



We listen. We're responsive.

Date: 09.08.2019

To

BSE Limited

P.J. Towers, Dalal Street
Mumbai-400 001

Scrip Code: 505509

To

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
G, Block, Bandra-Kurla Complex,
Bandra East, Mumbai-400 051

Scrip Code: RESPONIND

Sub: Investor Presentation

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation of the Company. The Investor Presentation is also available on the website of the Company.

This is for your information and record.

Thanking You,

Yours faithfully,

For **Responsive Industries Limited**

Ruchi Jaiswal

Company Secretary & Compliance Officer



RESPONSIVE INDUSTRIES LIMITED

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

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E: enquiry@responsiveindustries.com

CIN NO. L65100MH1982PLC027797



Investor Presentation
Q1 FY2020



About Company

Company Highlights


 **30** years of Experience


 Reach in **70** countries worldwide

 Strong relationship with **500+** Architects & Designer

 **ZERO** long term debt.

 **500+** SKUs

 INR **2489** Cr. market capitalization*

 Amongst top **4** producers of vinyl flooring globally

 **5000+** projects completed

Q1 FY20 Financial Results

Consolidated

 **REVENUE**

INR 146.44 Cr

 **EBITDA**

INR 30.26 Cr

 **PBT**

INR 7.95 Cr

 **PAT**

INR 4.29 Cr

Standalone

 **REVENUE**

INR 122.76 Cr

 **EBITDA**

INR 29.10 Cr

 **PBT**

INR 12.04 Cr

 **PAT**

INR 7.26 Cr

Business Strategy

We have been evolving since 2017...



Phase 1

Transition from low margin products to High margin products



Phase 2

Innovate & Disrupt the markets with the revolutionary product - IMPACT



Phase 3

Sales , Marketing and establish the Brand in a B2C Market



What's new ?



Transition to High Value-added Products

- ❑ Changing product mix to increase profitability



International Expansion

- ❑ Setting up overseas facility in UAE
- ❑ Signed up with new international distributors to ramp up volumes of High-value margin product
- ❑ Setting up global sales Team



New Product Innovation

- ❑ Launched **IMPACT** Rigid Core Luxury Vinyl Tile in flooring business
- ❑ Increase opportunity for B2C segment, currently 10% of business
- ❑ Resources and facility freed from printed flooring to be used for IMPACT

What's new ?

Dance studio, Mumbai



Rustomjee Seasons



GroWork working space



Work-in-progress


TAJ
MAHAL
LUCKNOW

Why Responsive ?

Investment Rationale



Tapping into large market opportunity

US\$ 807 mn Indian vinyl flooring Market



5,000+ SKUs

Wide range of Product portfolio



Large distribution network

100+ domestic distributor and growing



State of the art manufacturing facility



Strong R&D capabilities



First-Mover Advantage

Only Indian Luxury Vinyl Tile manufacturer

Why Responsive ?

