203.34	
Current/ Non Current Assets (Net)	1053.21	710.31	537.61	471.62	481.49	

KEY RATIOS					
Particulars	31.03.12	31.03.11	31.03.10	31.03.09	31.03.08
1 Debt - Equity ratio	0.05 : 1	0.07 : 1	0.06 : 1	0.15 : 1	0.63 : 1
2 Days Sales Outstanding	51.00	36.00	53.00	25.00	60.00
3 Current Ratio	1.82	1.84	1.88	3.08	2.17
4 Cash & Bank Balance / Total Assets (Net) %	8.46	22.05	30.85	22.13	42.23
5 Cash & Bank Balance / Total Income %	1.44	2.96	6.63	4.25	16.34
6 Operating Profit / Operating Income %	15.19	15.15	15.07	12.72	12.95
7 PBT /Total Income %	14.21	14.06	13.49	9.99	6.87
8 PAT / Total Income %	9.61	9.82	9.82	5.80	2.92
9 Return on Avg. Equity %	113.81	99.61	47.11	27.33	6.97
10 Return on Avg. Capital Employed (%)	35.13	43.33	31.89	23.83	7.98
11 EPS Basic	11.38	9.96	4.71	2.73	0.70
12 Dividend Per Share (₹)	1.70	1.50	1.20	-	-
13 Book Value Per Share (₹)	32.40	22.99	14.77	11.47	8.73
14 Cash Per Share (₹)	1.71	3.00	3.18	2.00	3.90

Notes :

1. Debt Equity Ratio : Secured and Unsecured Loan / Equity
2. Days Sales Outstanding: Average Trade Receivables / Net Credit Sales * 360
3. Current Ratio: Current Assets / Current Liabilities
9. Return on Avg. Equity %: Net Profit After Tax / Average Equity
10. Return on Avg.Capital Employed (%): EBITA / Average Capital Employed
13. Book Value Per Share (₹): Net Shareholders fund / Outstanding No.of Shares
14. Cash Per Share (₹): Cash and Bank Balance / Outstanding No. of Shares

NOTICE

Notice is hereby given that the **Twenty Seventh Annual General Meeting** of Puneet Resins Ltd. will be held on Tuesday, 21st Day of August , 2012 at 10.00 a.m., at Hotel IBIS Nashik, Plot No. 9, Nashik Triambakeshwar Road, Village Satpur (Near MIDC Office),Nasik 422 007 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date together with Schedules annexed thereto as well as the Directors' and Auditors' Reports attached therewith.
2. To declare the payment of dividend on equity shares.
3. To appoint a Director in place of Mr. Arvind Mahendra Kapoor, who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. Jayesh Dadia, who retires by rotation and is eligible for reappointment.
5. To appoint Statutory Auditors and in this connection, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Messrs B.D. Jokhakar & Co. Chartered Accountants (Firm Registration No. 104345W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting, on a remuneration of such sum as may be fixed by the Board of Directors”

For and on behalf of the Board of Directors

Place: Mumbai

Date: 28th May, 2012

Mahendra Kumar Kapoor

Chairman

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The relevant details in respect of item Nos. 3 & 4 as required by Clause 49 of the Listing Agreement entered into with Stock Exchange are provided in the Corporate Governance Report.
3. Shareholders are requested to bring their copy of Annual Report to the Meeting.
4. Members/proxies should fill the Attendance Slip for attending the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
7. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at Registered Office of the Company on all working days, except Saturdays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will be closed from 11th August, 2012 to 21st August, 2012 (both days inclusive).
9. The dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after 21st August, 2012 to those Members whose names stand registered on the Company's Register of Members:
 - i) As Beneficial Owners as at the end of the business hours on 10th August, 2012 as per the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of shares held in Dematerialized form.
 - ii) As Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company, on or before 11th August, 2012.
10. The members are requested to:
 - a. Intimate to the Company's Registrars and Share Transfer Agents M/s Link Intime India Private Limited (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address, Bank account number / details etc. at an early date;
 - b. Quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - c. Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - d. Get the shares transferred in joint names, if they are held in single name to avoid inconvenience;
 - e. Bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
 - f. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
 - g. Furnish their Bank Account Number, the name of the Bank and the Branch where they would like to deposit the Dividend Warrants for encashment. These particulars will be printed on the cheque portion of Dividend Warrants, besides the name of the Shareholders so as to avoid fraudulent encashment of warrants. The above mentioned details should be furnished by the first / sole shareholder, directly to the Registrar & Share Transfer Agents, quoting the folio number.

- h. Members are advised to submit their National Electronic Clearing System (NECS) mandates, to enable the Company to make remittance by means of NECS. Those holding shares in physical form may obtain and send the NECS mandate form to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company. Those holding shares in Electronic Form may obtain and send the NECS mandate form directly to their Depository Participant (DP). Those who have already furnished the NECS Mandate Form to the Company/Registrar & Share Transfer Agent/DP with complete details need not send it again.
11. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
12. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents, M/s. Link Intime India Private Ltd.
13. The Equity Shares of the Company are listed on The Bombay Stock Exchange. The listing fee has been paid up to date.
14. A member desirous of getting any information on the accounts or operations of the Company is required to forward his/her queries to the Company at least seven days prior to the meeting so that the required information can be made available at the Meeting.
15. **“GO GREEN” initiative of the Ministry of Corporate Affairs (MCA) :**

The Ministry of Corporate Affairs (MCA) has vide Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 announced a “Green Initiative in Corporate Governance” allowing companies paperless compliance by sending documents to shareholders through electronic mode to the registered e-mail addresses of shareholders.

This is a welcome move as it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. Your Company has started sending correspondence and documents such as Notices of General Meetings, Annual Reports and other shareholder communications to the shareholders in electronic form to their respective e-mail address registered with Depository Participant.

The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Further, please note that the Registrar and Share Transfer Agent of the Company i.e. M/s. Link Intime India Pvt Ltd, has provided the facility to register your e-mail address(s) on their website in order to receive all communications from the Company through email. You are requested to visit the link given below and register your e-address(s). <http://www.linkintime.co.in/newsite/goGreen.jsp>

Please note that as a member of the Company, you will be entitled to be furnished, free of cost, a printed copy of the Annual Report and other documents of the Bank, proposed to be sent through e-mail, upon receipt of a requisition from you, at any time. The Annual Reports of the Company and other documents proposed to be sent through e-mail would also be made available on the Company’s website: <http://www.puneet.in>.

We are sure you would appreciate the Go Green Initiative taken by MCA. We solicit your patronage and support in helping the Company to implement the e-governance initiatives of the Government.

Those shareholders who have though registered e-mails with DP, but written to the Company / RTA for receipt of communication in physical form will be sent this notice physically.

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their Twenty-Seventh Annual Report, together with the Audited Statement of Accounts for the financial year ended 31st March, 2012.

FINANCIAL RESULT: The summarized financial results of the company for the year ended 31st March, 2012 are presented below:

Particulars	2011-2012 (₹)	2010-2011 (₹)
Sales and other income	61,79,46,862	52,89,07,303
Profit before Depreciation, Interest and Tax	9,38,79,554	8,00,64,215
Less: Depreciation	35,39,411	31,10,234
Interest	25,31,961	26,11,717
Profit before Tax	8,78,08,182	7,43,42,264
Less: Provision for Tax (Including Income Tax, Deferred Tax etc.)	2,84,44,749	2,23,89,322
Profit after Tax	5,93,63,433	5,19,52,942
Add: Balance Brought forward from the previous year	4,98,83,867	1,20,23,825
Profit available for Appropriation	10,92,47,300	6,39,76,767
Appropriation		
Transfer to General Reserve	75,00,000	50,00,000
Proposed Dividend 17 % (Last Year 15%)	88,66,860	78,23,700
Corporate Dividend Tax	14,38,426	12,69,200
Balance carried forward to Balance Sheet	914,42,014	4,98,83,867

REVIEW OF OPERATIONS

The Indian Economy grew at 6.9% last year as compared to 8.4% in 2010-11. This sluggishness in economy also affected the performance of the Rubber Industry. However in spite of that your company's turnover increased from ₹ 5210.53 Lacs to ₹ 6148.69 Lacs registering a growth of 18 %. The profit before tax for the period under review has increased to ₹ 878.09 Lacs from ₹ 743.42 Lacs in previous year registering an increase by 18 %.

In view of current volatility in price of raw materials and foreign currency rates your Company is making all efforts to maintain the desired growth rate in the current year.

DIVIDEND

The Board of Directors of the Company recommend, for consideration of shareholders at the 27th Annual General Meeting, payment of dividend of 17 % (₹ 1.70/- per Share) on the Equity Shares of the face value of ₹ 10/- each for the year ended 31st March 2012. The Dividend paid during the previous year was 15% (₹ 1.50 Per Share).

DIRECTORS

Mr. Arvind Mahendra Kapoor and Mr. Jayesh Dadia will retire by rotation and being eligible, offers themselves for reappointment. All the appointments of the company are in compliance with the provisions of Section 274(1) (g) of the Companies Act, 1956.

The relevant details of the above Directors are given in the Corporate Governance Report attached herewith.

DIRECTORS' RESPONSIBILITY STATEMENT U/S 217 (2AA) OF THE COMPANIES ACT, 1956

Pursuant to the provisions of Section 217 (2AA) of Companies Act, 1956, as amended, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- 1) In the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) The Directors have selected such accounting policies and applied them consistently and made judgments

and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as 31st March,2012 and of the profits of the Company for the year ended 31st March,2012;

- 3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) The Directors have prepared the annual accounts for the financial year ended 31st March,2012 on a going concern basis.

DEPOSITS

During the year the Company has not accepted deposits from the Shareholders and others and that the Company has complied with the provisions of section 58A of the Companies Act, 1956 and the rules made thereunder.

STATUTORY AUDITORS

M/s. B. D. Jokhakar & Co., Chartered Accountants, existing Statutory Auditors of the Company, will retire at the conclusion of the ensuing (27th) Annual General Meeting and seeks reappointment as Statutory Auditors of the Company at the ensuing Annual General Meeting.

