

ANNUAL REPORT 2013-14

29th Annual Report

- 2 Notice
- 6 Directors' Report
- 9 Management Discussion & Analysis
- 11 Report on Corporate Governance
- 19 Auditor's Certificate on Corporate Governance
- 20 Auditors' Report
- 24 Balance Sheet
- 25 Statement of Profit & Loss
- 26 Cash Flow Statement
- 27 Notes on Financial Statement

NOTICE

Notice is hereby given that the **Twenty Ninth Annual General Meeting** of Puneet Resins Ltd. will be held on **Tuesday, 19th Day of August, 2014 at 10.00 a.m.**, at Hotel Ginger, Plot No. P - 20, Satpur MIDC, Near Satpur Police Station, Trimbak Road, Nasik 422 007 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss 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 (Holding DIN 00002704), who retires by rotation and being eligible offers himself for re-appointment.
4. To reappoint M/s B.D. Jokhakar & Co. Chartered Accountants (Firm Registration No. 104345W) as Statutory Auditors of the company and fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 read with Schedule IV of the Companies Act, 2013, Mr. D P Shah (Holding DIN 00005072) Independent Director of the Company whose period of office was liable to retirement of directors by rotation and in respect of whom the company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby reappointed as an Independent director of the company to hold office for a term of five consecutive years up to 31st March, 2019."

6. To consider and if thought fit to pass with or without modification, the following resolution as ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 read with Schedule IV of the Companies Act, 2013, Mr. Nakul Kumar (Holding DIN 00262802) Independent Directors of the Company whose period of office was liable to retirement of directors by rotation and in respect of whom the company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby reappointed as an Independent director of the company to hold office for a term of five consecutive years up to 31st March, 2019."

For and on behalf of the Board of Directors

Place : Mumbai
Date : 24/05/2014

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. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total paid up share capital of the company.
2. Shareholders are requested to bring their copy of Annual Report to the Meeting.
3. Members/proxies should fill the Attendance Slip for attending the meeting.
4. 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.
5. 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.
6. 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.
7. The Register of Members and Share Transfer Books of the Company will be closed from 9th August, 2014 to 19th August, 2014 (both days inclusive).
8. The dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after 19th August, 2014 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 8th August, 2014 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 9th August, 2014.
9. 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.

10. 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 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules 2014, 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 SH 13 (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 BSE. The listing fee has been paid up to date.
14. **Members who have not registered their e-mail addresses so far are required to register their e-mail address for receiving all communications including Annual Report, notices etc from the Company electronically.**
15. **In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 e-voting facility is being provided to the Members. Details of e-voting process and other relevant details are being sent to all the members along with the Notice.**

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013

Item No.5:

Mr. D.P. Shah is a Non Executive Independent director of the Company. He joined the Board of Directors in December, 2005. Mr. D.P. Shah is also Chairman of the Audit Committee and Nomination & Remuneration Committee of the Board of Directors of the Company.

Mr. D.P. Shah is a fellow member of Institute of Chartered Accountants of India (ICAI) & Institute of Company Secretaries of India (ICSI) and has 38 of years experience in the field of Corporate Laws, Corporate Finance, Taxation, Legal & Accounting.

Mr. D.P. Shah holds directorship and membership of the Committees of the Board of Directors of the under stated other Companies in India.

- Director in Rishiroop Rubber (International) Limited.
- Member of Audit & Remuneration Committee of Rishiroop Rubber (International) Limited.

Mr. D.P. Shah does not hold by himself or for any other person on a beneficial basis, any shares in the company.

Mr. D.P. Shah is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies act, 2013, Mr. D.P. Shah being eligible and offering himself for appointment, is proposed to be appointed as an independent Director for a term of five consecutive years up to 31st March, 2019. A notice has been received from a member proposing Mr. D.P. Shah as a candidate for the office of Director of the Company.

In the opinion of the Board Mr. D.P. Shah fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. D.P. Shah as an independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and is it

desirable to continue to avail services of Mr. D. P. Shah as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. D. P. Shah as an Independent Director, for the approval by the shareholders of the company.

Except Mr. D. P. Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.6:

Mr. Nakul Kumar is a Non Executive Independent Director of the Company. He joined the Board of Directors in October, 2008. Mr. Nakul Kumar is also member of the Audit and Nomination & Remuneration Committee of the Board of Directors of the Company.

Mr. Nakul Kumar is an Associate Financial Planner and has 13 years of experience in the field of Financial and Investments Consultancy Services and Reality Services.

Mr. Nakul Kumar doesn't hold any membership or chairmanship of the Committees of the Board of Directors of other Companies in India. He is a Managing Director of Wealthcraft Investment Services Pvt. Ltd.

Mr. Nakul Kumar does not hold by himself or for any other person on a beneficial basis, any shares in the company.

Mr Nakul Kumar is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies act, 2013, Nakul Kumar being eligible and offering himself for appointment, is proposed to be appointed as an independent Director for a term of five consecutive years upto 31st March, 2019. A notice has been received from a member proposing Mr. Nakul Kumar as a candidate for the office of Director of the Company.

In the opinion of the Board Mr. Nakul Kumar fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Nakul Kumar as an independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and is it desirable to continue to avail services of Mr. Nakul Kumar as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Nakul Kumar as an Independent Director, for the approval by the shareholders of the company.

Except Mr. Nakul Kumar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24/05/2014

Mahendra Kumar Kapoor
Chairman

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their Twenty-Ninth Annual Report, together with the Audited Statement of Accounts for the financial year ended 31st March, 2014.

FINANCIAL RESULT: The summarized financial results of the company for the year ended 31st March, 2014 are presented below:

	(₹ in Lacs)	
Particulars	2013-2014	2012-2013
Sales and other income	3627.07	4448.69
Profit before Depreciation, Interest and Tax	324.39	395.41
Less: Depreciation	34.12	33.75
Interest	12.42	16.59
Profit before Tax	277.85	345.07
Less: Provision for Tax (Including Income Tax, Deferred Tax etc.)	77.99	119.52
Profit after Tax	199.86	225.55
Add: Balance Brought forward from the previous year	1056.75	914.42
Profit available for Appropriation	1256.61	1139.97
Appropriation		
Transfer to General Reserve	10.00	10.00
Proposed Dividend 12 % (Last Year 12%)	62.59	62.59
Dividend Distribution Tax	10.63	10.63
Balance carried forward to Balance Sheet	1173.39	1056.75

REVIEW OF OPERATIONS

Your company's turnover decreased from ₹ 4397.93 Lacs in the last year to ₹ 3553.68 Lacs in the current year largely due to sluggish demand for traded goods. The Profit before tax (PBT) for the period under review has decreased from ₹ 345.07 Lacs in previous year to ₹ 277.85 Lacs in the current year.

However during the current year the performance is expected to improve with overall revival of the Indian Economy.

Your Company has undertaken a modernization project at the cost of ₹ 2.75 Crores to replace some of the ageing equipments with modern equipments which will improve the operational efficiency and quality of the final product. This is expected to be completed in 3rd quarter of the current financial year.

DIVIDEND

The Board of Directors of the Company recommend, for consideration of shareholders at the 29th Annual General Meeting, payment of dividend of 12 % (₹ 1.20/- per Share) on the Equity Shares of the face value of ₹ 10/- each for the year ended 31st March 2014. The Dividend paid during the previous year was 12% (₹ 1.20 Per Share).

DIRECTORS

Mr. Jayesh Dadia resigned from the directorship of the company w.e.f. 30th April, 2014. The Board of Directors took note of the same at their meeting held on 3rd May, 2014. The Board of Directors places on record its appreciation for the valuable services rendered by Mr. Jayesh Dadia.

In terms of the Articles of Association of the Company Mr. Arvind Mahendra Kapoor, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the company and being eligible, offers himself for reappointment. The brief resume of the Mr. Kapoor has been detailed in the Corporate Governance Report. The directors recommend his reappointment as director of the company.

All the appointments of Directors of the company are in compliance with the provisions of Section 164 of the Companies Act, 2013.

As per Section 149 of the Companies Act, 2013 and SEBI Circular dated 17.04.2014, your directors are seeking appointment of Mr. D P Shah and Mr. Nakul Kumar as Independent Directors for a term of five consecutive years up to 31st March, 2019. Details of the proposal for appointment of Mr. D P Shah and Mr. Nakul Kumar are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 29th Annual General Meeting.

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

DIRECTORS' RESPONSIBILITY STATEMENT U/S 134 (5) OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134 (5) of Companies Act, 2013, 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, 2014, 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 at 31st March, 2014 and of the profit and loss of the Company for the year ended 31st March, 2014;
- 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, 2014 on a going concern basis.
- 5) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- 6) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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 73 of the Companies Act, 2013 and the rules made thereunder.

STATUTORY AUDITORS

M/s. B. D. Jokhakar & Co., Chartered Accountants, Statutory Auditors of the Company, will retire at the conclusion of the ensuing (29th) Annual General Meeting and are eligible under Section 139 and 141 of the Companies Act, 2013 for reappointment as Statutory Auditors of the Company.