Make In India

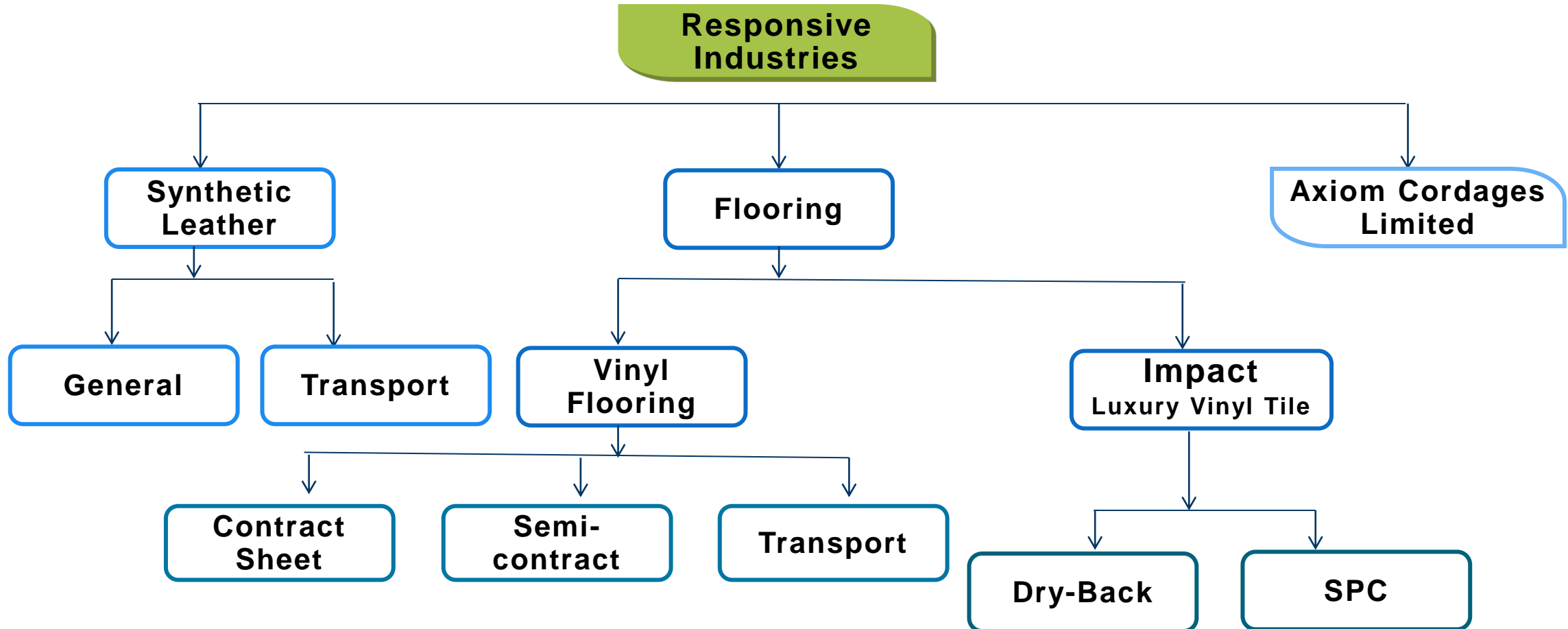
The government of India has taken strides to encourage manufacturing and not only protect, but also advance the interests of domestic manufacturers

→ **VINYL FLOORING : A key manufacturing sector in INDIA**

As per the budget announced on July 5, 2019, Vinyl flooring has been recognized as one of the key manufacturing sectors in India. Further, the government of India addressed the issue of rising imports of Vinyl Flooring and to provide a level playing field , increased the import duty from 10% to 15%.



Business Structure



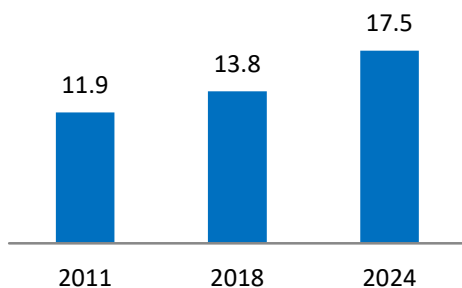
- ✓ Largest Indian producer of PVC flooring and synthetic leather cloth
- ✓ Presence in shipping ropes business through its subsidiary Axiom Cordages Ltd.
- ✓ Caters to healthcare, hospitality, transportation, retail, sports infrastructure and real estate.



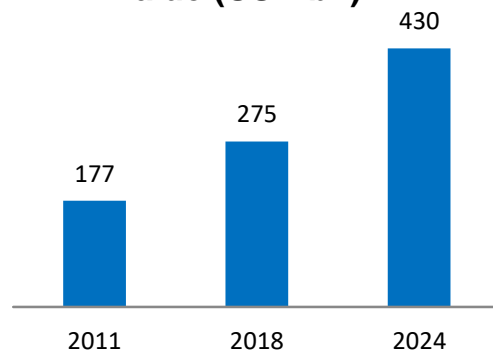
Vinyl Flooring

Industry Overview

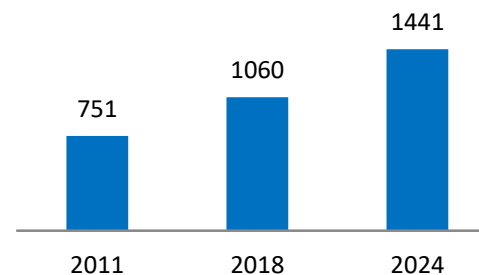
Global Flooring Market Value (USD bn)



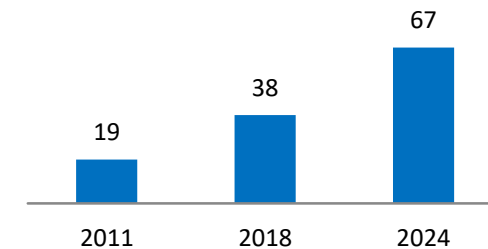
Global Flooring Market Value (USD bn)



Global Vinyl Flooring Market Volume (mn sqm)