The Company has received confirmation from M/s. B. D. Jokhakar & Co. to the effect that their appointment if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act 1956.

The observations and comments given in the Auditors Report read together with the notes to the accounts are self explanatory and hence do not call for any further information and explanation under section 217(3) of the Companies Act,1956.

COST AUDITORS

As per the provisions of the Companies (Cost Accounting Records) Rules, 2011, the company has appointed CMA Pradnya Chandorkar for the issue of the Compliance Certificate.

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

As required under Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure 'A' hereto and forms part of this report.

EMPLOYEES

The relations between the Company and its employees continue to be cordial.

There were no employees during the year drawing remuneration more than prescribed under Section 217 (2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE REPORT

A report on the Corporate Governance along with the Certificate from the Statutory Auditors is separately given in the Annual Report.

ACKNOWLEDGEMENTS

Industrial Relations have been cordial at both the plants of the company.

The Directors express their appreciation for the sincere co-operation and assistance of Government Authorities, Bankers, Customers, Suppliers, Business Associates and the efforts put in by all the employees of the Company. The Directors also take this opportunity to thank the Company's Bankers for their valuable advice, guidance and support extended to the Company. Finally, the Directors express their gratitude to all our valued shareholders for their confidence and continued support to the Company.

For & on behalf of the Board of Directors

Place : Mumbai

Dated: 28th May, 2012

MAHENDRA KUMAR KAPOOR
CHAIRMAN

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of Directors' Report for the year ended 31st March, 2012.

A. CONSERVATION OF ENERGY

The use of energy is being optimized through improved operational methods. Continuous efforts are being made to optimize and conserve energy by improvement in production process.

B. TECHNOLOGY ABSORPTION

a) search and Development

1. Specific areas in which R&D carried out by the Company:

The Company does not have a separate R&D Department; however, it uses quality Control Laboratory for developmental work. Company has been developing new grades of Polymer Compounds to meet customer's specific end use requirements.

2. Benefits derived as a result of above R&D:

The Company has successfully developed new grades, for different end use applications.

3. Future plans of action:

Focus is on development of new grades and to optimize the production capacity of the existing plant.

4. Expenditure on R&D:

No system of separate maintenance of accounts has been developed yet. The expenditure is merged with various other heads of expenses.

b) Technology absorption, adaptation and innovation

1. The efforts in brief towards technology absorption, adaptation and innovation.

The Company has developed in house technologies for the manufacture of its products.

2. Benefits derived as a result of above efforts e.g. output improvement, cost reduction, product development.

The Company has introduced new grades for exports market.

3. Details of imported technology:

There was no import of technology during the year.

C. Details of Power and Fuel Consumption:

	2011-2012	2010-2011
1. Electricity		
a) Purchased Unit (KWH)	3,10,909	3,17,110
Total amount (₹)	20,40,270	18,50,277
Rate/Unit (₹)	6.56	5.83
b) Own generation	Nil	Nil
2. Consumption per kg. of finished goods produced	0.25 KWH	0.24 KWH

D. Foreign Exchange Earnings and Outgo:

(₹ in Lacs)

	2011-2012	2010-2011
1. FOREIGN EXCHANGE EARNINGS		
Foreign Exchange earnings during the year	1401.10	969.92
2. FOREIGN EXCHANGE OUTGO		
Value of Imports calculated on CIF basis		
Raw Material	1263.35	889.70
Trading Goods	2678.91	2970.34
Sales Commission	4.58	4.69
Legal & professional Fees	Nil	1.95

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The company is in the business of manufacturing polymer blends for the rubber & plastics industries, and trading / distribution of complementary product lines to its customers.

The polymer blends are used in the manufacture of petrol hoses, LPG tubing, O-rings, seals & gaskets, printing & textile rollers, cable sheathing, automotive components, etc.

The company has leveraged its relationship with customers and is now offering other complementary product lines so as to have a full basket of products for its customers.

INDUSTRY STRUCTURE

The Rubber industry can be broadly classified in tyre and non-tyre sectors. While tyre sector is dominated by few large tyre companies the non-tyre sector consists of number of medium and small units. This non tyre-sector consists of about 6000 units which manufacture about 35000 different rubber products. The company sells polymer blends to the medium and small scale sector which accounts for over 50% of production of rubber goods in non-tyre industrial products.

Due to fragmented structure of the user industry the market is highly price competitive.

FINANCIAL PERFORMANCE

The financial statements have been prepared in compliance with the requirements to the Companies Act, 1956 and generally accepted Accounting Principles in India.

Fixed Assets

During the year the Fixed Assets has been increased by ₹ 6.12 lacs.

Inventories

During the year total inventories have been increased to ₹ 1316.99 Lacs in the current year from ₹ 1244.90 Lacs in last year.

Sundry Debtors

The Sundry Debtors are at 14 % of sales as at 31st March, 2012.

Financial performance

The profit before taxation is ₹ 878.08 Lacs as compared to profit for the previous year ₹ 743.42 Lacs.

OPPORTUNITIES AND THREATS

The Company is continuing to customize and promote its new grades of polymer blends to meet the requirements of domestic and international customers.

However foreign exchange management during the current volatile scenario is critical as the company imports significant portion of its raw material requirements.

OUTLOOK

The growth of the non-tyre sector of the rubber industry, where our manufactured products are consumed, is expected to be between 8% -10% per annum. While due to stagnation in the Automobile Industry the growth in demand is expected to be less as compared to previous year. However in the long term the market is expected to grow steadily.

Your company is constantly making efforts to develop new grades and enter new markets to sustain company's growth.

RISKS AND CONCERNS

The price of rubber and other raw materials have been continuously increasing since last two quarters. Further increase in cost of raw materials may impact demand for the company's products and profitability. Secondly, foreign currency fluctuations may also affect the prices of imported raw materials and profitability.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains adequate internal control systems, which provide, amongst other things, adequate support to all its operations and effectively handle the demands of the Company's financial management systems.

The Company has in place effective systems safeguarding the assets and interest of the Company and ensuring compliance with law and regulations. The Company's internal control systems are supplemented by an extensive programme of internal audit conducted by an external auditor to ensure adequate system of internal control.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES OR INDUSTRIAL RELATION FRONT

The Company is maintaining good relations with its employees and currently employs about 28 employees in all categories. The Company values and understands the need for continuous growth and development of its people in order to have greater productivity and provide job satisfaction and also equip them to meet growing organizational challenges. Our Company has genuine concern and top priority for safety and welfare of its employees.

CAUTIONARY STATEMENTS

Statements in this report on Management Discussion and Analysis describing the Company's objective, expectations or predictions may be forward looking statements within the meaning of applicable security law and regulations. These statements are based on certain assumption and expectation of future events. Actual results could however differ materially from those expressed or implied.

Important factors that could make a difference to the Company's operation include demand and supply condition, finished goods prices, raw materials cost and availability, Foreign exchange fluctuation, changes in government regulation and tax structures, economic developments within India and the countries with which the Company has business contacts and other factors such as litigations and industrial relations.

The Company assumes no responsibility with respect to forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

I) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Transparency in all dealings, effective control and management of organization, investor friendly attitudes towards shareholders has been the basic objective of the corporate governance of the Company.

II) BOARD OF DIRECTORS

Composition: The Board of Directors as on 31st March, 2012 consists of 6 directors, comprising of 5 Non Executive Directors and 1 Executive Director.

The Composition of the Board of Directors are as given below:

Name of Director	Category of Director	Relationship With other Director
Mr. Mahendra Kumar Kapoor	Non-Executive Promoter Director	Father of Mr. Arvind Kapoor and Grandfather of Mr. Aditya Kapoor
Mr. Arvind Kapoor	Non- Executive Promoter Director	Son of Mr. Mahendra Kumar Kapoor and Father of Mr. Aditya Kapoor
Mr. Jayesh Dadia	Non-Executive Independent Director	-
Mr. Dilip Shah	Non-Executive- Independent Director	-
Mr. Nakul Kumar	Non-Executive- Independent Director	-
Mr. Aditya Kapoor	Executive Director	Son of Mr. Arvind Kapoor and Grandson of Mr. Mahendra Kumar Kapoor

Outside Directorships and Membership of Board Committees:-

Name of Director	No. of Directorships held**	Committee Membership+	Committee Chairman Ship+
Mr. Mahendra Kumar Kapoor	2	-	3
Mr. Arvind Kapoor	2	4	-
Mr. Jayesh Dadia	1	-	2
Mr. Dilip Shah	1	2	-
Mr. Nakul Kumar	1	1	-
Mr. Aditya Kapoor	1	-	-

Notes: ** including Directorship in Puneet Resins Ltd. & excluding directorships of Private limited Companies.

+ Committees considered are Audit Committee, Shareholders' / Investors' Grievance Committee, Remuneration Committee, including in Puneet Resins Ltd.

None of the Directors of Puneet Resins Limited is a member in more than 10 committees and Chairman of more than 5 committees across all companies in which he is a director.