The Company has received confirmation from M/s. B. D. Jokhakar & Co. to the effect that their appointment if made, would be within the eligibility criteria prescribed under Section 139 and 141 of the Companies Act, 2013.

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 134(3) of the Companies Act, 2013.

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

As required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, 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 ceiling under Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

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

The Board of 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 Board of Directors expresses 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: 24th May, 2014

MAHENDRA KUMAR KAPOOR
CHAIRMAN

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Information pursuant to Section 134(3)(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ended 31st March, 2014.

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) Research 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:

Particulars	2013-2014	2012-2013
1. Electricity		
a) Purchased Unit (KWH)	3,05,138	2,78,086
Total amount (₹)	22,98,776	20,55,604
Rate/Unit (₹)	7.53	7.39
b) Own generation	Nil	Nil
2. Consumption per kg. of finished goods produced	0.25 KWH	0.25 KWH

D. Foreign Exchange Earnings and Outgo:

Particulars	2013-2014	2012-2013
1. FOREIGN EXCHANGE EARNINGS		
Foreign Exchange earnings during the year	1071.20	1069.93
2. FOREIGN EXCHANGE OUTGO		
Value of Imports calculated on CIF basis		
Raw Material	1015.84	1030.80
Trading Goods	1255.17	1783.43

(₹ in Lacs)

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 in these industries.

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.

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, 2013 and generally accepted Accounting Principles in India.

Fixed Assets

During the year the Fixed Assets increased by ₹ 28.63 lacs.

Inventories

During the year total inventories increased to ₹ 728.18 Lacs from ₹ 699.14 Lacs in last year.

Sundry Debtors

The Sundry Debtors are at 15 % of sales as at 31st March, 2014.

Financial performance

Profit before taxation (PBT) for the current financial year is ₹ 277.85 Lacs as compared to profit before tax (PBT) for the previous year ₹ 345.07 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. It is also looking at new products to add to its traded goods portfolio.

However one of the items of trading portfolio will face competition from new local producers. Foreign exchange management during the current volatile scenario is critical, as the company imports significant portion of its raw material requirements.

OUTLOOK

In the Current year with the revival of economy the demand for Company's products is expected to improve.

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 fluctuating since last two quarters. Further fluctuations 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 33 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, 2014 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	No. of other Directorships held@	Committee Membership / Chairmanship of Board Committees in other companies@@	Relationship With other Director
Mr. Mahendra Kumar Kapoor	Non-Executive Promoter Director	1	1	Father of Mr. Arvind Kapoor and Grandfather of Mr. Aditya Kapoor
Mr. Arvind Kapoor	Non- Executive Promoter Director	1	1 as member 1 as Chairman	Son of Mr. Mahendra Kumar Kapoor and Father of Mr. Aditya Kapoor
Mr. Jayesh C. Dadia*	Non-Executive Independent Director	1	Nil	N.A
Mr. Dilip Shah**	Non-Executive-Independent Director	1	1 as Chairman	N.A
Mr. Nakul Kumar	Non-Executive-Independent Director	Nil	Nil	N.A
Mr. Aditya Kapoor	Executive Director	Nil	Nil	Son of Mr. Arvind Kapoor and Grandson of Mr. Mahendra Kumar Kapoor

Notes: @ The Directorship held by directors as mentioned above excludes directorship in Puneet Resins Ltd. & excluding directorships of Private limited Companies.

@@ Committees considered are Audit Committee and Stakeholders Relationship Committee excluding in Puneet Resins Ltd.

* Resigned from directorship & Chairmanship of the Audit Committee w.e.f 30th April, 2014.

** Appointed Chairman of the Audit Committee at the board meeting held on 3rd May, 2014.

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, 2013 to 31st March, 2014 on the following dates May 27, 2013, August 09, 2013, October 31, 2013 and February 4, 2014 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	No
Mr. Arvind Kapoor	4	4	Yes
Mr. Jayesh Dadia	4	3	Yes
Mr. Dilip Shah	4	3	Yes
Mr. Nakul Kumar	4	3	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 Mahendra Kapoor
2	Date of Birth	20/01/1954
3	Date of Appointment	24/09/1984
4	Nature of expertise in specific functional areas	32 years of Industrial and Managerial experience.
5	Qualifications	M.S. Polymer Engg. ChE, USA and B.Tech., IIT - Mumbai
6	Directorships held in other companies (excluding foreign companies)	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
7	Committee position held in companies	1. Audit Committee - Member and Stake Holder's Relationship Committee - Chairman (Puneet Resins Ltd) 2. Audit Committee and Stake Holder's Relationship Committee - Member(Rishiroop Rubber(International) Ltd
8	No. of shares held: (As on 31.03.2014)	82,000

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 the Managing Director is contained in the Annual Report.

III) COMMITTEES OF THE BOARD

a. Audit Committee

The Audit Committee was originally constituted by the Board of Directors at its Meeting held on 22nd June, 2001 and last reconstituted by the Board of Directors at its meeting held on 3rd May, 2014 on account of the resignation of Mr. Jayesh Dadia. Shri Nakul Kumar inducted as a member of the Audit Committee by the Board at their meeting held on 3rd May, 2014. Revised members of the Committee are Mr. Dilip Shah (Chairman), Mr. Nakul Kumar, and Mr. Arvind Kapoor. Mr. Nilesh Jain, Company Secretary, is the Secretary to the Committee.

The Committee held four meetings during the year 2013-2014. Four Audit Committee Meetings were held during the period 1st April, 2013 to 31st March, 2014 on the following dates May 27, 2013, August 09, 2013, October 31, 2013 and February 4, 2014. The Statutory Auditors, Internal Auditors and Company Secretary also attended the meeting of the Audit Committee. The attendance of members was as under:

Members	Meetings held	Meetings Attended
Mr. Jayesh Dadia	4	3
Mr. Arvind Kapoor	4	4
Mr. Dilip Shah	4	3

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:

1. To recommend appointment, remuneration (for Statutory Audit and for other services rendered, if any) and the terms of appointment of Statutory Auditors of the Company and to review and monitor their independence and performance and effectiveness of audit process.
2. To examine the financial statements (including quarterly financial statements) and the Auditors report thereon and to discuss the same if necessary with the Statutory Auditors, the management and Key Managerial Personnel's if necessary and to ensure that the company's financial reporting process and disclosure of financial information make the financial statements correct, sufficient and credible particularly with reference to :
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Compliance with listing and other legal requirements relating to financial statements
 - c. Qualifications in the draft audit report.
3. To recommend appointment, remuneration and the terms of Internal Auditors and to review performance and effectiveness of their audit and adequacy of internal control systems.
4. To approve the Related Party Transactions (RPT) or any subsequent modifications thereof and to obtain professional advice, if necessary.
5. To scrutinize inter-corporate loans and investments.
6. To consider, whenever necessary valuation of assets or undertaking of the Company.
7. To evaluate internal financial controls in consultation with the Statutory Auditors and the Internal Auditors, if any.
8. To evaluate the risk management systems, if any, prevailing in the company and to review the findings if any, of the Internal Auditors where there is a suspected fraud or irregularity or failure of internal control system.
9. To monitor end use of the funds (and other related matters) whenever raised through public offers.
10. To evaluate the content and efficiency of the vigilance mechanism / whistle blower mechanism prevailing in the company and to provide adequate safeguards against victimization.
11. To look into the reasons for substantial defaults, if any in the payments to the depositors, debenture holders, shareholders and creditors.
12. To approve appointment of the CFO (a whole time Director or an Executive) after assessing the qualifications and experience of the Candidate.

b. Nomination and Remuneration Committee

The committee was last reconstituted on 3rd May, 2014 on account of the resignation of Mr. Jayesh Dadia. Revised members of the Committee are Mr. Dilip P. Shah (Chairman), Mr. Nakul Kumar and Mr. Arvind Mahendra Kapoor. Mr. Nilesh Jain, Company Secretary, is the Secretary to the Committee. The Committee held no meetings during the year 2013-2014.

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

1. To identify persons who are qualified to become Directors and who may be appointed in senior management positions (in accordance with criteria laid down) and to recommend to board their appointment (to ensure diversity in the Board) and removal if necessary, and to carry out evaluation of every director's performance.
2. To formulate criteria for determining qualifications, attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

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 V to the Companies Act, 2013. 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 2013-2014

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 2014 is as under:

Name	Salary (₹)	Perquisites and allowances (₹)	Commission (₹)	Total (₹)
Mr. Aditya Kapoor	16,80,000	14,67,091	-	31,47,091

The above amount excludes perquisite value as per the Income Tax Act, 1961 amounting to ₹ 28,800.