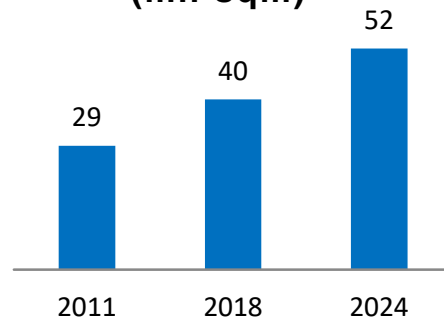
Global Vinyl Flooring Market Value (USD bn)



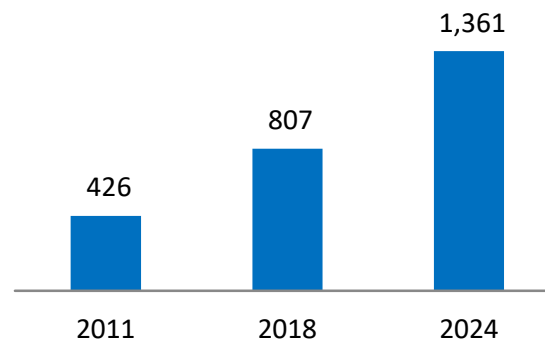
Vinyl Flooring is preferred owing to being scratch free, easy to maintain and wear resilient

Luxury Vinyl Tile has global share 52% vs. India 11% in Total Flooring Sales

India Vinyl Flooring Market volume (mn sqm)



India Vinyl Flooring Market value (USD mn)





Contract Sheet Vinyl

- Healthcare
- Education
- Sports
- Industry
- Hospitality
- Heavy Traffic



Semi-Contract Vinyl

- Residential
- Medium Traffic commercial
- Retail
- Offices



Transport Sheet Vinyl

- Indian Railways
- Global Railways
- Global buses/OEM
- Indian buses/OEM



Printed Flooring

- General Purposed mass use
- Low-cost dwelling
- Low-cost commercials

VINYL FLOORING

01

Capacity

5000 MTPM

02

Variety

30+ ranges

03

SKU

500+ SKUs

04

Projects

5000+ products completed



Luxury Vinyl Tile

Key features

IMPACT[®]
LUXURY VINYL TILE



IMPACT LVT and SPC were launched in **2019**

Easy Installation : Instant **DROP-CLICK** Installation

Replacement potential : Carpet Tiles, wooden flooring, engineered wood, laminates, vitrified tiles, ceramic tiles

	IMPACT	Carpet tiles	Wooden Flooring	Laminates	Ceramic Tiles	Natural Marble
High Durability	High	Medium	Medium	Medium	High	High
Easy Maintenance	High	Low	Low	Medium	Medium	Medium
Recyclable	Yes	No	No	Yes	No	No
Heavy Foot traffic	High	Medium	Medium	Medium	High	Medium
Easy installation	High	High	Medium	Medium	Low	Low
Waterproof	Yes	No	No	No	Yes	No

Our Breakthrough Product

01

Market Opportunity

Total market opportunity of USD 7 billion

02

Growth

Fastest growing flooring sub-segment with 15% CAGR

03

Durability

High life of 10+ years, low wear & tear, instant installation

04

Water and Pest-resistant

Free from Water and Pest related problems

Retail

Target to place across 2500 stores in next 5 years

Institutional

Hotel Chains, Builders & Organized Retail

Projects

Undertake commercial and government offices

Channel

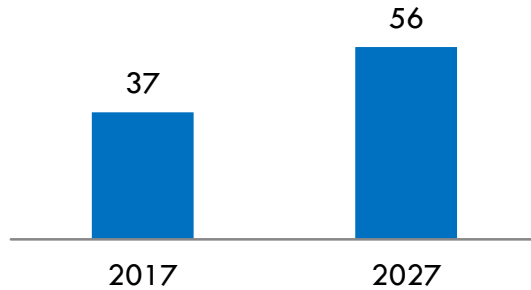
Added 60 new dealers in the last 6 months

IMPACT would create a “pull” in demand for other products of the Company



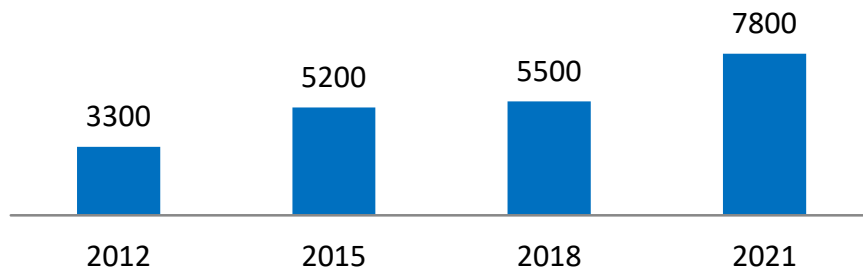
Synthetic Leather

Global Synthetic Leather Market (USD bn)