Board Meetings and Attendance: Four Board Meetings were held during the period from 1st April, 2011 to 31st March, 2012 on the following dates May 26, 2011, August 1, 2011, November 4, 2011 and February 8, 2012 and the Director's attendance at the Board Meetings during the period and at last Annual General Meeting are given below:

Name of Director	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
Mr. Mahendra Kumar Kapoor	4	4	Yes
Mr. Arvind Kapoor	4	4	Yes
Mr. Jayesh Dadia	4	4	Yes
Mr. Dilip Shah	4	4	No
Mr. Nakul Kumar	4	2	No
Mr. Aditya Kapoor	4	4	Yes

Resumes of Directors proposed to be appointed/re-appointed

Details of the Directors Seeking Appointment/Reappointment at the Forthcoming Annual General Meeting (In pursuance Of Clause 49 of the Listing Agreement)

1	Name of Director	Mr. Arvind M Kapoor	Mr. Jayesh C. Dadia
2	Date of Birth	20/01/1954	23/07/1956
3	Date of Appointment	24/09/1984	24/09/1993
4	Nature of expertise in specific functional areas	30 years of Industrial and Managerial experience.	He has a rich experience in the field of taxation, corporate planning and restructuring.
5	Qualifications	M.S. Polymer Engg. ChE, USA and B.Tech., IIT - Mumbai	F.C.A.
6	Directorships held in other companies (excluding foreign companies)	<ol style="list-style-type: none"> 1. Rishiroop Rubber (International) Limited 2. Rishiroop Polymers Private Limited 3. Devi Organics Private Limited 4. Rishiroop Investment & Trading Company Private Limited 5. Rishi Foods Private Limited 6. Rishichem Distributors Private Limited 	<ol style="list-style-type: none"> 1) Walkwater Consultants Pvt. Ltd. 2) Tooltech Global Engineering Pvt Ltd 3) PPFAS Trustee Company Pvt Ltd
7	Committee position held in companies	<ol style="list-style-type: none"> 1. Audit Committee and Shareholders/Investor Grievance Committee- Member (Puneet Resins Ltd.) 2. Audit Committee and Shareholders/Investors Grievance Committee- Member (Rishiroop Rubber (International) Limited) 	<ol style="list-style-type: none"> 1. Audit Committee- Chairman (Puneet Resins Limited) 2. Remuneration Committee - Chairman (Puneet Resins Limited)
8	No. of shares held: (As on 31.03.2012)		
	a) Own	80,000	5000
	b) for other persons on a beneficial basis	-	-

Code of Conduct

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All Board members and senior management have affirmed their compliance with the code of conduct. A declaration to this effect, signed by Whole-time Director is contained in the Annual Report.

III) COMMITTEES OF THE BOARD

a. Audit Committee

The Audit Committee was constituted by the Board of Directors at its Meeting held on 22nd June, 2001 and last reconstituted on December 30, 2005. Members of the Committee are Mr. Jayesh Dadia (Chairman), Mr. Arvind Kapoor and Mr. Dilip Shah. Mr. Nilesh Jain, Company Secretary, is the Secretary to the Committee. The Committee held four meetings during the year 2011-2012. Four Audit Committee Meetings were held during the period 1st April, 2011 to 31st March, 2012 on the following dates May 26, 2011, August 1, 2011, November 4, 2011 and February 8, 2012. The Statutory Auditors, internal auditor and Company Secretary

also attended the meeting of Audit Committee. The attendance of members was as under:

Members	Meetings held	Meetings Attended	Sitting Fees Paid (₹)	Date of Meeting Attended
Mr. Jayesh Dadia	4	4	20,000/-	26 th May,2011 1 st August 2011; 4 th November,2011 8 th February 2012
Mr. Arvind Kapoor	4	4	20,000/-	26 th May,2011 1 st August 2011; 4 th November,2011 8 th February 2012
Mr. Dilip Shah	4	4	20,000/-	26 th May,2011 1 st August 2011; 4 th November,2011 8 th February 2012

The Committee oversees Company's financial process, internal control system; scope of audit includes the observations of the auditors, reviewing quarterly, half yearly and yearly statements. Committee is authorised to select and recommend accounting policies, review reports of the Statutory and Internal Auditors and meet with them to discuss their findings, suggestions and other related matters. The terms of reference of the audit committee are in accordance with the items as specified in clause 49 (II)(D) of the Listing Agreement, which *inter alia* includes the following:

- a) Review of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
- e) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 1. Changes, if any, in accounting policies and practices and reasons for the same
 2. Major accounting entries involving estimates based on the exercise of judgment by management
 3. Significant adjustments made in the financial statements arising out of audit findings
 4. Compliance with listing and other legal requirements relating to financial statements
 5. Disclosure of any related party transactions
 6. Qualifications in the draft audit report.
 7. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- f) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- g) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- h) Discussion with internal auditors any significant findings and follow up there on.
- i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

- j) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- k) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- l) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or as may be assigned by the Board of Directors.
- m) Review of following information
 1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and remuneration of the internal Audit Firm shall be subject to review by the Audit Committee.

b. Remuneration Committee

The Remuneration Committee was constituted by our Director. This Committee is responsible for the fixation and approval of executive compensation. Members of the Committee are Mr. Jayesh Dadia (Chairman), Mr. Nakul Kumar and Mr. Dilip P. Shah. Mr. Nilesh Jain, Company Secretary, is the Secretary to the Committee. The Committee held only one meeting during the year 2011-2012. The meeting of the committee was held on May 26, 2011. The attendance of members was as under:

Sr. No.	Name of the Director	Designation	Executive/ Independent	Meeting Attended	Sitting Fees Paid (₹)	Date of Meeting Attended
1	Mr. Jayesh Dadia	Chairman	Independent Director	1	5,000/-	26 th May, 2011
2	Mr. Dilip Shah	Member	Independent Director	1	5,000/-	26 th May, 2011
3	Mr. Nakul Kumar	Member	Independent Director	-	Nil	-

The terms of reference of the Remuneration Committee are as follows:

1. Determine on behalf of the Board and the shareholders, our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment; and
2. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
3. The Company Secretary of our Company acts as the secretary to the Committee.

Remuneration Policy

Payment of remuneration to the Executive Director is governed by the terms of appointment approved by the Board of Directors and the Members in terms of Schedule XIII to the Companies Act, 1956. His remuneration structure comprises of salary, perquisites, allowances and contribution to provident fund. The non-executive directors are not entitled to any remuneration from the company other than the sitting fees.

Remuneration paid to Directors during 2011-2012

Remuneration to Executive Director

Mr. Aditya Kapoor is appointed as a Managing Director with effect from 1st April, 2010 for a period of 3 years. The remuneration paid to Mr. Aditya Kapoor, Managing Director of the Company during the year ended 31st March 2012 is as under:

Name	Salary (₹) From 1 st April, 2011 to 31 st March, 2012	Perquisites and allowances (₹) From 1 st April, 2011 to 31 st March, 2012	Commission (₹)	Total (₹) From 1 st April, 2011 to 31 st March, 2012
Mr. Aditya Kapoor	14,40,000	12,51,600	17,00,000	43,91,600

Remuneration to Non- Executive Directors

Non-Executive Directors are not paid remuneration in any form whether by way of commission or otherwise. They are paid only sitting fees for each meeting attended by them. The fees paid to Non- Executive Directors for the year ended 31st March, 2012 is as under:

Director's name	Sitting fees (₹)			Total (₹)
	Board Meetings	Audit Committee Meetings	Remuneration Committee Meeting	
Mr. Mahendra Kumar Kapoor	20,000/-	NIL	NIL	20,000/-
Mr. Arvind Kapoor	20,000/-	20,000/-	NIL	40,000/-
Mr. Jayesh Dadia	20,000/-	20,000/-	5,000/-	45,000/-
Mr. Dilip Shah	20,000/-	20,000/-	5,000/-	45,000/-
Mr. Aditya Kapoor	Nil	Nil	Nil	Nil
Mr. Nakul Kumar	10,000/-	Nil	Nil	10,000/-

As on March 31, 2012 the non-executive Directors held equity shares of the Company as follows:

Name of Directors	Number of shares held
Mr. Mahendra Kumar Kapoor	23,100
Mr. Arvind Kapoor	80,000
Mr. Jayesh Dadia	5,000
Mr. Dilip Shah	NIL
Mr. Nakul Kumar	Nil

As on March 31, 2012 the Executive Director held equity shares of the Company as follows:

Mr. Aditya Kapoor	78,000
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c. Shareholders/ Investors Grievance Committee

Members of the Committee are Mr. Mahendra Kumar Kapoor (Chairman), Mr. Arvind Kapoor. Mr. Nilesh Jain, Company Secretary, is the Secretary to the Committee. The Committee held 15 meetings during the year 2011-2012. The attendance of members was as under:

Sr. No.	Name of the Director	Designation	Meetings held	Meetings Attended
1	Mr. Mahendra Kumar Kapoor	Chairman	15	15
2	Mr. Arvind Kapoor	Member	15	15

The functions and powers of the Shareholders' / Investors' Grievance Committee include review and redressal of complaints received from shareholders relating to transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transfer and transmission (with or without legal representation) of shares, non-receipt of balance sheet etc.

The Company has designated an e-mail id "investor@puneet.in" exclusively for the purpose of registering complaints by investors electronically. This e-mail id is displayed on the company's website i.e., www.puneet.in .

None of the complaints/request/letters/queries, which were received from the shareholders, is pending and all have been attended to/resolved within the prescribed period.

Number of Investor Complaints received during the year	:	10
Number of Investor Complaints resolved during the year	:	10
Number of pending Investor Complaints	:	0

The investors' complaint/grievances received by the Company were immediately escalated to the top management and steps are taken to resolve the same immediately.

d. Details of General Meetings

Meeting	26 th Annual General Meeting	25 th Annual General Meeting	24 th Annual General Meeting
Date	23 rd August, 2011	19 th July, 2010	24 th August, 2009
Time	10.00 a.m.	10.00 a.m.	10.00 a.m.
Special Resolutions	-	1	1

All the above meetings were held at W- 75 (A) & W-76 (A), MIDC Industrial Area, Satpur, Nasik 422 007. None of the Special resolution/s passed in last three Annual General Meetings were passed by postal ballot. No resolution requiring a Postal ballot is being proposed at the ensuing Annual General Meeting.

e. Unclaimed Dividends

In view of amended Section 205-C of the Companies Act, 1956, followed by the issue of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to a fund called Investor Education and Protection Fund (the fund) set up by the Central Government. No claims shall lie thereafter against the fund or the Company in respect of such amounts transferred. Shareholders are therefore requested to verify their records and send claims, if any, before the respective amounts become due for transfer to the fund. The details of unclaimed dividend are as under: -

Year	No. of Shareholders	Amount (₹)	Due date of transfer to Investor Education and Protection Fund (IEPF)
2009-2010	581	3,65,156.40	24 th August, 2017
2010-2011	587	4,15,929.00	28 th September, 2018

IV) SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

V) DISCLOSURES

A. Disclosure of Materially significant related party transactions

The company has not entered into any materially significant transactions with its promoters, directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large.