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, 2014 is as under:

Director's name	Sitting fees (₹)			Total
	Board Meetings	Audit Committee Meetings	Nomination and Remuneration Committee	
Mr. Mahendra Kumar Kapoor	20,000/-	NIL	NIL	20,000/-
Mr. Arvind Kapoor	20,000/-	20,000/-	NIL	40,000/-
Mr. Jayesh Dadia	15,000/-	15,000/-	NIL	30,000/-
Mr. Dilip Shah	15,000/-	15,000/-	NIL	30,000/-
Mr. Nakul Kumar	15,000/-	Nil	NIL	15,000/-

As on March 31, 2014 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	82,000
Mr. Jayesh Dadia	16,800
Mr. Dilip Shah	NIL
Mr. Nakul Kumar	Nil

As on March 31, 2014 the Executive Director held equity shares of the Company as follows:

Mr. Aditya Kapoor	82,100
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c. Stakeholder's Relationship Committee

The Committee was last reconstituted on 3rd May, 2014 and members of the Committee are Mr. Arvind Kapoor (Chairman) and Mr. Aditya Arvind Kapoor as member. Mr. Nilesh Jain, Company Secretary, is the Secretary to the Committee. The Committee held no meetings during the year 2013-2014.

The functions and powers of the Stakeholder's Relationship Committee include considering and resolving the grievance of security holders of the company.

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 : 06

Number of Investor Complaints resolved during the year : 06

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	28 th Annual General Meeting	27 th Annual General Meeting	26 th Annual General Meeting
Date	12 th August, 2013.	21 st August, 2012	23 rd August, 2011
Time	10.00 a.m.	10.00 a.m.	10.00 a.m.
Special Resolutions	Yes	-	-
Venue	Hotel IBIS Nashik, Satpur, Nasik 422 007	Hotel IBIS Nashik, Satpur, Nasik 422 007	Registered Office of the Company

None of the Special resolution/s passed in last three Annual General Meetings were required to be 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 125 of the Companies Act, 2013, 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	515	3,06,356.40	24 th August, 2017
2010-2011	529	3,60,400.50	28 th September, 2018
2011-2012	599	4,55,183.50	26 th September, 2019
2012-2013	643	3,61,824.00	17 th September, 2020

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.

C. 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.

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

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

E. 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.

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

Clause 49 of the Listing agreement requires that 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 Business Standard (English) and The Navashakti (Marathi) and in official website of Bombay Stock Exchange (www.bseindia.com)
2	Publication in News Papers	Published in National and local dailies such as The Business Standard (English) and The Navashakti (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.

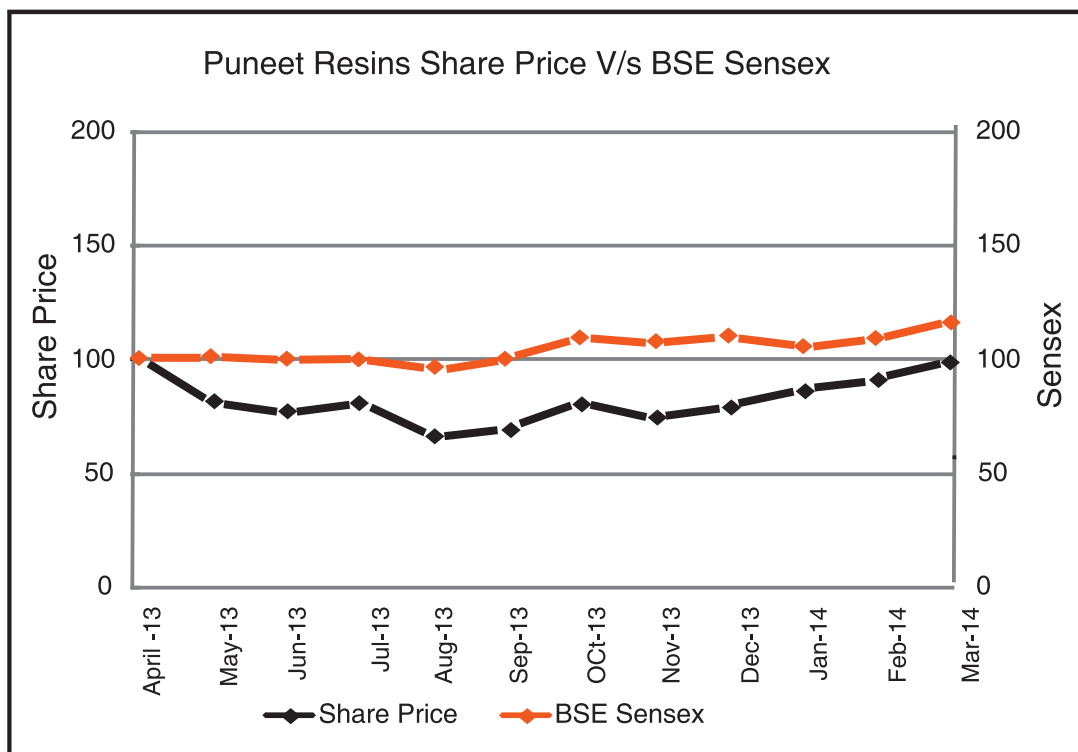
VII) GENERAL SHAREHOLDER INFORMATION

1	29th Annual General Meeting	: Day, Date, Time and Venue Tuesday, 19 th day of August, 2014, at 10 A.M. At Hotel Ginger, Plot No. P - 20, Satpur MIDC, Near Satpur Police Station, Trimbak Road, Nasik 422 007.
2	Financial Year	: 1 st April 2013 - 31 st March 2014
3	Financial Calendar Financial Reporting for	: I. Quarter ending 30 th June, 2014 - Before 14 th August, 2014 II. Half year ending 30 th Sept, 2014 - Before 14 th Nov, 2014 III. Quarter ending 31 st Dec, 2014 - Before 14 th Feb, 2015 IV. Quarter ending 31 st March, 2015 - Before 30 May, 2015 (along with Audited Annual Results) <i>Note: The above dates are indicative.</i>
4	Dates of Book Closure	: 9 th day of August, 2014 to 19 th day of August, 2014 (Both days inclusive)
5	Dividend payment date	: Dividend as declared for the year 2013-2014 will be paid on or after 25 th day of August, 2014 but within the statutory time limit of 30 days.
6	Listing on Stock Exchange at	: Bombay Stock Exchange Ltd. (BSE)
7	Stock Code	: 526492
8	ISIN No.	: INE582D01013.
9	Company Registration No. with ROC/ Ministry of Corporate Affairs (MCA)	: CIN NO : L25200MH1984PLC034093
10	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
11	Dematerialization of shares	: 88.56 % of the total equity capital is held in Dematerialized form with National Securities Depository Ltd. and Central Depository Services (India) Ltd as on 31 st March, 2014.
12	Outstanding ADRs/ GDRs	: The Company has not issued any ADRs/GDRs
13	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

- 14 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
- 15 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 2013	24.50	19.10	19622.68	18144.22
May 2013	32.00	17.05	20443.62	19451.26
June 2013	23.00	16.30	19860.19	18467.16
July 2013	23.00	19.15	20351.06	19126.82
August 2013	18.05	16.00	19569.20	17448.71
September 2013	17.85	15.85	20739.69	18166.17
October 2013	20.00	16.25	21205.44	19264.72
November 2013	21.00	16.40	21321.53	20137.67
December 2013	21.95	17.80	21483.74	20568.70
January 2014	23.90	19.00	21409.66	20343.78
February 2014	24.55	21.75	21140.51	19963.12
March 2014	25.30	20.60	22467.21	20920.98



16. Shareholding Pattern and Distribution of Shareholding as on 31st March, 2014:

1. Shareholding Pattern as on quarter ended 31st March, 2014.			
	Category	No of Shares held	Percentage of Shareholding
A.	Promoters Holding		
1.	Promoters		
	- Indian Promoters	30,56,826	58.61
	- Foreign Promoters	-	-
2.	Persons acting in concert	-	-
	Sub- Total	30,56,826	58.61
B.	Non- Promoters Holding		
1	Institutional Investors	-	-
2	Mutual Funds and UTI	11,700	0.22
C	FIs Holding	-	-
	Sub- Total	11,700	0.22
D	Others Holding		
1	Private Corporate Bodies	1,38,851	2.66
2	Indian Public	19,49,955	37.39
3	NRIs/OCBs	35,875	0.69
4	Director & Relative	16,800	0.32
5	Clearing member	5,793	0.11
	Sub- Total	21,47,274	41.17
	GRAND TOTAL (A+B+C+D)	52,15,800	100.00

Distribution of shares (Slab wise) (in ₹)	No. of shareholders	Percentage to total No. of shareholders	Share Amount (in ₹)	Percentage to total Share Capital
1-5000	2325	79.11	5243920	10.05
5001-10000	301	10.24	2566830	4.92
10001-20000	144	4.90	2302840	4.42
20001-30000	50	1.70	1281630	2.46
30001-40000	24	0.82	873350	1.67
40001-50000	22	0.75	1030900	1.98
50001-100000	30	1.02	2305150	4.42
100001 & Above	43	1.46	36553380	70.08
TOTAL	2939	100.00	52158000	100.00

17. Share Transfer System

Applications for transfer of Shares held in physical form are received at the office of the Registrar and Share Transfer Agent of the Company, M/s Link Intime India Private Limited. They attend to share transfer formalities at least once a week and forward the same to the Company for the Stakeholder's Relationship Committee's approval. In order to expedite the process of share transfers in physical mode, the members of the Stakeholder's Relationship Committee conduct their meetings more frequently, to the extent of weekly meetings of the Committees.