The organized sector in India accounts for less than 50% market

India Synthetic Leather Market (INR cr)



Macro Economic & Aesthetic Factors

- ✓ Increasing consumer discretionary spending
- ✓ Strong growth in End-use industries like automotive, footwear
- ✓ High gloss finish, durable, UV resistant, easy to maintain

Government Regulations

- ✓ No animal killing or testing involved
- ✓ Strict legislation on the use of real leather



Upholstery Fabrics

- Chairs & Sofas
- Surface interiors
- Furniture



Transport Leather

- Indian railways
- Indian automotive
- Metros, trams and subways
- Buses and other vehicles



General purpose leather

- Luggage
- Ladies Handbags
- Belt straps
- Diary Covers



Leather Furnishings

- Residential
- Hospitality

LEATHER

01

High Shear Strength

Guaranteed sheer performance for 10 years for value added fabrics

02

Tailor-made

Tailor-made technical specs as per requisition

03

Durability

Durability against wear and tear

04

Fire retardancy

Fire retardancy coupled with superior performance on smoke and toxicity



Strengths

Distribution Strength

Expanding worldwide product development and distribution in different regions

Major supplier of
Indian Railways

1000+ domestic
projects completed

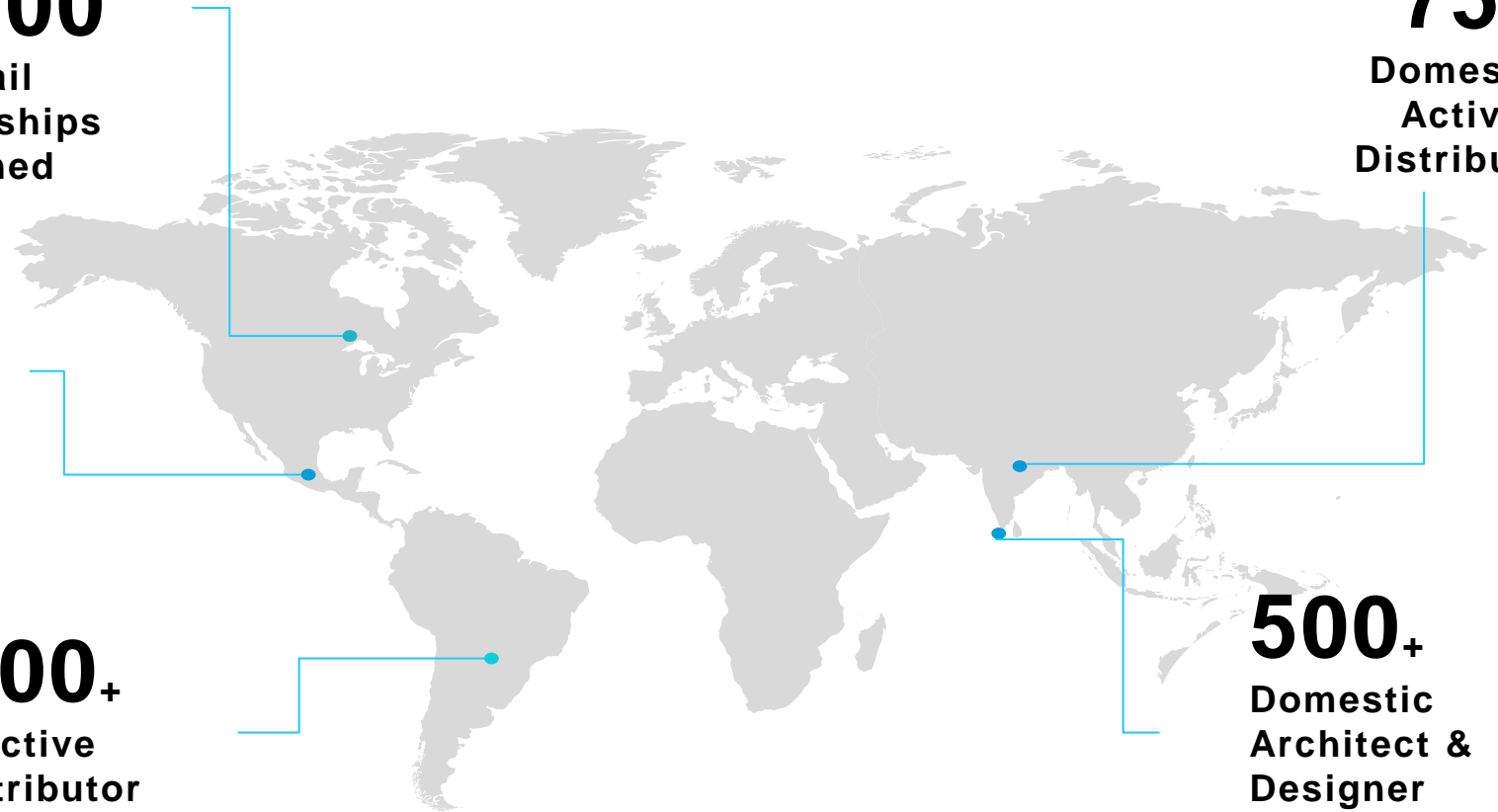
Supplying to **30+**
automobile
industry