A summary of related party transactions is given elsewhere in the Annual Report.

B. Disclosure of Accounting Treatment

In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India.

Board Disclosures- Risk management

The risks associated with the business have been stated in the Management Discussion and Analysis report. The risk assessment and control procedures are reviewed at periodic intervals by the top management.

C. Proceeds from public issues, rights issues, preferential issues etc.

D. No money has been raised by way of public issue, rights issue or preferential issue.

Details of Non-compliance and instances of penalties

The Company has complied with the requirements of the regulatory authorities on matters related to capital markets and no strictures of whatsoever nature have been imposed against the Company by Bombay Stock Exchange or SEBI or any other statutory authority during the last three years.

E. Details of Compliance with mandatory requirements and adoption of non-mandatory requirements

Clause 49 of the Listing agreement requires the company shall obtain a certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in this clause and annex the certificate with the directors' report, which is sent annually to all the shareholders of the company. The Company has obtained a certificate from its auditors to this effect and the same is given as an annexure to the Directors' report.

The Clause further states that the non-mandatory requirements may be implemented as per the discretion of the Company. However, the disclosures of compliance with mandatory requirement and adoption (and compliance)/ non-adoption of the non-mandatory requirements shall be made on need basis.

VI) MEANS OF COMMUNICATION

1	Quarterly Results	Published in National and local dailies such as The Economic Times (English) and The Maharashtra Times (Marathi) and in official websites of Bombay Stock Exchange (www.bseindia.com)
2	Publication in News Papers	Published in National and local dailies such as The Economic Times (English) and The Maharashtra Times (Marathi)
3	Publications in Websites	www.puneet.in, www.bseindia.com
4	Displaying of official news releases	www.puneet.in, www.bseindia.com
5	Reminder to Shareholders	Reminder for unpaid dividend has been sent to shareholders as per records made available by the bankers.

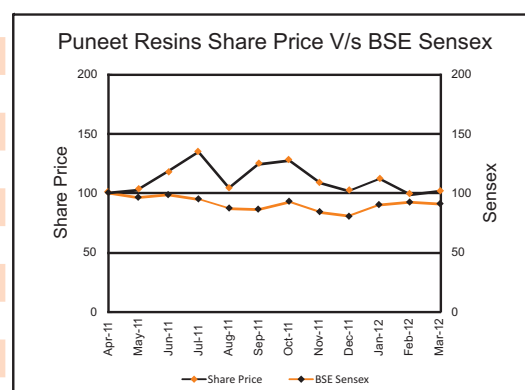
VII) GENERAL SHAREHOLDER INFORMATION

- 1 **27th Annual General Meeting Day, Date, Time and Venue** : Tuesday, 21st day of August, 2012, at 10 A.M. At Hotel IBIS Nashik, Plot No. 9, Nashik Triambakeshwar Road, Village Satpur (Near MIDC Office), Nasik - 422 007
- 2 **Financial Year** : 1st April 2012 - 31st March 2013
- 3 **Financial Calendar Financial Reporting for** :
 - I. Quarter ending 30th June, 2012 - upto 4th week July, 2012
 - II. Half year ending 30th Sept, 2012- upto 15th Nov, 2012
 - III. Quarter ending 31st Dec, 2012 - Upto 15th Feb, 2013
 - IV. Quarter ending 31st March, 2013 - End May 2013
- V. **(along with Audited Annual Results)**
Note: The above dates are indicative.
- 4 **Date of Book Closure** : 11th day of August, 2012 to 21st day of August, 2012 (Both days inclusive)
- 5 **Dividend payment date** : Dividend as declared for the year 2011-2012 will be paid on or after 21st day of August, 2012 but within the statutory time limit of 30 days.
- 6 **Listing on Stock Exchange at** : Bombay Stock Exchange (BSE)
- 7 **Stock Code** : 526492

- 8 ISIN No. : INE582D01013
- 9 Registrar and Transfer Agents : Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West), Mumbai- 400 078
Phone 022-2596 3838
Email: rnt.helpdesk@linkintime.co.in
- 10 Dematerialization of shares : 87.98 % of the total equity capital is held in Dematerialized form with National Securities Depository Ltd. and Central Depository Services (India) Ltd as on 31st March, 2012.
- 11 Outstanding ADRs/ GDRs : The Company has not issued any ADRs/GDRs
- 12 Plant Location : (1) W-75 (A) & W-76 (A), MIDC Industrial Area, Satpur, Nasik 422 007
(2) Mumbai-Nasik Highway, Village Wadivare, Taluka, Igatpuri, Nasik
- 13 Address for correspondence : The Shareholders may send their correspondence relating to transfer/ dematerialization and other correspondence relating to shares of the company to the Registrar and Transfer Agents of the Company. Shareholders holding shares of Company in dematerialized form should address their correspondence to their respective Depository Participants.
- For any other queries, correspondence at corporate office address of the Company, as below, be made
84, Atlanta, Nariman Point, Mumbai - 400 021.
Designated e-mail id for investor correspondence: investor@puneet.in
- 14 Stock Price Data : High, low Market Price on Bombay Stock Exchange during each month in the last Financial year in comparison with BSE Sensex are as follows:

Rates per equity share of the face value of ₹ 10/- each

Month	Share Price		BSE 30 SHARES SENSEX	
	High (₹)	Low (₹)	High	Low
April 2011	37.50	29.45	19811.14	18976.19
May 2011	40.40	30.10	19253.87	17786.13
June 2011	42.20	34.05	18873.39	17314.38
July 2011	54.00	37.00	19131.70	18131.86
August 2011	55.80	33.90	18440.07	15765.53
September 2011	48.90	36.50	17211.80	15801.01
October 2011	44.95	39.00	17908.13	15745.43
November 2011	49.20	36.75	17702.26	15478.69
December 2011	40.00	30.00	17003.71	15135.86
January 2012	40.50	33.00	17258.97	15358.02
February 2012	44.00	29.50	18523.78	17061.55
March 2012	40.00	31.30	18040.69	16920.61



15. Distribution of Shareholding as on 31st March, 2012:

1. Distribution of Shareholding as on quarter ended 31st March, 2012.			
	Category	No of Shares held	Percentage of Shareholding
A.	Promoters Holding		
1.	Promoters		
	- Indian Promoters	29,08,463	55.76
	- Foreign Promoters	-	-
2.	Persons acting in concert #	-	-
	Sub- Total	29,08,463	55.76
B.	Non- Promoters Holding		
1	Institutional Investors		
2	Mutual Funds and UTI	11,700	0.22
C	FII's		
	Sub- Total	11,700	0.22
D	Others		
1	Private Corporate Bodies	1,92,582	3.69
2	Indian Public	20,16,168	38.66
3	NRIs/OCBs	31,931	0.61
4	Director & Relative	16,800	0.33
5	Clearing member	38,156	0.73
	Sub- Total	23,07,337	44.24
	GRAND TOTAL (A+B+C+D)	5215800	100.00

2. Distribution of shares (Slab wise)	No. of shareholders	Percentage to total No. of shareholders	Share Amount (in ₹)	Percentage to total Share Capital
1-5000	2407	78.99	5525580	10.59
5001-10000	321	10.53	2748120	5.27
10001-20000	142	4.66	2246850	4.31
20001-30000	44	1.44	1101640	2.11
30001-40000	27	0.89	996300	1.91
40001-50000	27	0.89	1269710	2.43
50001-100000	34	1.12	2553810	4.90
100001 & Above	45	1.48	35715990	68.48
TOTAL	3047	100.00	52158000	100.00

16. Share Transfer System

The shares sent for physical transfer are received at the Registrar & Transfer Agents Office and all valid transfer requests are processed and returned within a maximum period of 15 days from the date of lodgment, provided the transfer deeds are in order and allotment money on the shares have been paid.

17. National Electronic Clearing Service (NECS) Facility:

The Company, with respect to payment of dividend to shareholders shall Endeavour to remit the dividend payment through National Electronic Clearing Service (NECS) to the shareholders having accounts with Branches of Banks covered under CBS (Core Banking Solution).

Equity Shareholders holding shares in physical form, who wish to avail the NECS facility, may send their NECS mandate to the Company's R & T Agents, in the event they have not done so earlier. Equity Shareholders holding shares in electronic mode may send the NECS mandate form to the concerned Depository Participant (DP) directly.

VII) Certification

A certificate from Managing Director on the financial statements and cash flow statement was placed before the Board.

By the Order of Board of Directors

Place : Mumbai
Date: 28th May, 2012

Mahendra Kumar Kapoor
Chairman

DECLARATION BY THE MANAGING DIRECTOR - CERTIFICATION & CODE OF CONDUCT

- A. I have reviewed financial statements and the cash flow statement for the year ended 31 March 2012 and certify, to the best of our knowledge and belief, that:
- These statements present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations;
 - These statements do not contain any materially untrue statement, or omit any material fact, or contain statements that might be misleading;
 - No transactions entered into by the Company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
 - I accept responsibility for establishing and maintaining internal controls for financial reporting;
 - I have evaluated the effectiveness of the internal control systems of the Company, and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and have taken steps to rectify the same, wherever found;
 - Significant changes in internal control over financial reporting, as well as changes in accounting policies, if any, have been intimated to the auditors and the Audit Committee, and been disclosed in the notes to the financial statements;
- B. I further declare, in compliance to clause 49. I(D) (ii) to Listing Agreement, that all the Board members and senior management personnel have, for the year ended 31st March 2012, affirmed compliance with the Code of Conduct laid down by the Board of Directors.