Shares held in dematerialized form are electronically traded in the depository and the Registrar and Share Transfer Agent periodically receives from the depository the details of beneficiary holdings so as to update the records for sending all corporate communications and other matters.

Physical shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt, provided they are duly completed. Bad deliveries are immediately returned to the depository participants under advice to the shareholders.

18. 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.

VIII) 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 : 24th May, 2014

Mahendra Kumar Kapoor
Chairman

DECLARATION - CODE OF CONDUCT

In compliance to clause 49. I(D) (ii) to Listing Agreement, all the Board members and senior management personnel have, for the year ended 31st March 2014, affirmed compliance with the Code of Conduct laid down by the Board of Directors

For Puneet Resins Limited

Place : Mumbai
Date : 24th May, 2014

Aditya Kapoor
Managing Director

DECLARATION BY THE MD/CFO - PURSUANT TO CLAUSE 49(V)

We have reviewed financial statements and the Cash Flow Statement for the year ended 31 March 2014 and certify, to the best of our knowledge and belief, that:

- (i) 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;
- (ii) These statements do not contain any materially untrue statement, or omit any material fact, or contain statements that might be misleading;
- (iii) 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;
- (iv) We accept responsibility for establishing and maintaining internal controls for financial reporting;
- (v) We 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 We are aware and have taken steps to rectify the same, wherever found;
- (vi) 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;

For Puneet Resins Limited

Place : Mumbai
Date : 24th May, 2014

Aditya Kapoor
Managing Director

Suresh H. Khilnani.
Chief Financial Officer

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

To the Members of PUNEET RESINS LIMITED

We have examined the compliance of conditions of Corporate Governance by PUNEET RESINS LIMITED for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned 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. Jokhakar & Company

Chartered Accountants
Raman Jokhakar
Partner
M.No.: 103241

Place : Mumbai
Date : 24th May, 2014

Independent Auditors' Report to the Members of Puneet Resins Limited

We have audited the accompanying financial statements of Puneet Resins Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under Companies Act, 1956 read with the general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Act we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 those books;
 - (c) The Balance Sheet and 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 and Statement of Profit and Loss comply with the Accounting Standards notified under Companies Act, 1956 read with the general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (e) On the basis of the written representations received from the Directors, as on 31st March, 2014 and taken on board by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956 / 164 (2) of the Companies Act 2013;
3. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Act we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

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

Place : Mumbai
Date : 24th May, 2014

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 unsecured 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 have been made at prices which are prima facie reasonable having regard to prevailing market prices to the extent available with the company.
- (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 account & 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, however, not 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, 2014 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 does not have accumulated losses at the 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 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 Registration No: 104345W

Place : Mumbai
Date : 24th May, 2014

Raman Jokhakar
Partner
Membership No. 103241

BALANCE SHEET AS AT 31st MARCH, 2014

Particulars	Note No.	As at 31/03/2014 ₹	As at 31/03/2013 ₹
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	52,158,000	52,158,000
b) Reserves & Surplus	3	144,709,134	132,045,838
		196,867,134	184,203,838
2 Non Current Liabilities			
a) Long Term Borrowings	4	-	152,870
b) Deferred Tax Liabilities (Net)	5	2,892,739	3,293,390
c) Long Term Provisions	6	670,784	758,243
		3,563,523	4,204,503
3 Current Liabilities			
a) Trade Payables	7	53,021,968	61,594,967
b) Other Current Liabilities	8	4,627,364	5,816,481
c) Short Term Provisions	9	8,969,283	9,616,852
		66,618,615	77,028,300
	TOTAL	267,049,272	265,436,641
II ASSETS			
1 Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	20,435,819	20,987,372
b) Non Current Investments	11	18,025,000	25,000
c) Long Term Loans and Advances	12	1,097,580	1,014,210
d) Other Non - current Assets	13	-	1,500,000
		39,558,399	23,526,582
2 Current Assets			
a) Current Investments	14	65,821,827	78,035,953
b) Inventories	15	72,818,229	69,913,930
c) Trade Receivables	16	54,524,191	74,251,405
d) Cash and Bank Balances	17	15,005,693	6,756,407
e) Short Term Loans and Advances	18	18,465,916	8,781,819
f) Other Current Assets	19	855,017	4,170,545
		227,490,873	241,910,059
	TOTAL	267,049,272	265,436,641
Significant Accounting Policies and Notes are an integral part of the financial statements	1 to 33		

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 :- 24th May 2014

For and on behalf of the Board

Mahendra Kumar Kapoor

Chairman

Aditya Arvind Kapoor

Managing Director

Arvind Kapoor

Director

Dilip Shah

Director

Nakulkumar

Director

Nilesh Jain

Company Secretary

Suresh Khilnani

Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

Particulars	Note No.	For the Year Ended 31/03/2014 ₹	For the Year Ended 31/03/2013 ₹
INCOME			
I Revenue from Operations (Net)	20	355,471,039	440,213,489
II Other Income	21	7,236,205	4,655,925
III Total Revenue (I + II)		<u>362,707,244</u>	<u>444,869,414</u>
IV EXPENSES			
Cost of Materials Consumed	22	143,915,004	145,173,112
Purchases of Stock-In-Trade	23	156,095,168	174,320,071
Changes in Inventories of Finished Goods			
Work -In- Progress and Stock-In Trade	24	(6,748,679)	49,393,486
Employee Benefits Expense	25	16,201,118	15,301,241
Finance Costs	26	1,241,624	1,659,467
Depreciation and Amortization Expense		3,412,158	3,374,707
Other Expenses	27	20,805,537	21,139,999
Total Expenses		<u>334,921,928</u>	<u>410,362,083</u>
V Profit Before Tax (III-IV)		27,785,316	34,507,331
VI Tax Expenses			
- Current Tax		8,200,000	12,500,000
- Prior Period Tax		-	63,949
- Deferred Tax		(400,651)	(612,253)
VII Profit for the Year ended (V-VI)		<u>19,985,967</u>	<u>22,555,635</u>
Earnings per Equity Share of face value of ₹10 each			
Basic and Diluted (in ₹)		3.83	4.32
Significant Accounting Policies and Notes are an integral part of the financial statements	1 to 33		

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

Raman Jokhakar
Partner
Membership No. 103241

Place :- Mumbai
Dated :- 24th May 2014

Mahendra Kumar Kapoor	Chairman
Aditya Arvind Kapoor	Managing Director
Arvind Kapoor	Director
Dilip Shah	Director
Nakulkumar	Director
Nilesh Jain	Company Secretary
Suresh Khilnani	Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

Particulars	2013-2014 ₹	2012-2013 ₹
A CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before taxes	27,785,316	34,507,331
Adjusted for		
-Depreciation	3,412,158	3,374,707
-Changes in carrying value of Investments	(1,821,528)	2,042,900
-Interest Expenses	91,329	287,993
-Dividend Received	(680,606)	(640,314)
-Interest Received	(825,384)	(281,162)
-Profit on sales of Fixed Assets	(200,373)	-
-Short Term Gain on sale of Investments	(1,018,681)	(669,287)
-Long Term Gain on sale of Investments	(2,627,528)	(840,136)
-Unrealised Foreign Exchange (Gain) / Loss	(420,137)	(121,422)
	<u>(4,090,750)</u>	<u>3,153,279</u>
Operating profit before working capital changes	23,694,566	37,660,609
Adjustment for		
-(Increase) / Decrease in Inventories	(2,904,299)	61,785,151
-(Increase) / Decrease in Receivables/Advances	14,439,477	17,941,352
-Increase / (Decrease) in Trade payables, Current, Non Current Liabilities & Provisions	(7,890,728)	(49,770,838)
	<u>3,644,451</u>	<u>29,955,665</u>
Cash generated from operation	27,339,016	67,616,274
-Less :- Taxes paid (Net)	9,140,398	12,553,449
Net Cash from Operating Activities (A)	18,198,618	55,062,825
B CASH FLOW FROM INVESTING ACTIVITIES :		
-Sales of Fixed Assets	203,067	-
-Purchase of Fixed Assets	(2,863,298)	(121,241)
-Interest received	825,384	281,162
-Dividend received	680,606	640,314
-Purchase of Investments	(119,472,790)	(117,042,282)
-Sales of Investments	119,154,651	72,061,995
Net cash used in/from Investing Activities (B)	(1,472,380)	(44,180,052)
C CASH FLOW FROM FINANCING ACTIVITIES :		
-Proceeds of acceptance of Long Term & other borrowings	-	-
-Repayment of Long Term & other borrowings	(1,315,125)	(1,389,354)
	<u>(1,315,125)</u>	<u>(1,389,354)</u>
-Interest Expenses	(91,329)	(287,993)
-Dividend & dividend distribution Tax paid	(7,070,498)	(9,854,780)
Net cash used in/from Financing Activities (C)	(8,476,952)	(11,532,127)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	8,249,286	(649,353)
Cash & Cash Equivalents as at the beginning of the year	6,756,407	7,405,760
Cash & Cash Equivalents as at the end of the year	<u>15,005,693</u>	<u>6,756,407</u>
	8,249,286	(649,353)

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 :- 24th May 2014

For and on behalf of the Board

Mahendra Kumar Kapoor	Chairman
Aditya Arvind Kapoor	Managing Director
Arvind Kapoor	Director
Dilip Shah	Director
Nakulkumar	Director
Nilesh Jain	Company Secretary
Suresh Khilnani	Chief Financial Officer

Notes on Financial Statement for the Year ended 31st March, 2014

NOTE NO.