Distribution to **35**
cities in India

Upto **500**
Retail
partnerships
planned

Network
across
70
countries

300+
Active
Distributor
across the
globe



75+
Domestic
Active
Distributor

500+
Domestic
Architect &
Designer
Relationship

Only Indian Brand with Last Mile Distribution Network

Marquee client base...

RESPONSIVE
We listen. We're responsive.



Healthcare



Sports



American School
of Bombay



Education



جامعة قطر
QATAR UNIVERSITY



Safety & Transport



Hospitality



Unique product features helps to cater to varied requirements of marquee customers across multiple industries

...along with certifications



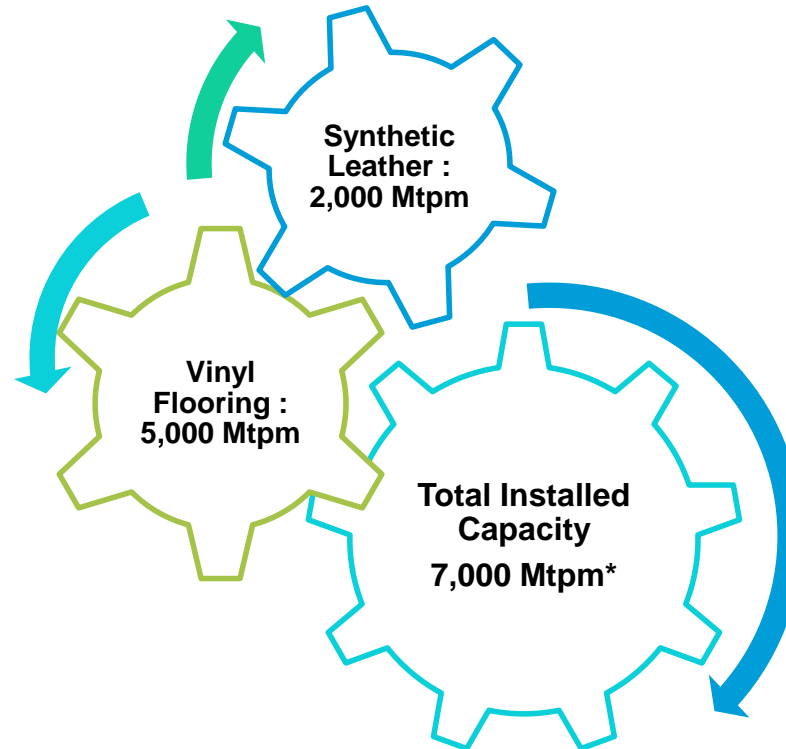
9001
14001
18001



Infrastructure

State-of-the-art manufacturing facility

- Proximity to Ports and National Highways
- Fully backward Integrated Facility
- Large raw material and engineering stores
- 62 acres Park Area
- 15 Manufacturing Lines
100+ Skilled operator



R&D Initiatives

- Commercial Viability Check
- Technical study of product
- Development of prototype
- Approval by customer & costing
- Finalization of the product