For Puneet Resins Limited

Place : Mumbai
Date: 28th May, 2012

Aditya Kapoor
Managing Director

AUDITORS' CERTIFICATE

ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,
The Members
Puneet Resins Limited

We have examined the compliance of conditions of Corporate Governance by Puneet Resins Limited (the Company) for the year ended 31st March 2012 as stipulated in revised Clause 49 of the Listing Agreement of the said Company with the stock exchange(s) in India.

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

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

We further 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.

For B. D. Jekhakar & Co.
Chartered Accountants
Firm Reg. No. 104345W

Place: Mumbai
Dated: 28th May 2012

Raman Jekhakar
Partner
Membership No. 103241

AUDITORS' REPORT TO THE MEMBERS OF PUNEET RESINS LIMITED

1. We have audited the attached balance sheet of Puneet Resins Limited as at 31st March, 2012, the statement of profit & loss for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in para 3 above, 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 purposes 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 the books;
 - c. The Balance Sheet, the 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, the statement of Profit and Loss and Cash Flow statement dealt with by this report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31st March 2012 from being appointed as a director of the Company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 1. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
 2. in the case of statement of Profit and loss, of the profit for the year ended on that date; and
 3. in the case of the Cash Flow statement, of the cash flows for the year ended on that date.

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Reg. No. 104345W

Place: Mumbai
Dated: 28th May 2012

Raman Jokhakar
Partner
Membership No. 103241

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us, a substantial portion of the fixed assets has been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
 - (c) During the year the company has not disposed off substantial part of its fixed assets so as to affect its going concern status.
- (ii) (a) As explained to us, the inventories of the company except stocks in transit have been physically verified by the management at reasonable intervals 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 inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification.
- (iii) (a) We are informed that during the year, 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. Consequently, clauses 4(iii) (b), 4(iii) (c), 4(iii) (d) of the Order are not applicable.
 - (b) We are informed that during the year, the Company had not taken any loans, secured or unsecured from any parties covered in the register maintained under Section 301 of the Companies Act, 1956 during the year. Consequently, clauses 4(iii) (e), 4(iii) (f), 4(iii) (g) of the Order are not applicable.
- (iv) In our opinion, and according to the information and explanation given to us, there is an adequate internal control system 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 and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in such internal control systems.
- (v) (a) To the best of our knowledge and belief and according to information and explanations given to us and on examination of records the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register maintained under that Section.
 - (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements are specialised in nature and comparable prices are not always determinable and the prices charged are prima facie reasonable.
- (vi) According to the information and explanation given to us, the Company has not accepted deposits from the public during the period covered by our audit report.
- (vii) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the management has been commensurate with the size of the company and nature of its business.

- (viii) We have broadly reviewed the books of accounts & records maintained by the Company, pursuant to the Companies (Cost Accounting Records) Rules, 2011, as prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that *prima facie* the prescribed accounts & records have been maintained. We have, not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (ix) (a) The company has generally been regular in depositing undisputed statutory dues payable in respect of provident fund, investor education and protection fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues, as applicable, with the appropriate authorities during the year. There were no undisputed statutory dues as mentioned above in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no disputed amounts payable in respect of income tax, sales tax, wealth tax, customs duty, excise duty and cess, service tax outstanding as at the year end.
- (x) The company has no accumulated losses at the year end of the financial year. The company has not incurred any cash losses in the current or in the immediately preceding financial year. Therefore, the provisions of clause 4(x) of the order are not applicable to the company.
- (xi) According to the information and explanations given to us the company has not defaulted in repayment of dues to banks and financial institutions.
- (xii) According to the information and explanations given to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the order are not applicable to the company.
- (xiii) The company is not a chit fund or a nidhi or mutual benefit fund /society. Therefore, the provisions of clause 4(xiii) of the order are not applicable to the company.
- (xiv) In our opinion and according to information and explanations given the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the order, are not applicable to the Company.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company during the year have been used for the purpose for which they are obtained.
- (xvii) According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis, have *prima facie*, not been used during the year for long term investments.
- (xviii) According to the information and explanations given to us no preferential allotment of shares has been made by the company to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

- (xix) The Company has not issued any secured debentures and accordingly the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The company has not raised any money through a public issue during the year.
- (xxi) According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit during the year.

For B. D. Jokhakar & Co.
Chartered Accountants
Firm Reg. No. 104345W

Place: Mumbai
Dated: 28th May 2012

Raman Jokhakar
Partner
Membership No. 103241

BALANCE SHEET AS AT 31 st MARCH, 2012

	Note No	As at 31/03/2012 ₹	As at 31/03/2011 ₹
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a) Share Capital	2	52,158,000	52,158,000
b) Reserves & Surplus	3	116,812,874	67,754,726
		168,970,874	119,912,726
2. Non-current liabilities			
a) Long Term Borrowings	4	1,466,736	2,103,862
b) Deferred Tax Liabilities (Net)	5	3,905,643	4,354,524
		5,372,379	6,458,386
3. Current Liabilities			
a) Short Term Borrowings	6	1,390,613	1,421,460
b) Trade Payables	7	111,049,163	92,630,191
c) Other Current Liabilities	8	6,276,739	7,304,521
d) Short Term Provisions	9	11,445,299	9,953,918
		130,161,814	111,310,090
	TOTAL	304,505,067	237,681,202
II ASSETS			
1. Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	24,240,838	26,720,675
b) Non Current Investments	11	25,000	25,000
c) Long Term Loans and Advances	12	891,110	831,410
		25,156,948	27,577,085
2. Current Assets			
a) Current Investments	13	33,336,162	10,000,000
b) Inventories	14	131,699,081	124,489,547
c) Trade Receivables	15	87,867,020	51,571,744
d) Cash and Bank Balances	16	8,905,760	15,660,947
e) Short Term Loans and Advances	17	9,029,168	6,784,582
f) Other Current Assets	18	8,510,928	1,597,297
		279,348,119	210,104,117
	TOTAL	304,505,067	237,681,202
Significant Accounting Policies and notes are an integral part of the financial statements	1 to 32		

As per our report attached of even date

For and on behalf of the Board

For B. D. Jokhakar & Company
Chartered Accountants
Firm Reg. No. 104345W

Mahendra Kumar Kapoor

Chairman

Aditya Arvind Kapoor

Managing Director

Arvind Kapoor

Director

Raman Jokhakar
Partner
Membership No. 103241

Jayesh Dadia

Director

Place :- Mumbai
Dated :- 28th May 2012

Nilesh Jain

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2012

	Note No	For the Year ended 31/03/2012 ₹	For the Year ended 31/03/2011 ₹
INCOME			
I Revenue From Operations	19	614,868,710	521,053,114
II Other Income	20	3,078,152	7,854,190
III Total Revenue (I + II)		617,946,862	528,907,304
IV EXPENSES			
Cost Of Materials Consumed	21	162,386,979	131,900,068
Purchases of Stock-In-Trade	22	342,135,444	316,121,562
Changes In Inventories of Finished Goods			
Work -In- Progress and Stock-In Trade	23	(13,422,170)	(30,906,037)
Employee Benefits Expense	24	14,898,427	12,139,569
Finance Costs	25	2,531,961	2,611,717
Depreciation and Amortization Expense		3,539,411	3,110,234
Other Expenses	26	18,068,627	19,587,928
Total		530,138,679	454,565,041
V Profit Before Tax (III-IV)		87,808,183	74,342,263
VI Tax Expenses			
-Current Tax		29,000,000	22,500,000
-Prior Period Tax		(106,370)	225,110
-Deferred Tax		(448,881)	(335,788)
		28,444,749	22,389,322
VII Profit for the Year (V-VI)		59,363,434	51,952,941
Earnings per Equity Share of face value of ₹10 each Basic and Diluted (in ₹)		11.38	9.96
Significant Accounting Policies and notes are an integral part of the financial statements	1 to 32		

As per our report attached of even date

For and on behalf of the Board

For B. D. Jokhakar & Company
Chartered Accountants
Firm Reg. No. 104345W

Mahendra Kumar Kapoor

Chairman

Aditya Arvind Kapoor

Managing Director

Arvind Kapoor

Director

Raman Jokhakar
Partner
Membership No. 103241

Jayesh Dadia

Director

Place :- Mumbai
Dated :- 28th May 2012

Nilesh Jain

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2012 (PURSUANT TO AMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT)

	2011-2012 ₹	2010-2011 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Taxes	87,808,183	74,342,263
Adjusted for		
-Depreciation	3,539,411	3,110,234
-Diminution in value of Investments	223,541	-
-Interest Charged	399,336	986,829
-Dividend received	(1,641,427)	(89,832)
-Interest received	(570,552)	(429,754)
-Profit on sale of Fixed Assets	(67,322)	(2,270,298)
-Profit on sale of investment	(14,617)	-
-Excess Provision of Dividend Distribution Tax	-	(24,096)
-Unrealised Foreign Exchange (Gain)/Loss	674,037	(3,074)
	2,542,407	1,280,009
Operating Profit before	90,350,590	75,622,272
Working Capital Changes		
Adjustments for		
-(Increase)/Decrease in Inventory	(7,209,534)	(69,677,475)
-(Increase)/Decrease in Receivables	(44,421,379)	(17,544,129)
-Increase/(Decrease) in Trade		
Payables & other Liabilities	15,565,042	45,796,771
	(36,065,871)	(41,424,833)
Cash generated from operation	54,284,719	34,197,439
-Less:- Dividend paid	7,412,091	5,889,484
-Less:- Taxes Paid	30,235,146	23,187,696
Net Cash from Operating Activities (A)	16,637,482	5,120,259
B. CASH FLOW FROM INVESTING ACTIVITIES :		
-Sales of Fixed Assets	144,444	2,466,361
-Purchase of Fixed Assets	(1,136,696)	(8,906,452)
-Interest received	570,552	429,754
-Dividend Received	1,641,427	89,832
-Purchase of Mutual Fund	(131,458,340)	(10,000,000)
-Sales of Investments	107,913,253	10,060,691
Net Cash (Used in)/from Investing	(22,325,360)	(5,859,814)
Activities (B)		

C.CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds of acceptance of Long Term & other Borrowings	493,000	3,601,545
Repayment of Long Term & Other Borrowings	(1,160,973)	2,800,713
	(667,973)	800,832
-Interest paid	(399,336)	(986,829)
Net Cash Flow(used in)/from Financing Activities (C)	(1,067,309)	(185,997)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C) :	(6,755,187)	(925,552)
Cash & Cash Equivalents as at the beginning of the year	15,660,947	16,586,499
Cash & Cash Equivalents as at the end of the year	8,905,760	15,660,947
	(6,755,187)	(925,552)

As per our report attached of even date

For B. D. Jokhakar & Company
Chartered Accountants
Firm Reg. No. 104345W

Raman Jokhakar
Partner
Membership No. 103241

Place :- Mumbai
Dated :- 28th May 2012

For and on behalf of the Board

Mahendra Kumar Kapoor	Chairman
Aditya Arvind Kapoor	Managing Director
Arvind Kapoor	Director
Jayesh Dadia	Director
Nilesh Jain	Company Secretary

Notes on Financial Statement for the Year ended 31st March 2012

NOTE NO. 1

SIGNIFICANT ACCOUNTING POLICIES :

(I) Change in Accounting Policy:

During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also re-classified the previous year figures in accordance with the figures of the current year.