1. SIGNIFICANT ACCOUNTING POLICIES :

(I) Basis of accounting and preparation of financial statements:

The financial statements are prepared under historical cost convention, on accrual basis, in accordance. With the provisions of Companies Act, 1956, Companies Act 2013(to the extent applicable) and the accounting principles generally accepted in India and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006. All Income and expenditures having material bearing on the financial statements are recognised on accrual basis.

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 recognized prospectively in current and future periods.

(II) Valuation of Inventories:

Stock of Raw Materials and Packing Materials 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 productions 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. Work in Progress and Finished goods including stock in trade are valued at lower of cost and net realisable value. Finished goods and work in progress includes cost of conversion and other cost incurred in bringing the inventories to its present location and condition. Cost of inventories are computed on a weighted-average basis.

(III) Depreciation and Amortisation:

Tangible Assets

Depreciation on Fixed Assets has been provided on the following basis.

- a. Straight Line Method basis for Vadivare unit at the rates and in the manner prescribed under Schedule XIV of Companies Act, 1956.
- b. Written Down Value basis for Satpur Unit at the rates and in the manner prescribed under Schedule XIV of Companies Act, 1956.
- c. Lease hold Land is being amortized over the period of lease.

(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 when all the significant risk and rewards of ownership of the products are passed on to the customer, which is generally on dispatch of goods. The sale value is exclusive of excise duty, Sales tax, Trade discounts, sales returns and liquidated damages if any.
- (b) Revenue in respect of service is recognised when services are performed in accordance with the terms of contract with customers.
- (c) Dividend income is recognized when the right to receive dividend is established.
- (d) Interest income is recognized on the time proportion basis, taking into account the amount outstanding and the rate applicable.

(V) Fixed Assets :-

Tangible assets

Tangible assets (excluding leasehold land which is carried at cost) are stated 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. Direct costs are capitalised until fixed assets are ready to use

(VI) 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 statement of Profit and Loss during the year. Monetary assets and liabilities in foreign currencies, which

are outstanding as at the year end, are translated at the closing rate and the resulting exchange differences are recognized in statement of profit and loss..

Derivative Instruments

Derivative contracts are entered into by the company based on underlying transactions.

(VII) Accounting of Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current Investments are valued at lower of cost or realisable value determined on individual basis. Long term investments are stated at cost less provision, if any, for decline other, other than temporary in their value.

(VIII) Employees' Benefits:

a) Short Term:

Short term employee benefits are recognised as expenses at the undiscounted amount in the period during which the services have been rendered.

b) Long Term:

Defined Contribution Plan.

Provident fund contributions for employees are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

Retirement Gratuity for employees, is funded through a scheme of Life Insurance Corporation of India. The excess/ shortfall in the fair value of the plan assets and/or the present value of obligation calculated as per actuarial method as at balance sheet dates is recognised as gain/ loss in the Statement of Profit and Loss. Leave encashment liability is provided at the year ended on account of unavailed earned leave as per the actuarial valuation as per Projected Unit Credit Method.

(IX) Borrowing costs :

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use or sale. A qualifying assets 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 expense in the period in which they are incurred.

(X) Leases :

Operating Lease: Assets used under lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

(XI) Earning per share :

The basic earnings per share is calculated by dividing the profit attributable to the shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.

(XII) Taxes on Income:

Tax expenses comprises of current tax and deferred tax (charge or credit). Current income tax is measured at the amount expected to be paid to the authorities in accordance with the Income -Tax Act, 1961. Deferred tax expenses or benefits is recognised on timing differences being the difference between taxable income 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 subsequently ammended at the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognised only to the extent that there is virtual certainty that sufficient taxable income will be available to realise these assets. At each Balance Sheet date, the carrying value of amount of deferred tax assets are reviewed to reassure realisation.

(XIII) Impairment of Fixed Assets:

The carrying amounts of fixed assets are reviewed at each Balance Sheet date for indicators of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an assets exceeds its recoverable amount. The recoverable amount is greater of the assets net selling Price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present

values, based on market rates of borrowing.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on the 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.

(XIV) Provisions and contingencies:

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical evaluation and past experience. A Contingent Liability is disclosed when the company has a future or present obligation & where it is not probable that an outflow resources will be required to settle it. Contingent assets are neither recognised nor disclosed.

2. SHARE CAPITAL

Particulars	As at 31/03/2014		As at 31/03/2013	
	Number of Shares	₹	Number of Shares	₹
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

2.1 Reconciliation of Number of Equity Shares

Particulars	As at 31/03/2014		As at 31/03/2013	
	Number of Shares	₹	Number of Shares	₹
Balance as at beginning of the year	5,215,800	52,158,000	5,215,800	52,158,000
Add : Shares issued during the year	-	-	-	-
Balance at the end of the year	5,215,800	52,158,000	5,215,800	52,158,000

2.2 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.

2.3 The details of shareholders holding more than 5% equity shares

Name of Shareholders	As at 31/03/2014		As at 31/03/2013	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Rishiroop Holding Pvt Ltd	1,099,482	21.08	1,055,500	20.24
Rishiroop Polymers Pvt Ltd	1,106,144	21.21	1,082,037	20.75
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.

Notes on Financial Statements for the Year ended 31st March, 2014

3. RESERVE AND SURPLUS

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Capital Reserve		
As per Last Balance sheet	10,870,860	10,870,860
General Reserve		
As per Last Balance sheet	15,500,000	14,500,000
Add : Transferred from Surplus in Statement of Profit and Loss	1,000,000	1,000,000
Total	16,500,000	15,500,000
Surplus in the Statement of Profit & Loss		
As per Last Balance sheet	105,674,978	91,442,014
Add : Profit transferred from Statement of Profit & Loss	19,985,967	22,555,635
Less : Appropriation		
Transfer to General Reserve	1,000,000	1,000,000
Proposed Dividend on Equity Shares (Dividend per share ₹ 1.20 (P.Y. ₹ 1.20)	6,258,960	6,258,960
Tax on Proposed Dividend	1,063,711	1,063,711
Total	144,709,134	132,045,838
4. LONG TERM BORROWINGS		
Secured - Term Loans		
From Banks - (Secured by Hypothecation of Motor Car)	-	152,870
Total	-	152,870

5. DEFERRED TAX LIABILITY

Particulars	As at 31/03/2013 ₹	During the year ₹	As at 31/03/2014 ₹
(A) Deferred Tax Liability			
Difference between net block as per Book and Income Tax	3,293,390	(400,651)	2,892,739
(B) Deferred Tax Assets			
Unabsorbed Depreciation & Carried Forward Losses	-	-	-
Deferred Tax (Asset) / Liability Net (A-B)	3,293,390	(400,651)	2,892,739

6. LONG TERM PROVISIONS

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Provisions for Employee Benefits		
Leave Salary	639,204	758,243
Gratuity	31,580	-
Total	670,784	758,243

7. TRADE PAYABLES

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Micro, Small and Medium Enterprises	677,827	819,220
Others	52,344,141	60,775,747
Total	53,021,968	61,594,967

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.

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
1. Amount payable to "suppliers" under MSMED Act.		
Principle	677,827	819,220
Interest	-	-
2. Amount paid to "suppliers" under MSMED Act.		
Principle	13,208,698	5,044,196
Interest	-	-

8. OTHER CURRENT LIABILITIES

Current maturities of long-term debt	152,870	1,315,125
Other current liabilities		
(a) Unclaim Dividends *	1,483,764	1,231,591
(b) Advances from Customers	2,102	8,852
(c) Employees benefits	1,145,159	1,029,944
(d) Duties & Taxes	571,695	1,245,572
(e) Excise duty payable on Closing Stock	891,533	526,429
(f) Other Payables	380,241	458,968
Total	4,627,364	5,816,481

* There are no amounts due and outstanding to be credited to the Investor-Education and Protection Fund as at 31st March, 2014 under Section 205C of the Companies Act, 1956.