*MTPM = Metric Tonne Per Month

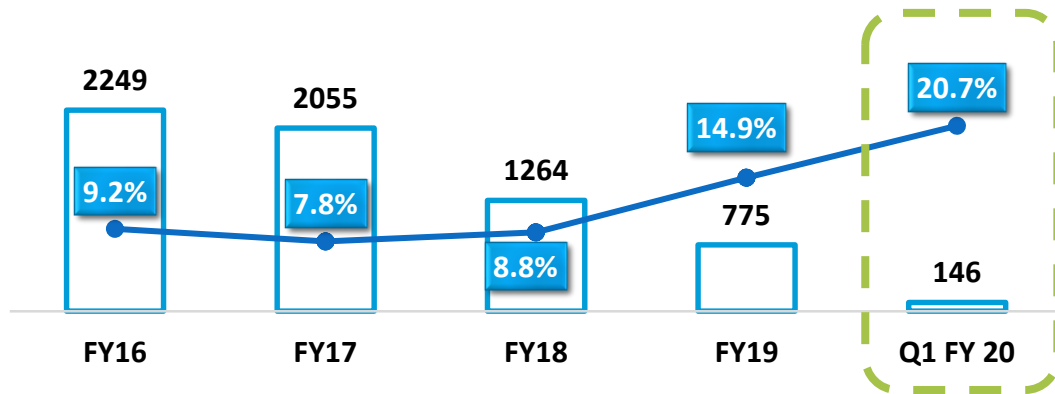


Financial Information

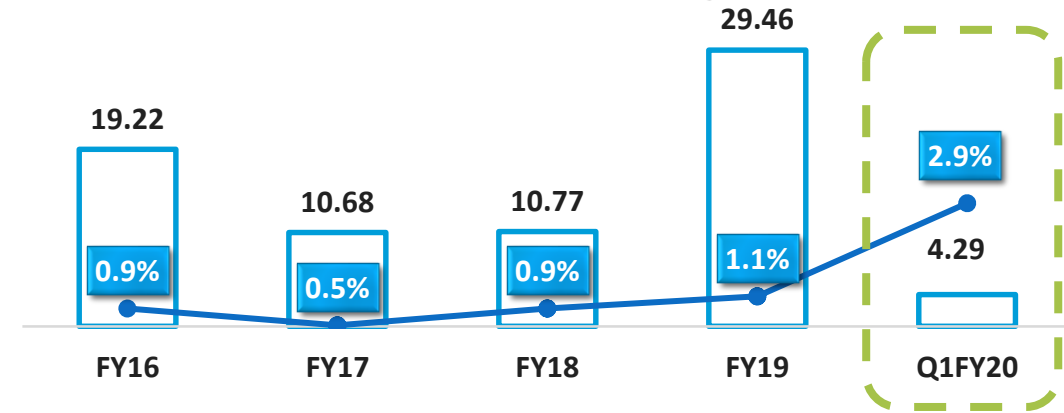
Financial Overview

Consolidated

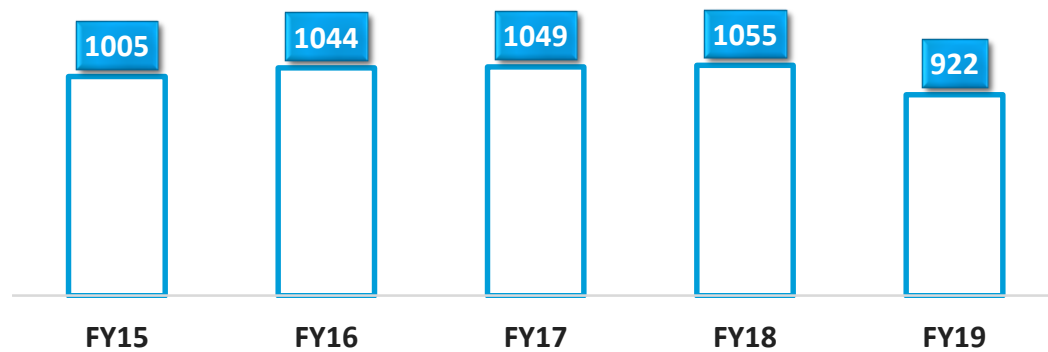
Revenue and EBIDTA Margin



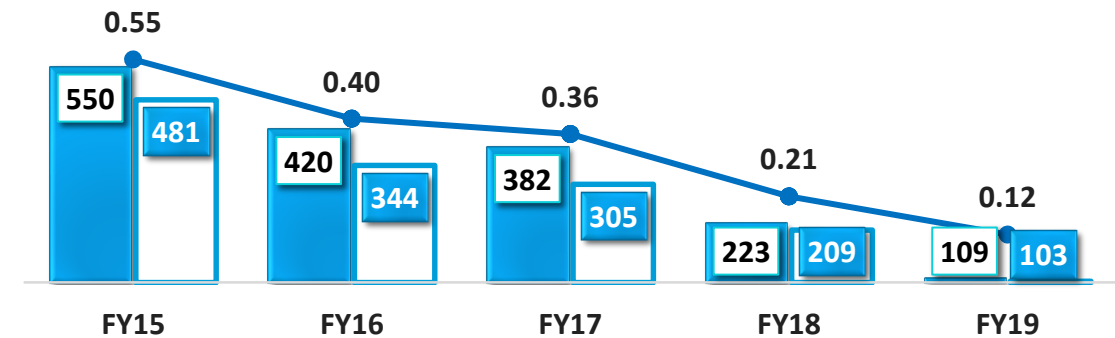