(II) Basis of Accounting :

The financial statements are prepared under historical cost convention, on accrual basis, in accordance with the provisions of Companies Act, 1956 and the accounting principles generally accepted in India and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006.

(III) Use of Estimates :

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles (GAAP). requires management to make estimates and assumption that affects the reported amounts of assets and liabilities and disclosure of contingent liability on the date of financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is reorganized prospectively in current and future periods.

(IV) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (a) Revenue from sale of goods is recognized on transfer of all significant risk and rewards of ownership of the goods on to the customer. The sale value is exclusive of excise duty, sales tax, trade discounts and liquidated damages if any.
- (b) Dividend income is recognized when the right to receive dividend is established.
- (c) Interest income is recognized on the time proportion basis.

(V) Fixed Assets :

Fixed Assets are shown at cost of acquisition or construction less accumulated depreciation. Cost includes the construction/ purchase/ acquisition cost and other directly attributable cost to bring the assets to its present working condition reduced by duties subsequently recoverable. Direct costs are capitalized until fixed assets are ready to use.

(VI) Depreciation :

Depreciation on Fixed Assets has been provided on the following basis. On Straight Line Method basis for Vadivare unit and on Written Down Value basis for Satpur Unit at rate prescribed under Schedule XIV of Companies Act, 1956. Lease hold Land is being amortized over the period of lease.

(VII) Impairment of Assets :

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Reversal of impairment loss is recognized immediately as income in the profit and loss account, After impairment, depreciation is

provided on the revised carrying amount of the assets over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances however, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(VIII) Borrowing Cost :

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expenses in the period in which they are incurred.

(IX) Investment :

Long term investments are carried at cost less diminution in the value, if any. Provisions are recognized for any decline, other than temporary, in the carrying value of long term investment as determined by management.

(X) Inventories :

Stock of Raw Materials is valued at lower of cost or net realizable value, cost of which include duties and taxes except those subsequently recoverable from the government authorities, However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Stock of Packing Materials is valued at cost. Work in Progress and Finished goods including traded goods are valued at lower of cost and net realisable value. Finished goods and work in progress include costs of conversion and other costs incurred in bringing the inventories to its present location and condition. Cost of inventories are computed on a weighted-average basis.

(XI) Foreign Currency Transactions :-

Transaction in foreign currency are recorded in rupees by applying the exchange rate on the date of transaction. The exchange differences arising on actual settlement of the transactions are recognized in the profit and loss statement during the year. Monetary assets and liabilities in foreign exchange, which are outstanding as at the year end, are translated at the closing rate and the resulting exchange differences are recognized in profit and loss statement.

(XII) Employees' Benefits :

Short Term Employee Benefits

Short Term Employee benefits are recognized in the Profit and Loss Account as an expenses at their undiscounted amount.

Long Term Employee Benefits

(a) Defined Contribution Plans

Employee benefits in the form of employee's provident fund scheme and employee state insurance scheme employee are recognized in the Profit and Loss Account on accrual basis.

(b) Defined Benefit Plan

Defined Benefit Plans in form of Gratuity and Compensated Absences are provided on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gain or loss is charged in Profit and Loss Statement for the year.

(XIII) Taxes on Income :

Current tax is measured at an amount payable for the period in accordance with the Income Tax Act 1961. The provision for taxation for the current year is made after considering tax credit availed under Sec. 115JB (MAT). Deferred tax expenses or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or

more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets. At each Balance Sheet date, the carrying value amount of differed tax assets reviewed to reassure realisation.

(XIV)Provisions :

Provisions are recognized when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. A disclosure for contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not; require an out flow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect correct management estimate.

2 SHARE CAPITAL	As at 31/03/2012		As at 31/03/2011	
	Number	₹	Number	₹
Authorised				
5% Cumulative Redeemable Preference Shares of ₹ 100 each	75,000	7,500,000	75,000	7,500,000
Equity Share of ₹ 10 each	6,000,000	60,000,000	6,000,000	60,000,000
Issued, Subscribed & Fully paid up				
Equity Share of ₹ 10 each	5,215,800	52,158,000	5,215,800	52,158,000
Total	5,215,800	52,158,000	5,215,800	52,158,000

2.1 Rights, Preferences and restrictions attached to each class of shares:

Equity Shares: The company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The details of shareholders holding more than 5% shares

2.2	Equity Shares			
	As at 31/03/2012		As at 31/03/2011	
Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rishiroop Holding Pvt Ltd	1,055,000	20.23	1,055,000	20.23
Rishiroop Polymers Pvt Ltd	1,008,363	19.33	898,047	17.22
Rishiroop Investments & Trading Co. Pvt. Ltd.	305,700	5.86	305,700	5.86

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

3 RESERVE AND SURPLUS	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Capital Reserve		
As per Last Balance sheet	10,870,860	10,870,860
General Reserve		
As per Last Balance sheet	7,000,000	2,000,000
Add : Transferred from Profit and Loss Statement	7,500,000	5,000,000
	14,500,000	7,000,000
Surplus in the Statement of Profit & Loss		
Balance as per Last Balance sheet	49,883,867	12,023,825
Add : Profit for the year	59,363,433	51,952,941
Less : Appropriation		
Transferred to General Reserve	7,500,000	5,000,000
Proposed Dividend on Equity Shares	8,866,860	7,823,700
(Dividend per share ₹1.70/- (P.Y. ₹ 1.50/-)		
Tax on Dividend	1,438,426	1,269,200
	91,442,014	49,883,866
Total	116,812,874	67,754,726

NON CURRENT LIABILITIES		As at 31/03/2012 ₹	As at 31/03/2011 ₹	
4 LONG TERM BORROWINGS				
Secured				
Term Loans				
From Banks				
(Secured by Hypothecation of Motor Car)				
ICICI Bank Ltd		1,101,085	1,931,815	
Kotak Mahindra Prime Ltd		47,595	172,047	
Axis Bank Ltd		318,056	-	
Total		1,466,736	2,103,862	
5 DEFERRED TAX LIABILITY				
	As at 31/03/2011 ₹	Credit for the Year ₹	As at 31/03/2012 ₹	
(A) Deferred Tax Liability				
Difference between net block as per Book and Income Tax	4,354,524	(448,881)	3,905,643	
(B) Deferred Tax Assets				
Unabsorbed Depreciation & Carried forward Losses	-	-	-	
Deferred Tax (Asset) / Liability [Net (A - B)]	4,354,524	(448,881)	3,905,643	
CURRENT LIABILITIES		As at 31/03/2012 ₹	As at 31/03/2011 ₹	
6 SHORT TERM BORROWINGS				
Secured				
From Banks				
(Secured by hypothecation of Motor car)				
ICICI Bank Ltd		1,096,741	1,262,940	
Kotak Mahindra Prime Ltd		146,564	158,520	
Axis Bank Ltd		147,308	-	
Total		1,390,613	1,421,460	
6.1 Car Loan	Date of loan taken	Interest Rate Reducing Balancebasis	Repayment term	Maturity date
ICICI bank Ltd	22/03/2011	9.75 % p.a.	Monthly Installment	15/02/2014
Kotak Mahindra Prime Ltd	18/08/2010	9.034% p.a	Monthly Installment	01/07/2013
Axis Bank Ltd	11/02/2012	11.51% p.a	Monthly Installment	01/01/2015

7 TRADE PAYABLES	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Micro, Small and Medium Enterprises	985,161	662,163
Others	110,064,002	91,968,028
Total	111,049,163	92,630,191

7.1 Micro, Small & Medium Enterprises disclosure

The below information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31/03/2012 ₹	As at 31/03/2011 ₹
1. Amount payable to "suppliers" under MSMED Act.		
Principal	985,161	662,163
Interest	52,312	47,871
2. Amount paid to "suppliers" under MSMED Act.		
Principal	8,484,093	4,485,894
Interest	-	-
3. Amount of interest due/payable on delayed Principal which has already been paid during current year (Without interest or with part interest)	-	-
4. Amount accrued and remaining unpaid at the end of Accounting year	52,312	47,871
5. Amount of interest which is due and payable which is carried forward from previous year.	47,871	59,628

8 OTHER CURRENT LIABILITIES	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Term Loan		
(a) Saraswat Co-Op Bank Ltd (Secured by Mortgage of Fixed Assets)	-	499,864
(b) Unpaid Dividends	781,085	369,476
(c) Salary Payable	1,175,000	1,030,212
(d) Excise duty payable on Finished Goods	699,224	1,228,863
(e) Other Payables	3,621,430	4,176,106
Total	6,276,739	7,304,521