9. SHORT TERM PROVISIONS

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
(a) Provisions for Employee Benefits		
Leave Salary	185,176	33,524
Gratuity	172,757	31,580
(b) Provisions for Tax		
Income Tax (Net)	1,288,679	2,229,077
(c) Proposed Dividend	6,258,960	6,258,960
(d) Tax on proposed Dividend	1,063,711	1,063,711
Total	8,969,283	9,616,852

Notes on Financial Statements for the Year ended 31st March, 2014

10. FIXED ASSETS

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 01/04/2013	Additions during the year	Deductions/ Adjustments during the year	Balance as at 31/03/2014	Balance as at 01/04/2013	Depreciation during the year	Deductions/ Adjustments during the year	Balance as at 31/03/2014	Balance as at 31/03/2014	Balance as at 31/03/2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Lease Hold Land	107,894			107,894	31239	1,136		32,375	75,519	76,655
Free Hold Land	406,329			406,329				-	406,329	406,329
Building	9,334,944			9,334,944	5875721	304,133		6,179,854	3,155,090	3,459,224
Plant & Machinery	49,292,878	1968457	53863	51,207,472	39035411	1,912,030	51169	40,896,272	10,311,200	10,257,465
Furniture & Fixtures	1,487,084	743246		2,230,330	783315	235,277		1,018,592	1,211,738	703,769
Electrical Installations	1,560,361	34117		1,594,478	1380903	57,698		1,438,601	155,877	179,458
Office Equipments	278,839			278,839	133,443	21,859		155,302	123,537	145,397
Laboratory Equipments	777,526			777,526	374,500	56,248		430,748	346,778	403,026
Other Equipments	383,424			383,424	182,165	29,544		211,709	171,715	201,259
Computers	461,155	117,478		578,633	338,798	70,314		409,112	169,521	122,357
Vehicles	6,911,421			6,911,421	1,940,169	662,737		2,602,906	4,308,515	4,971,251
Moulds & Jigs	1,228,512			1,228,512	1,167,330	61,182		1,228,512	-	61,182
Total	72,230,367	2,863,298	53,863	75,039,802	51,242,994	3,412,158	51,169	54,603,983	20,435,819	20,987,372
Previous Year	72,109,126	121,241	-	72,230,367	47,868,288	3,374,707	-	51,242,995	20,987,372	

11 NON CURRENT INVESTMENTS

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Long Term Investments		
Non-Trade (Valued at Cost)		
Unquoted		
2500 Equity Shares of Saraswat Co-op Bank Ltd of ₹ 10/- each fully paid (P.Y.2500 Shares of ₹ 10/- each fully paid)	25,000	25,000
Quoted Fully paid		
INVESTMENT IN TAX SAVING BONDS		
Rural Electrification Corp Ltd	10,000,000	-
Series -SR2A Annual for 15 Years		
Units 100000 of ₹ 1000 (P.Y. Nil)		
Market Price ₹ 99,12,145/-		
Cost Price ₹ 10000000/-		
Housing Urban Development Corporation Limited	3,000,000	-
Series -SR2A Annual for 15 Years		
Units 3000 of ₹ 1000/- (P.Y Units Nil)		
Market Value ₹ 29,49,764/- (P.Y. Nil)		
Cost Value ₹ 30,00,000/- (P.Y. Nil)		
INVESTMENT IN MUTUAL FUND		
DEBT FUNDS		
-Kotak MFP Series-115	5,000,000	-
Units 500000 of ₹ 10.- (P.Y Units Nil)		
Market Value ₹ 53,12,250/- (P.Y. Nil)		
Cost Value ₹ 50,00,000/- (P.Y. Nil)		
Total	18,025,000	25,000
Aggregate cost of Quoted Investment	18,000,000	-
Aggregate Market Value of Quoted Investment	18,174,159	-

12. LONG TERM LOANS AND ADVANCES

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Unsecured Considered Good		
Security Deposits	1,097,580	1,014,210
Total	1,097,580	1,014,210

13. OTHER NON - CURRENT ASSETS

Balance with Banks:

In Deposit Account (As Margin Money against Letter of Credits)	-	1,500,000
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Total - 1,500,000

14. CURRENT INVESTMENTS

Trade Investment (Valued lower of cost or fair value)

IN MUTUAL FUND - Quoted Fully Paid up

Debts Fund

-JM Money Manager Fund-SPP Growth Units Nil (P.Y. 327128.143 of ₹ 15.6908/-) Market Value Nil (P.Y. ₹ 54,35,332/-) Cost Value Nil (P.Y. ₹ 51.32,896/-)	-	5,132,896
-HDFC High Interest Dynamic Fund-Growth Units 145919.01 of ₹ 41.1187/- (P.Y. Nil) Market Value ₹ 60,25,521/- (P.Y. Nil) Cost Value ₹ 60,00,000/-/- (P.Y. Nil)	6,000,000	-
-Templeton India Income Opportunity Fund -Growth Units 366434.591 of ₹ 13.645/- (P.Y. Nil) Market Value ₹ 52,81,715/- (P.Y. Nil) Cost Value ₹ 50,00,000/-/- (P.Y. Nil)	5,000,000	-
-IDFC Dynamic Bond Fund - Growth Units 277943.772 of ₹ 14.394/- (P.Y. Nil) Market Value ₹ 40,52,420/- (P.Y. Nil) Cost Value ₹ 40,00,000/-/- (P.Y. Nil)	4,000,000	-
-Morgan Stanley Active Bond Fund Regular - Growth Units 194052.674 of ₹ 12.8831/- (P.Y. Nil) Market Value ₹ 25,07,956/- (P.Y. Nil) Cost Value ₹ 25,00,000/-/- (P.Y. Nil)	2,500,000	-
-Birla Sunlife Income Plus Fund - Growth Units 44619.034 of ₹ 56.0299/- (P.Y. Nil) Market Value ₹ 24,10,780/- (P.Y. Nil) Cost Value ₹ 25,00,000/-/- (P.Y. Nil)	2,410,780	-
-SBI MSFU Emerging Business Fund (Growth Fund) Units 155740.277 of ₹ 60.7991/- (P.Y. 155740.277 of ₹ 60.7991/-) Market Value ₹ 92,49,353/- (P.Y. ₹ 83,71,959) Cost Value ₹ 95,00,000/- (P.Y. ₹ 95,00,000/-)	9,249,353	8,371,959
-ICICI Prudential Banking & Financial Fund (Growth Plan) Units 350877.193 of ₹ 22.80/- (P.Y. Units 350877.193 of ₹ 22.80/-) Market Value ₹ 84,10,526/- (P.Y. ₹ 72,28,070/-) Cost Value ₹ 80,00,000/- (P.Y. ₹ 80,00,000/-)	8,000,000	7,228,070
-Birla Sun Life India Gen Next Fund (Growth Plan) Units Nil (P. Y. 157678.966 of ₹ 29.40/-) Market Value Nil (P.Y. ₹ 46,35,762/-) Cost Value Nil (P.Y. ₹ 50,00,000/-)	-	4,635,762
-Reliance Short Term Fund (Growth Plan) Units Nil (P.Y. 194580.921/ - of ₹ 20.557/-) Market Value Nil (P.Y. ₹ 42,54,690/-) Cost Value Nil (P.Y. ₹ 40,00,000/-)	-	4,000,000

Notes on Financial Statements for the Year ended 31st March, 2014

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
-Reliance Medium Term Fund-Retail (Growth Plan) Units Nil (P.Y 659045.683 of ₹ 22.9972/-) Market Value Nil (P.Y. ₹ 1,60,35,965/-) Cost Value Nil (P.Y. ₹ 1,51,56,210/-)	-	15,156,210
-Kotak Gilt Investment Regular (Growth Plan) Units Nil (P.Y 50813.525 of ₹ 39.3596/-) Market Value Nil (P.Y. ₹ 20,63,182/-) Cost Value Nil (P.Y. ₹ 20,00,000/-)	-	2,000,000
-SBI Dynamic Bond Fund - Growth Units 324076.951 of ₹ 15.4284/- (P.Y. Nil) Market Value ₹ 48,94,955/- (P.Y. Nil) Cost Value ₹ 50,00,000/- (P.Y. Nil)	4,894,955	-
-DWS Fixed Maturity Series-53 Units 250000 of ₹ 10.- (P.Y. Nil) Market Value ₹ 25,18,625/- (P.Y. Nil) Cost Value ₹ 25,00,000/- (P.Y. Nil)	2,500,000	-
-Reliance Dynamic Bond Fund (Growth Plan) Units Nil (P.Y. 326409.108 of ₹ 15.3182/-) Market Value Nil (P.Y. ₹ 51,22,665/-) Cost Value Nil (P.Y. ₹ 50,00,000/-)	-	5,000,000
-DWS Cash Opportunities Fund Reg. Plan Daily Dividend Units Nil (P.Y. 509383.005 of ₹ 10.0271/-) Market Value Nil (P.Y. ₹ 51,07,634/-) Cost Value Nil (P.Y. ₹ 51,07,634/-)	-	5,107,634
-DWS Ultra Short Term-Growth Units 345014.261 @ 15.2256/- (P.Y. Nil) Market Value ₹ 52,78,891/- (P.Y. Nil) Cost Value ₹ 52,,53,036/- (P.Y. Nil)	5,253,036	-
-DWS Cash Opportunities Fund-Reg. Growth Units Nil (P.Y. 323408.989 of ₹ 15.4603/-) Market Value Nil (P.Y. ₹ 50,50,387/-) Cost Value Nil (P.Y. ₹ 50,00,,000/-)	-	5,000,000
-JM Money Manager Fund-Daily Dividend Units Nil (P.Y. 519800.011 of ₹ 10.006/-) Market Value Nil (P.Y. ₹ 51,01,116/-) Cost Value Nil (P.Y. ₹ 52,03,347/-)	-	5,201,116
-DWS Money Plus Fund- Instt Growth Units 379965.195 of ₹ 13.1591/- (P.Y. Nil) Market Value ₹ 50,56,159/- (P.Y. Nil) Cost Value ₹ 50,00,000/- (P.Y. Nil)	5,000,000	-
-Templeton India Ultra Short Bond Fund Units 120668.746 of ₹ 16.5743/- (P.Y. Nil) Market Value ₹ 20,34,342/- (P.Y. Nil) Cost Value ₹ 20,00,000/- (P.Y. Nil)	2,000,000	-
-Templeton India Ultra Short Bond Fund-Daily Dividend Units Nil (P.Y. 1118306.893 of ₹ 10.0172/-) Market Value Nil (P.Y. ₹ 1,12,03,198/-) Cost Value Nil (P.Y. ₹ 1,12,02,306/-)	-	11,202,306
-Axis Liquid Fund - Direct Growth Units 6389.675 of ₹ 1410.667/- (P.Y. Nil-) Market Value ₹ 90,87,648/- (P.Y. ₹ Nil) Cost Value ₹ 90,13,703/- (P.Y. ₹ Nil/-)	9,013,703	-
Total	65,821,827	78,035,953
Aggregate cost of Quoted Investment	66,266,739	80,302,393
Aggregate Market Value of Quoted Investment	66,808,891	79,709,970
Changes in carrying cost of Investments	444,912	2,042,900