PAT and PAT Margin



Networth



Gross / Net Debt & D/E Ratio



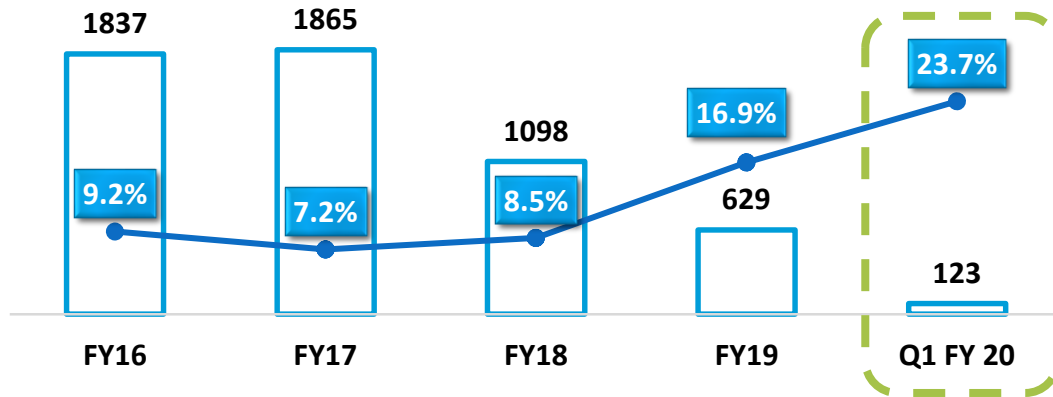
All amounts in INR Crore

*Gross Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings
Net Debt = Gross Debt - Cash & Cash Equivalents