9 SHORT TERM PROVISIONS	As at 31/03/2012 ₹	As at 31/03/2011 ₹
(a) Provisions for Employee Benefits		
Leave Salary	656,217	447,779
Leave Travel Allowance	483,796	413,239
(b) Proposed Dividend	8,866,860	7,823,700
(c) Tax on Proposed Dividend	1,438,426	1,269,200
Total	11,445,299	9,953,918

10 FIXED ASSETS

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 01/04/2011	Additions During the Year	Deductions / Adjustments	Balance as at 31/03/2012	Balance as at 01/04/2011	Depreciation for the year	Deductions / Adjustments	Balance as at 31/03/2012	Balance as at 31/03/2012	Balance as at 31/03/2011
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Lease Hold Land	107,894			107,894	28,967	1,136		30,103	77,791	78,927
Free Hold Land	406,329		-	406,329	-	-		-	406,329	406,329
Building	9,334,944			9,334,944	5,243,538	320,362		5,563,900	3,771,044	4,091,406
Plant & Machinery	49,292,874	-		49,292,874	34,995,413	2,070,958		37,066,371	12,226,503	14,297,461
Furniture & Fixtures	1,487,084	-		1,487,084	444,297	186,377		630,674	856,410	1,042,787
Electrical Installations	1,560,362	-	-	1,560,362	1,269,429	55,819		1,325,248	235,114	290,933
Office Equipments	195,561	59,747	-	255,308	85,714	23,125		108,839	146,469	109,847
Laboratory Equipments	413,738	343,673		757,411	264,239	47,030		311,269	446,142	149,499
Other Equipments	383,424	-	-	383,424	109,346	38,933		148,279	235,145	274,078
Computers	340,203	43,360		383,563	255,060	38,438		293,498	90,065	85,143
Vehicles	6,746,306	689,916	524,801	6,911,421	913,223	757,233	447,679	1,222,777	5,688,644	5,833,083
Moulds & Jigs	1,228,512			1,228,512	1,167,330	-		1,167,330	61,182	61,182
Total	71,497,231	1,136,696	524,801	72,109,126	44,776,556	3,539,411	447,679	47,868,288	24,240,838	26,720,675
Previous Year	63,209,161	8,906,452	618,382	71,497,231	42,088,641	3,110,234	422,319	44,776,556	26,720,675	

11 NON CURRENT INVESTMENTS (Long Term Investment)

	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Unquoted		
2500 Equity Shares of Saraswat Co-op Bank Ltd of ₹ 10/- each (P.Y.2500 Shares of ₹ 10/- each)	25,000	25,000
Total	25,000	25,000

12 LONG TERM LOANS AND ADVANCES Unsecured Considered Good

	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Security Deposits	891,110	831,410
Total	891,110	831,410

	As at 31/03/2012 ₹	As at 31/03/2011 ₹
13 CURRENT INVESTMENTS		
Non-Trade Investment		
In Mutual Fund - Quoted Fully Paid up		
Birla Sunlife Dynamic Bond Fund - Retail-Quarterly Div 9,06,004.325 Units of ₹ 11.5449/- (P.Y.9,98,552 Units of ₹ 10.01/-) Market Value ₹ 1,02,63,942 (P.Y. ₹ 1,00,75,042) Cost Value ₹ 1,04,59,716/- (P.Y. ₹ 1,00,00,000/-)	10,263,942	10,000,000
Pramerica Ultra Short Term Bond Fund- Weekly Div 7,981.159 Units of ₹ 1000.5722 (P.Y. Nil) Market Value ₹ 79,88,700 (P.Y. Nil) Cost Value ₹ 79,85,726/- (P.Y. Nil)	7,985,726	-
Pramerica Short Term Income Fund- Monthly Div 5,075.930 Units of ₹ 1007.5712 (P.Y. Nil) Market Value ₹ 50,86,594 (P.Y. Nil) Cost Value ₹ 51,14,361/- (P.Y. Nil)	5,086,594	-
UTI Short Term Income Bond Fund - Instit. Gr. 817619.865 Units of ₹ 12.2305 (P.Y. Nil) Market Value ₹ 1,02,37,092 (P.Y. Nil) Cost Value ₹ 99,99,900/- (P.Y. Nil)	9,999,900	-
Total	33,336,162	10,000,000
Aggregate cost of Quoted Investment	33,559,703	10,000,000
Aggregate Market Value of Quoted Investment	33,576,328	10,075,042

14 INVENTORIES (Refer Note No. X of Significant accounting policies)	As at 31/03/2012 ₹	As at 31/03/2011 ₹
a) Raw Materials (Goods in Transit ₹ 2,46,56,652 P.Y. ₹ 39,73,708)	41,987,581	15,324,744
b) Work in Progress	48,649	27,929
c) Finished Goods	6,365,786	13,168,804
d) Stock-in trade (Goods in Transit ₹ 1,89,72,516 P.Y. ₹ 5,20,53,820)	83,004,500	95,881,336
e) Packing Materials	292,565	86,734
Total	131,699,081	124,489,547

15 TRADE RECEIVABLES Unsecured, Considered Good	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Outstanding for a period exceeding six months from the date they are due for payment	-	18,150
Others	87,867,020	51,553,594
Total	87,867,020	51,571,744
16 CASH AND BANK BALANCES	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Cash and Cash Equivalents		
(a) Balance with the Bank		
1) In Current Account	4,515,100	2,929,494
2) In Unpaid Dividend Account	781,085	369,476
3) In Fixed Deposits	-	2,210,889
b) Cash on Hand	37,075	74,191
Other Bank Balance		
a) In Fixed Deposits Account (As Margin Money against Letter of Credits)	3,572,500	10,076,897
Total	8,905,760	15,660,947
17 SHORT TERM LOANS AND ADVANCES Unsecured, Considered Good	As at 31/03/2012 ₹	As at 31/03/2011 ₹
Balance with Statutory / Government Authorities		
Cenvat Credit Receivable	7,727,194	5,994,925
Earnest Money Deposit	100,000	-
Prepaid Expenses	1,145,517	718,073
Others	56,457	71,584
Total	9,029,168	6,784,582
18 OTHER CURRENT ASSETS Unsecured, Considered Good	As at 31/03/2012 ₹	As at 31/03/2011 ₹
DEPB Licence Purchased	8,433,314	1,522,209
Others	77,614	75,088
Total	8,510,928	1,597,297

19 REVENUE FROM OPERATION	2011-12	2010-11
	₹	₹
Sale of Products	625,138,127	528,426,006
-Less Excise Duty Recovered	10,269,417	7,372,892
Total	614,868,710	521,053,114
PARTICULARS OF PRODUCTS SOLD		
1. Polymer Compounds	238,504,258	172,162,635
2. Synthetic Rubbers	376,364,452	348,890,479
Total	614,868,710	521,053,114
20 OTHER INCOME	2011-12	2010-11
	₹	₹
1. Interest		
a) Fixed Deposit with Bank	381,780	423,240
b) Others	188,772	6,514
2. Dividend		
a) Current Investment	1,636,427	84,832
b) Others	5,000	5,000
3. Foreign Exchange gain	636,399	4,164,427
4. Short Term Profit on Sale of Investment	14,617	-
5. Others	146,890	173,821
6. Other Non Operative Income		
Net gain on Sale of Assets	67,322	2,270,298
Others	945	726,058
Total	3,078,152	7,854,190
21 COST OF MATERIALS CONSUMED	2011-12	2010-11
	₹	₹
PARTICULARS OF RAW MATERIAL AND PACKING MATERIAL CONSUMED		
RAW MATERIALS		
1. Synthetic Rubber	118,764,437	87,272,486
2. P.V.C.	20,499,635	20,136,038
3. Others	21,505,937	22,756,473
	160,770,009	130,164,997
PACKING MATERIALS		
	1,616,970	1,735,071
Total	162,386,979	131,900,068

22 PURCHASE OF STOCK IN TRADE	2011-12 ₹	2010-11 ₹
1. Synthetic Rubber	338,813,877	291,389,899
2. Others	3,321,567	24,731,663
Total	342,135,444	316,121,562

23 INCREASE/ DECREASE IN INVENTORIES	2011-12 ₹	2010-11 ₹
Closing Stock		
1. Finished Goods	6,365,786	13,168,804
2. Trading Goods	64,031,984	43,827,516
3. Work in Progress	48,649	27,929
	70,446,419	57,024,249
Opening Stock		
1. Finished Goods	13,168,804	4,145,535
2. Trading Goods	43,827,516	21,924,308
3. Work in Progress	27,929	48,369
	57,024,249	26,118,212
Increase in Stock Total	(13,422,170)	(30,906,037)

24 EMPLOYEE BENEFITS EXPENSES	2011-12 ₹	2010-11 ₹
1. Salary, Wages, Allowances & Bonus	13,201,754	10,819,597
2. Contribution to Provident Fund, Gratuity and Other Funds	1,152,529	825,424
3. Staff Welfare	544,144	494,548
Total	14,898,427	12,139,569

24.1 Employee Benefits

The Company has a defined benefit plan Every employee who has completed five year or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company has a defined unfunded obligation for leave encashment. Generally the leave encashment is paid to employees as and when claimed.