15. INVENTORIES

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
(Refer Note No. II of Significant accounting policies)		
a) Raw Materials (Goods in Transit ₹ 1,03,22,109 /- P.Y. ₹ 1,34,43,151/-)	33,230,454	38,619,539
b) Work in Process	81,354	43,122
c) Finished Goods	8,104,582	4,785,568
d) Stock-in trade (Goods in Transit ₹ 1,16,12,706/- P.Y. ₹ 1,00,40,030/-)	31,228,382	26,264,273
e) Packing Materials	173,457	201,428
Total	72,818,229	69,913,930
16. TRADE RECEIVABLE		
Unsecured, Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment	1,424,419	51,969
Others	53,099,772	74,199,436
Total	54,524,191	74,251,405
17. CASH AND BANK BALANCES		
Cash on Hand	48,083	30,700
Balance with Banks :		
a) In Current Account	9,933,846	3,430,623
b) In Deposit Account (As Margin Money against Letter of Credits)	3,540,000	2,063,493
c) Unpaid Dividend Account	1,483,764	1,231,591
Total	15,005,693	6,756,407
18. SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Cenvat Credit	7,817,060	7,692,654
Prepaid Expenses	799,212	980,332
Application money for investment in mutual fund	9,750,000	-
Others	99,644	108,833
Total	18,465,916	8,781,819
19. OTHER CURRENT ASSETS		
Unsecured, Considered Good		
Saraswat Bank Deposit	331,836	-
Advances to Supplier	22,480	31,927
DEPB Licence	32,958	4,138,618
Others	467,743	-
Total	855,017	4,170,545

Notes on Financial Statements for the Year ended 31st March, 2014

20. REVENUE FROM OPERATION

Particulars	For the Year ended 31/03/2014 ₹	For the Year ended 31/03/2013 ₹
Sale of Products (Gross)	365,133,826	449,965,886
Less: Excise Duty Recovered	9,765,962	10,172,896
Sale of Products (Net)	<u>355,367,864</u>	<u>439,792,990</u>
Sale of Service		
Commission Received	103,175	420,499
Total	<u><u>355,471,039</u></u>	<u><u>440,213,489</u></u>
Particulars of Products sold		
Finished Goods		
Polymer Compounds	189,631,899	193,786,100
Traded Goods		
Synthetic Rubbers and others	165,735,965	246,006,890
Total	<u><u>355,367,864</u></u>	<u><u>439,792,990</u></u>
21. OTHER INCOME		
1. Interest		
a) Fixed Deposit with Banks	208,327	281,162
b) Interest on Tax bonds	617,057	-
c) Others	17,105	1,707
2. Dividend		
a) Current Investments	678,106	635,314
b) Others	2,500	5,000
3. Foreign Exchange gain	-	1,961,881
4. Short Term Gain on Sale of Investments	1,018,681	669,287
5. Long Term Gain on Sale of Investments	2,627,528	840,136
6. Others	45,000	261,438
7. Other Non Operative Income		
Net gain on Sale of Assets	200,373	-
Others	1,821,528	-
Total	<u><u>7,236,205</u></u>	<u><u>4,655,925</u></u>
22. COST OF MATERIALS CONSUMED		
RAW MATERIALS		
1. Synthetics Rubbers	91,748,085	96,359,368
2. P.V.C.	24,744,983	20,736,119
3. Others	25,823,520	26,605,553
Total	<u><u>142,316,588</u></u>	<u><u>143,701,040</u></u>
PACKING MATERIALS	1,598,416	1,472,072
Total	<u><u>143,915,004</u></u>	<u><u>145,173,112</u></u>
23. PURCHASE OF STOCK - IN - TRADE		
1. Synthetics Rubbers	143,912,028	172,587,682
2. Others	12,183,140	1,732,389
Total	<u><u>156,095,168</u></u>	<u><u>174,320,071</u></u>

24. CHANGES IN INVENTORIES

Particulars	For the	For the
	Year ended 31/03/2014 ₹	Year ended 31/03/2013 ₹
Closing Stock		
1. Finished Goods	8,104,582	4,785,568
2. Stock - in - Trade	19,615,676	16,224,243
3. Work in Progress	81,354	43,122
Total	27,801,612	21,052,933
Opening Stock		
1. Finished Goods	4,785,568	6,365,786
2. Stock - in - Trade	16,224,243	64,031,984
3. Work in Progress	43,122	48,649
Total	21,052,933	70,446,419
(Increase)/Decrease in Stock	(6,748,679)	49,393,486
25. EMPLOYEE BENEFITS EXPENSES		
1. Salary, Wages, Allowances & Bonus	14,592,365	13,588,115
2. Contribution to Provident, Gratuity and Other Funds	1,252,736	1,414,714
3. Staff Welfare	356,017	298,412
Total	16,201,118	15,301,241

25.1 Employee Benefits

The Company has a defined benefit plan for every employee who has completed five years or more of service gets a gratuity on departure of 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 :

Particulars	2013-14 (₹)		2012-13 (₹)	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
The amounts recognised in the Balance Sheet :				
Present value of funded obligations	Nil	1,954,183	Nil	1,458,366
Fair value of plan assets	Nil	-	Nil	-
Present value of unfunded obligations	824,381	-	791,767	(191,808)
Unrecognised past service cost	Nil	Nil	Nil	Nil
Net Liability	824,381	(168,392)	791,767	(191,808)
Amounts in the balance sheet				
Liabilities	824,381	1,954,183	791,767	1,650,173
Assets	Nil	1,785,791	Nil	1,458,366
Net Liability	824,381	168,392	791,767	191,808
Amounts recognised in the statement of Profit & Loss Account:				
Current service cost	114,514	214,586	125,488	217,219
Interest on obligation	58,670	135,314	46,696	102,176
Expected return on plan assets	Nil	(135,426)	Nil	(110,741)
Net actuarial losses (gains) recognised in the year	11,992	(41,717)	177,063	200,150
Past service cost	Nil	Nil	Nil	Nil
Losses (gains) on curtailments and settlement	Nil	Nil	Nil	Nil
Total included in employee benefit expenses	185,176	172,757	349,247	408,804

Notes on Financial Statements for the Year ended 31st March, 2014

Particulars	2013-14 (₹)		2012-13 (₹)	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
Changes in the present value of the defined benefit obligation representing reconciliation of Opening & closing balances thereof :				
Opening defined obligation as on 01/04/2013	791,767	1,650,173	656,217	1,249,959
Service cost for the year	114,514	214,586	125,488	217,219
Interest cost	58,670	135,314	46,696	10,176
Actuarial losses (gains)	11,992	(45,890)	177,063	176,588
Losses (gains) on curtailments				
Benefit paid	(152,563)	-	(213,697)	(95,769)
Closing defined benefit obligation as on 31/03/2014	824,381	1,954,183	791,767	1,650,173
Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof :				
Opening fair value of plan assets	Nil	1,458,366	Nil	1,089,732
Expected return	Nil	135,426	Nil	110,741
Adjustment to the fund		(103,438)		-
Actuarial gains and (losses)	Nil	(4,173)	Nil	(23,562)
Assets distributed on settlements	Nil	-	Nil	(95,769)
Contribution by employer	Nil	299,610	Nil	377,224
Closing balance of Fund	Nil	1,785,791	Nil	1,458,366
Principal actuarial assumptions at the balance sheet date :				
(Expressed as weighted averages)				
Discount rate (p.a.) %	9.10%	9.10%	8.20%	8.20%
Expected return on plan assets (p.a) %	0%	9.00%	-	9.00%
Proportion of employee opting early retirement	-	-	-	-
Annual increase in salary costs %	6.00%	6.00%	6.00%	6.00%
Amount for the current and previous periods :				
Defined benefit obligation	824,381	-	791,767	-
Plan assets	-	-	-	-
Surplus/ (deficit)	(824,381)	-	(791,767)	-