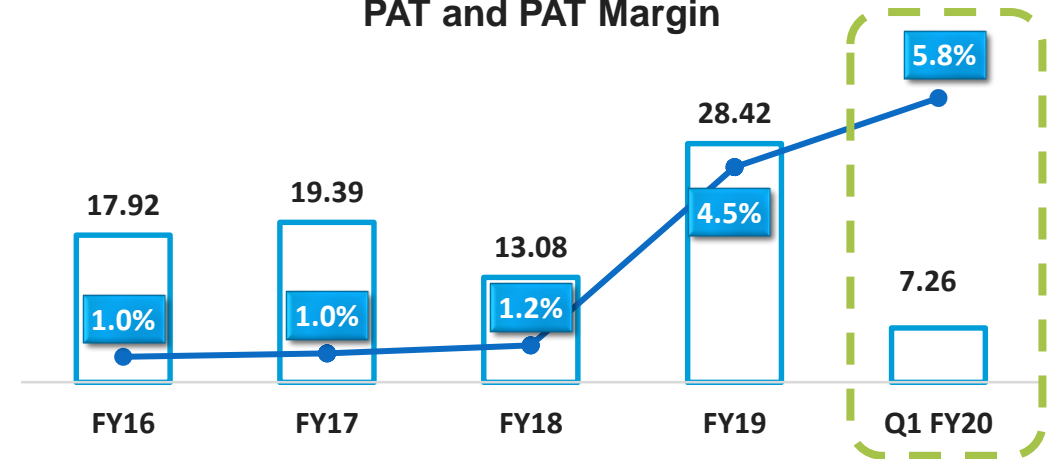
Financial Overview

Standalone

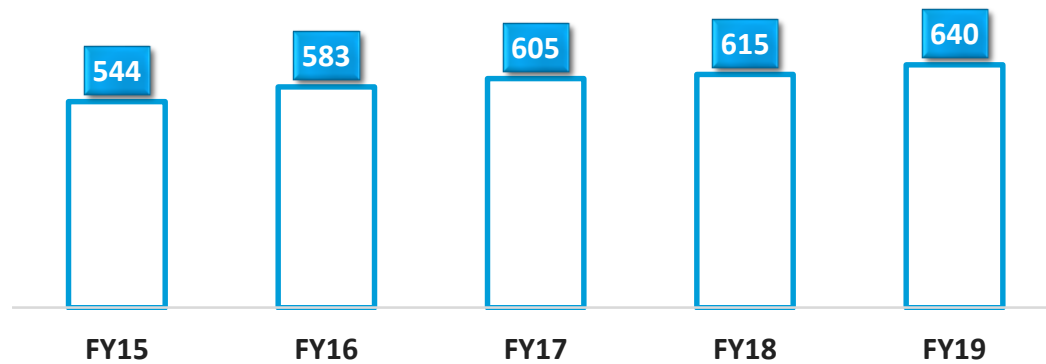
Revenue and EBIDTA Margin



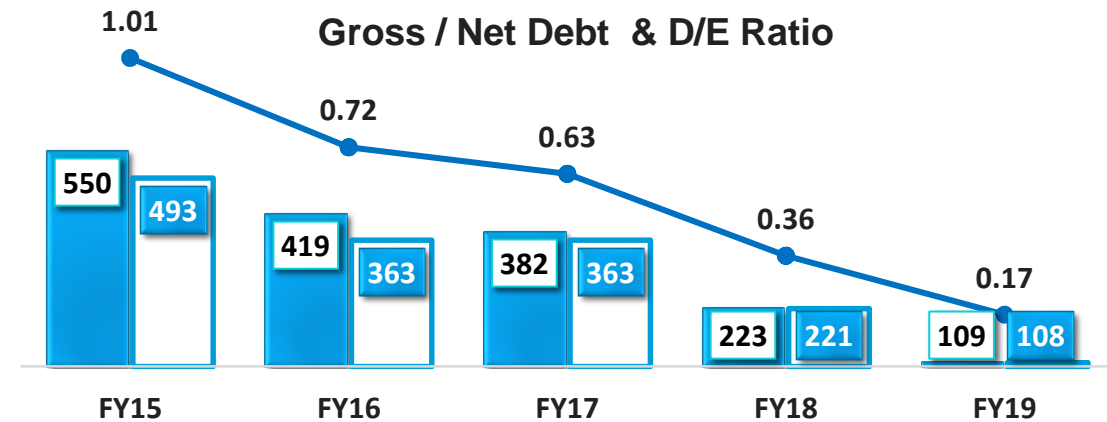
PAT and PAT Margin



Networth



Gross / Net Debt & D/E Ratio

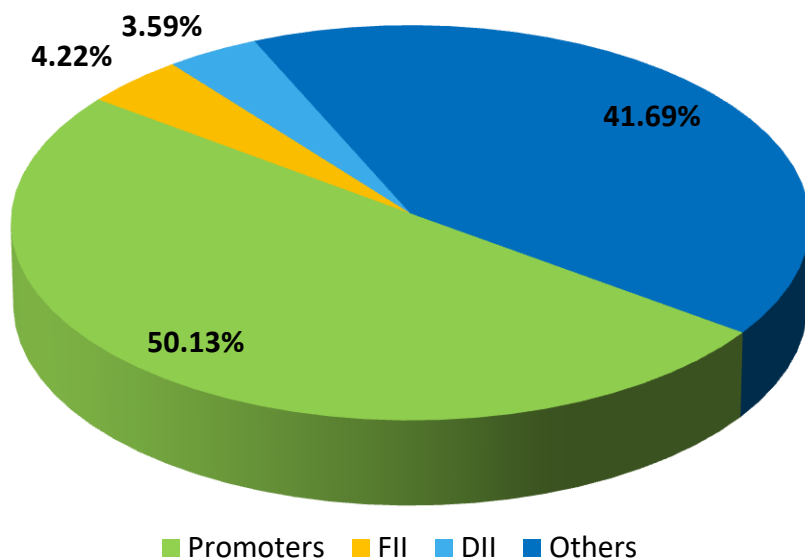


All amounts in INR Crore

*Gross Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings
Net Debt = Gross Debt - Cash & Cash Equivalents

Stock Information

Shareholding Pattern (as on June 30, 2019)



Top shareholders

FII: Sparrow Asia Div. Opp. Fund	2.13%
FII: Bao Value Fund	1.61%
DII: LIC	3.59%

Total Shares Outstanding are 26.7 Crores

Stock Data - BSE (as on August 9, 2019)

Stock code	RESPONIND
Stock Price	INR 93.00
52 Week High/Low	INR 103.00/ 67.40
Market Capitalization	INR 2,482.29 Crores
Index	S&P BSE SMALL CAP
Face value	Re. 1

Valuation metrics

Enterprise value	INR 2,584 Crores
P/E	85.32
P/BV	2.30
EV / Sales	3.33
EV / Core EBITDA	22.39

Note: Valuation Metrics are based on FY19 Consolidated Financials

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THANK YOU

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