The following tables summarise :

	2011-12		2010-11	
	Leave Encashment ₹	Gratuity ₹	Leave Encashment ₹	Gratuity ₹
The amounts Recognised in the Balance Sheet :				
Present value of funded obligations	Nil	1,089,732	Nil	1,007,914
Fair value of plan assets	Nil	Nil	Nil	Nil
Present value of unfunded obligations	656,217	(160,227)	447,779	(75,088)
Unrecognised past service cost	Nil	Nil	Nil	Nil
Net Liability	656,217	(160,227)	447,779	(75,088)

	2011-12		2010-11	
	Leave Encashment ₹	Gratuity ₹	Leave Encashment ₹	Gratuity ₹
Liabilities	656,217	1,249,959	447,779	932,826
Assets	Nil	1,089,732	Nil	1,007,914
Net Liability	656,217	160,227	447,779	(75,088)
Amounts Recognised in the statement of Profit & Loss Account:				
Current service cost	106,867	180,115	86,961	141,422
Interest on obligation	36,942	76,958	28,242	60,109
Expected return on plan assets	Nil	(80,919)	Nil	(68,832)
Net actuarial losses (gains) recognised in the year	121,383	126,450	88,475	2,700
Past service cost	Nil	Nil	Nil	Nil
Losses (gains) on curtailments and settlement	Nil	Nil	Nil	Nil
Total included in employee benefit expenses	265,191	302,605	203,678	135,400
Changes in the present value of the defined benefit obligation representing reconciliation of Opening & closing balances thereof :				
Opening defined obligation as on 01/04/2011	447,779	932,826	342,328	728,594
Service cost for the year	106,867	180,115	86,961	141,422
Interest cost	36,942	76,958	28,242	60,109
Actuarial losses (gains)	121,383	107,137	88,475	2,700
Losses (gains) on curtailments				
Benefit paid	(56,753)	(47,077)	(98,227)	Nil
Closing defined benefit obligation as on 31/03/2012	656,217	1,249,959	447,779	932,826
Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof :				
Opening fair value of plan assets	Nil	1,007,914	Nil	590,513
Expected return	Nil	80,919	Nil	68,832
Actuarial gains and (losses)	Nil	(19,313)	Nil	Nil
Assets distributed on settlement	Nil	(284,918)	Nil	Nil
Contribution by employer	Nil	305,130	Nil	348,569
Closing balance of Fund	Nil	1,089,732	Nil	1,007,914
Principal actuarial assumptions at the balance sheet date :				
(Expressed as weighted averages)				
Discount rate (p.a.)	0.08	0.09	0.08	0.08
Expected return on plan assets (p.a)	Nil	0.09	Nil	0.09
Proportion of employee opting early retirement	Nil	Nil	Nil	Nil
Annual increase in salary costs	0.06	0.06	0.06	0.06
Amount for the current and previous periods :				
Defined benefit obligation	656,217	Nil	447,779	Nil
Plan assets	Nil	Nil	Nil	Nil
Surplus/(deficit)	(656,217)	Nil	(447,779)	Nil

25 FINANCE COST	2011-12	2010-11
	₹	₹
Interest on Bank Borrowings	669,919	844,414
Interest On Others	-	82,603
Bank Charges	1,862,042	1,684,700
Total	2,531,961	2,611,717

26 OTHER EXPENSES	2011-12	2010-11
	₹	₹
1. Power, Water and Fuel	2,107,972	1,944,661
2. Rent	1,657,540	1,380,000
3. Rates & Taxes	118,348	116,475
4. Repairs and Maintainance	666,159	1,700,725
5. Insurance Charges	882,352	344,581
6. Directors Sittings Fees	160,000	165,000
7. Payment to Auditors	336,881	224,879
8. Legal & Professional Charges	968,939	1,322,800
9. Export charges	5,249,895	4,664,422
10. Dimunition in Value of Investments	223,541	-
11. Excise duty on Finished Goods *	(529,638)	842,608
12. Commission & Discount	669,058	949,623
13. Carraige outward & freight	1,682,843	1,655,762
14. Miscellaneous Expenses	3,874,737	4,276,392
Total	18,068,627	19,587,928

* Excise Duty shown under other expenses represents the difference between Excise Duty on opening and closing stock of Finished Goods.

26.1 Consumption of Raw Materials, Packing Materials and Stores & Spares	%	2011-2012	%	2010-2011
		₹		₹
Raw Materials				
a) Imported Raw Material	86	137,667,765	78	101,691,170
b) Indigenous Raw Material	14	23,102,244	22	28,473,827
	100	160,770,009	100	130,164,997
Indigenous Stores	100	61,452	100	78,785
Packing Materials	100	1,616,970	100	1,735,071

26.2 CIF Value of Imports	2011-2012	2010-2011
	₹	₹
Raw Material	126,335,457	88,970,054
Trading Goods	267,891,397	297,034,380

26.3 Payment to Auditors As :	2011-2012 ₹	2010-2011 ₹
(a) Audit Fees	120,000	90,000
(b) Tax Audit Fees	30,000	30,000
(c) Certification & Review	30,000	30,000
(d) MVAT Audit	20,000	10,000
(e) Ex penses Reimbursed	136,881	64,879
Total	336,881	224,879

26.4 Expenditure in Foreign currency :	2011-2012 ₹	2010-2011 ₹
Commission	457,647	468,905
Legal & Professional Fees	-	194,681
Total	-	194,681

27 Earning Per Share	As at 31/03/2012 ₹	As at 31/03/2011 ₹
The basic earning per share ("EPS") is calculated by dividing the Profit after Tax by the number of Equity Shares outstanding.		
Profit after tax as per Statement of Profit & Loss (A)	59,363,433	51,952,942
No. of Equity Shares (B)	5,215,800	5,215,800
Basic and diluted Earning Per Share (A/B)	11.38	9.96
Nominal Value per Share	10.00	10.00

28 Earning in Foreign Currency on account of Export :	2011-2012 ₹	2010-2011 ₹
F O B Value of Export	140,109,765	96,992,125

29 Related Party Information :

As per AS-18 issued by the Institute of Chartered Accountants of India, the Company's related parties are as under

1 (a) Key Management personnel and their relatives

1 Aditya Arvind Kapoor

(b) Enterprises under significant influence of key management personnel

1 Rishiroop Polymers Pvt Ltd	4 Rishichem Distributors Pvt Ltd	7 Rishichem Mid-East Ltd
2 Rishiroop Rubber (International) Ltd	5 Rishiroop Investments & Trading Co. Pvt Ltd	8 Rishifoods Pvt Ltd
3 Devi Organics Pvt Ltd	6 Rishiroop Holding Pvt Ltd	9. Puneet Polymers

2 Transactions with related parties

Particulars	2011-12		2010-11	
	Referred in 1 (a) above ₹	Referred in 1 (b) above ₹	Referred in 1 (a) above ₹	Referred in 1 (b) above ₹
Managerial Remuneration	4,314,320		3,506,264	
Loan				
Rishiroop Polymers Pvt Ltd		-		5,000,000
Interest on Loan				
Rishiroop Polymers Pvt Ltd		-		82,603
Purchase of Goods				
Rishiroop Rubber (International) Ltd		4,621,407		1,838,666
Sale of Car				
Puneet Polymers		112,500		-
Sale of Goods				
Rishiroop Rubber (International) Ltd		989,406		
Rishichem Distributors Pvt Ltd		3,400,323		4,761,874

30 LEASES

The company has taken office premise under leave and licence agreement.

This leave and licence agreement is generally renewable or cancellable at the option of the Company or the Lessor.

The lease payment on account of Office amounting to ₹ 16,57,540 (P.Y. ₹ 13,80,000) is recognised in the Statement of Profit and Loss

Future commitments in respect of minimum lease payments payable for non cancellable operating leases entered in to by the Company

	As at 31/03/2012 ₹	As at 31/03/2011 ₹
a. Payable not later than one year for Premises	674,160	590,334
b. Payable later than one year but not later than five years Premises	-	-

31 SEGMENT INFORMATION

The Company is engaged in the one business segment i.e. Rubber Business and it is primary segment.

32 DERIVATIVE INSTRUMENTS

The Company enters into forward contracts to offset foreign currency risks arising from the amounts denominated in currencies other than the Indian Rupee. The counter party such forward contracts is a bank. These contracts are entered into to hedge the foreign currency risks on the firm commitments. Details of forward contract outstanding as at the year end.

Particulars	As at 31/03/2012 Exposure to buy / sell	₹	Foreign Currency (US Dollars)
Forward Contract	Buy	12,822,761	259,307.60

As per our report attached of even date

For B. D. Jokhakar & Company
Chartered Accountants
Firm Reg. No. 104345W

Raman Jokhakar
Partner
Membership No. 103241

Place :- Mumbai
Dated :- 28th May 2012

For and on behalf of the Board

Mahendra Kumar Kapoor	Chairman
Aditya Arvind Kapoor	Managing Director
Arvind Kapoor	Director
Jayesh Dadia	Director
Nilesh Jain	Company Secretary

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PUNEET RESINS LIMITED

Registered Office: W-75(A) & W-76(A), MIDC Industrial Area, Satpur, Nashik 422 007.

**27TH ANNUAL GENERAL MEETING TO BE HELD ON TUESDAY, AUGUST 21ST, 2012
AT 10.00 A.M, AT HOTEL IBIS NASHIK, PLOT NO. 9, NASHIK TRIAMBAKESHWAR ROAD,
VILLAGE SATPUR (NEAR MIDC OFFICE), NASIK 422 007.**

ADMISSION SLIP

Name & Address of Member	Regd. Folio No.

I Certify that I am the registered Shareholder of the Company and hold _____ equity shares, or that I am Proxy of the Registered Shareholder of the Company holding _____ equity Shares. (Please indicate whether Member / proxy)

Member's / Proxy's Signature.

- NOTE :** 1. Shareholder / Proxy holder wishing to attend the meeting must bring the admission Slip to the meeting and handover at the entrance duly signed.
2. Shareholders are requested to advise their changes in addresses if any, immediately.



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PROXY FORM

I / We _____

_____ being a Member / Members of PUNEET RESINS LIMITED hereby

appoint _____ of _____

or failing him _____ of _____

or, failing him _____ of _____

as my / our proxy to attend and vote for me / us on my / our behalf at the Twenty Seven Annual General Meeting of the Company to be held on Tuesday, August 21, 2012 and at any adjournment thereof.

As witness my/ our hand(s) this _____ day of _____ 2012.

Regd. Folio No.: _____

No. of Shares Held : _____

Please
Affix
Re. 1
Revenue
Stamp

NOTE: The Proxy Form duly signed across the stamp should reach the Company's Registered Office at least 48 hours before the meeting.







Corp. Off.: 84, Atlanta, Nariman Point, Mumbai - 21 | **Tel :** 022 - 4095 2002 | **Fax :** 022 - 2287 2796 | **Website :** www.puneet.in