26. FINANCE COST

Particulars	For the Year ended 31/03/2014	For the Year ended 31/03/2013
Interest Expenses	91,329	287,993
Bank Charges	1,150,295	1,371,474
Total	1,241,624	1,659,467

27. OTHER EXPENSES

Particulars	For the Year ended 31/03/2014	For the Year ended 31/03/2013
	₹	₹
1. Power, Water and Fuel	2,375,136	2,117,772
2. Rent	2,512,912	1,460,608
3. Rates & Taxes	192,924	128,780
4. Insurance	543,853	713,825
5. Directors Sittings Fees	135,000	170,000
6. Payment to Auditors	385,511	375,136
7. Legal & Professional Fees	1,222,525	1,258,641
8. Export Expenses	5,543,481	6,013,136
9 Excise duty on Finished Goods *	365,103	(174,002)
10.Commission & Discount	-	212,983
11.Carriage & Freight	1,358,889	1,716,221
12.Repairs & Maintenance	501,110	266,860
13.Change in the carrying value of Investments	-	2,042,900
14.Travelling	1,502,440	1,374,160
15.Foreign Exchange Fluctuation	594,865	-
16.Miscellaneous Expenses	3,571,788	3,462,979
Total	20,805,537	21,139,999

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

27.1 Consumption of Raw Materials, Packing Materials and Stores & Spares

Particulars	2013-2014		2012-2013	
	%	₹	%	₹
Raw Materials				
a) Imported Raw Material	88	124,654,591	93	134,089,780
b) Indigenous Raw Material	12	17,661,997	7	9,611,260
Total	100	142,316,589	100	143,701,040
Stores & Spares Indigenous	100	67,305	100	89,651
Packing Materials Indigenous	100	1,598,416	100	1,472,072

27.2 CIF Value of Imports

Particulars	2013-2014 ₹	2012-2013 ₹
Raw Material	101,584,263	103,080,240
Stock in Trade	125,517,265	178,343,241

27.3 Payment to Auditors As :

Particulars	2013-2014 ₹	2012-2013 ₹
(a) Audit Fees	145,000	130,000
(b) Tax Audit Fees	36,500	35,000
(c) Certification & Review	38,500	35,000
(d) MVAT Audit	22,000	20,000
(e) Expenses Reimbursed	143,511	155,136
Total	385,511	375,136

Notes on Financial Statements for the Year ended 31st March, 2014

28. EARNING PER SHARE

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Profit after tax as per Statement of Profit & Loss (A)	19,985,967	22,555,635
No. of Equity Shares (B)	5,215,800	5,215,800
Basic and diluted Earning Per Share (A/B)	3.83	4.32
Nominal Value per Share	10.00	10.00
The basic earning per share ("EPS") is calculated by dividing the Profit after Tax by the number of Equity Shares outstanding.		

29. EARNING IN FOREIGN CURRENCY :

Particulars	2013-2014 ₹	2012-2013 ₹
F O B Value of Export of Goods	107,119,610	106,993,319

30. 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. Mahendra Kumar Kapoor	Chairman
2. Arvind M Kapoor	Director
3. Aditya Arvind Kapoor	Managing Director

(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. Rishi Foods Pvt Ltd
3. Devi Organics Pvt Ltd	6. Rishiroop Holding Pvt Ltd	9. Puneet Polymers

2. Transactions with related parties

Particulars	2013-14		2012-13	
	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (a) above	Referred in 1 (b) above
Managerial Remuneration	3,147,091		3,145,997	
Purchase of Goods				
Rishiroop Rubber (International) Ltd.,		9,314,261		9,314,261
Rishichem Mid-East Ltd		11,319		5,142,060
Rishichem Distribution Pvt Ltd.				
Sales of Goods				
Rishichem Distributors Pvt Ltd		137,530		
Closing Balance as on 31.03.14		-		-

31. LEASES

The company has taken office premise under leave and licence agreement The leave and licence agreement is generally renewable or cancellable at the option of the Company or the Lessor. The Rent payment on account of office amounting to ₹ 25,12,912 (P.Y. ₹ 14.60,608) is recognised in the Statement of Profit and Loss. Future commitments in respect of minimum Rent payments payable for non cancellable operating leases entered in to by the Company,

Particulars	2013-14	2012-13
a. Payable not later than one year	1,726,392	576,781
b. Payable later than one year but not later than five years	1,726,392	Nil

32. SEGMENT INFORMATION

The Company is engaged in the one business segment i.e. Polymers and Compounds

33. 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 to hedge the foreign currency risks on the firm commitments. Details of forward contract outstanding as at the year end.

Particulars	At the year end Exposure to buy / sell	INR	Foreign Currency US Dollars
Forward Contract	Nil	Nil	Nil

33.1 Foreign currency exposure at the year end not hedged by derivative instruments.

Particulars	2013-14		2012-13	
	USD / GBP	INR	USD / GBP	INR
Payable against Import of goods - USD	826,227	49,961,945	1,019,377	58,628,237
Receivable against export of goods - USD	315,630	18,814,704	461,250	24,916,725
Receivable against services - GBP	223.59	22,071	2,423	197,441

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 :- 24th May 2014

For and on behalf of the Board

Mahendra Kumar Kapoor	Chairman
Aditya Arvind Kapoor	Managing Director
Arvind Kapoor	Director
Dilip Shah	Director
Nakulkumar	Director
Nilesh Jain	Company Secretary
Suresh Khilnani	Chief Financial Officer



PUNEET RESINS LIMITED

CIN : L25200MH1984PLC034093

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

Head Office : 84, Atlanta, Nariman Point, Mumbai - 400 021, Website : www.puneet.in, Email : investor@puneet.in

ATTENDANCE SLIP

(To be presented at the entrance)

29TH ANNUAL GENERAL MEETING ON TUESDAY, AUGUST 19, 2014 AT 10.00 A.M.

at Hotel Ginger, Plot No.P-20, Satpur M.I.D.C., Near Satpur Police Station, Trimbak Road, Nasik - 422007.

Folio No. _____ DP ID No. _____ Client ID No. _____ No. of Shares _____

Name of the Member _____ Signature _____

Name of the Proxyholder _____ Signature _____

- 1. Only Member/Proxyholder can attend the Meeting.
- 2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.



PUNEET RESINS LIMITED

CIN : L25200MH1984PLC034093

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

Head Office : 84, Atlanta, Nariman Point, Mumbai - 400 021, Website : www.puneet.in, Email : investor@puneet.in

FORM NO. MGT-11 - PROXY FORM

[(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No./Client ID No. :

I / We, being the member(s) of Shares of Puneet Resins Limited, hereby appoint

1. Name : E-mail Id :

Address :

Signature :

or failing him/her

2. Name : E-mail Id :

Address :

Signature :

or failing him/her

3. Name : E-mail Id :

Address :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Tuesday 19th August, 2014 at 10.00 a.m. at Hotel Ginger, Plot No. P-20, Satpur M.I.D.C., Near Satpur Police Station, Trimbak Road, Nasik - 422007 and at any adjournment thereof in respect of such resolutions as are indicated below:

- 1. Adoption of Directors' Report, Audited financial statements for the year ended 31st March, 2014 and the Auditors' Report thereon.
- 2. Declaration of dividend on equity shares.
- 3. Reappointment of Shri. Arvind Mahendra Kapoor who retires by rotation.
- 4. Reappointment of Statutory Auditors of the company and fixing their remuneration.
- 5. Appointment of Shri. D. P. Shah as an Independent Director.
- 6. Appointment of Shri. Nakul Kumar as an Independent Director.

Please Affix Re. 1 Revenue Stamp.

Signed this _____ day of _____ 2014.

Signature of Shareholder _____ Signature of Proxyholder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

PRL/MUM/CI31A/2014-15

July 14, 2014

To,
The Listing Department
The BSE Ltd,
P.J. Towers, Dalal Street,
Fort, Mumbai - 400 001.

Ref.: BSE Scrip Code No. 526492

Sub: Independent Statutory Auditor's Report for the Year ended 31st March, 2014

FORM A - Format of covering letter of the Annual Audit Report to be filed with the stock exchanges

1	Name of the Company	Puneet Resins Limited
2	Annual Financial Statements for the year ended	31 st March, 2014
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable

Requesting you to kindly take the same on record and acknowledge

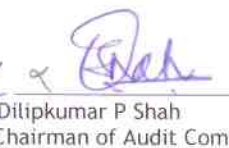
Thanking you,

Yours faithfully,

For Puneet Resins Limited For Puneet Resins Limited For Puneet Resins Limited

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


Aditya Kapoor
Managing Director


Dilipkumar P Shah
Chairman of Audit Committee


Suresh Khilnani
CFO


B D Jokhakar
Partner
Membership No. 103241

Place: Mumbai
Date: 14th July, 2014

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