



We listen. We're responsive.

**Date: 24/05/2019**

**To,**  
**BSE Limited**  
P.I.Towers, Dalal Street,  
Mumbai - 400 001

**Scrip Code: 505509**

**To,**  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> 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 LTD

Investor Presentation : May 2019



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1

FY19 Result Highlights

2

Company at a Glance

3

Industry Overview

4

Company Overview

5

Financial Overview

1

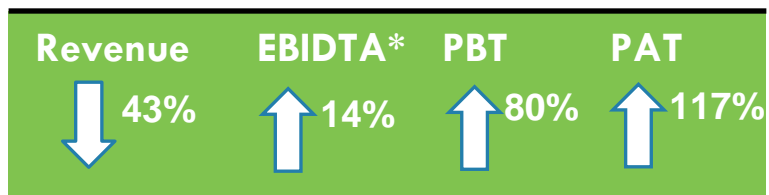
# FY19 Results Highlights



# Key Financial Highlights – FY19 vs FY18

(Amount in Rs Crore)

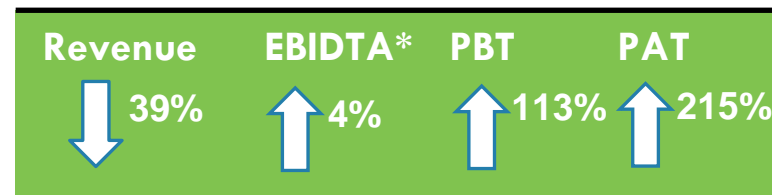
## Standalone



	Revenue	EBIDTA*	PBT	PAT
<b>FY19</b>	628.8	106.4	46.6	28.4
FY18	1097.8	93.1	25.9	13.1

EPS **increased** by 116%

## Consolidated



	Revenue	EBIDTA*	PBT	PAT
<b>FY19</b>	775.0	115.4	45.1	29.5
FY18	1263.7	111.4	21.2	9.4

EPS **increased** by 166%

**Zero Long Term Debt**

**Final Dividend of 12%**



**Mr. Rishabh Agarwal**  
Non-executive Chairman

“In line with our strategy, we have been successful in shifting focus to high value-addition product lines. Although this has resulted in decline in revenue; it has not only doubled the core EBITDA margins to 16.9%, the absolute PAT has also increased to Rs. 28 crores compared to Rs. 13 crores in FY18.

Our new and innovative product ‘IMPACT’ under Luxury Vinyl Tile category will be a major growth driver for us. It will enhance our international footprint; create a pull factor for existing product lines and open B2C opportunities”



2

## Company at a glance





# Company at a glance



Over **Three decades**  
Of Experience



**Leadership**  
brand in vinyl  
flooring



**300+** distributors  
**70** Countries Worldwide



**EU/US**  
**certifications**  
Breakthrough R&D  
Global Specifications

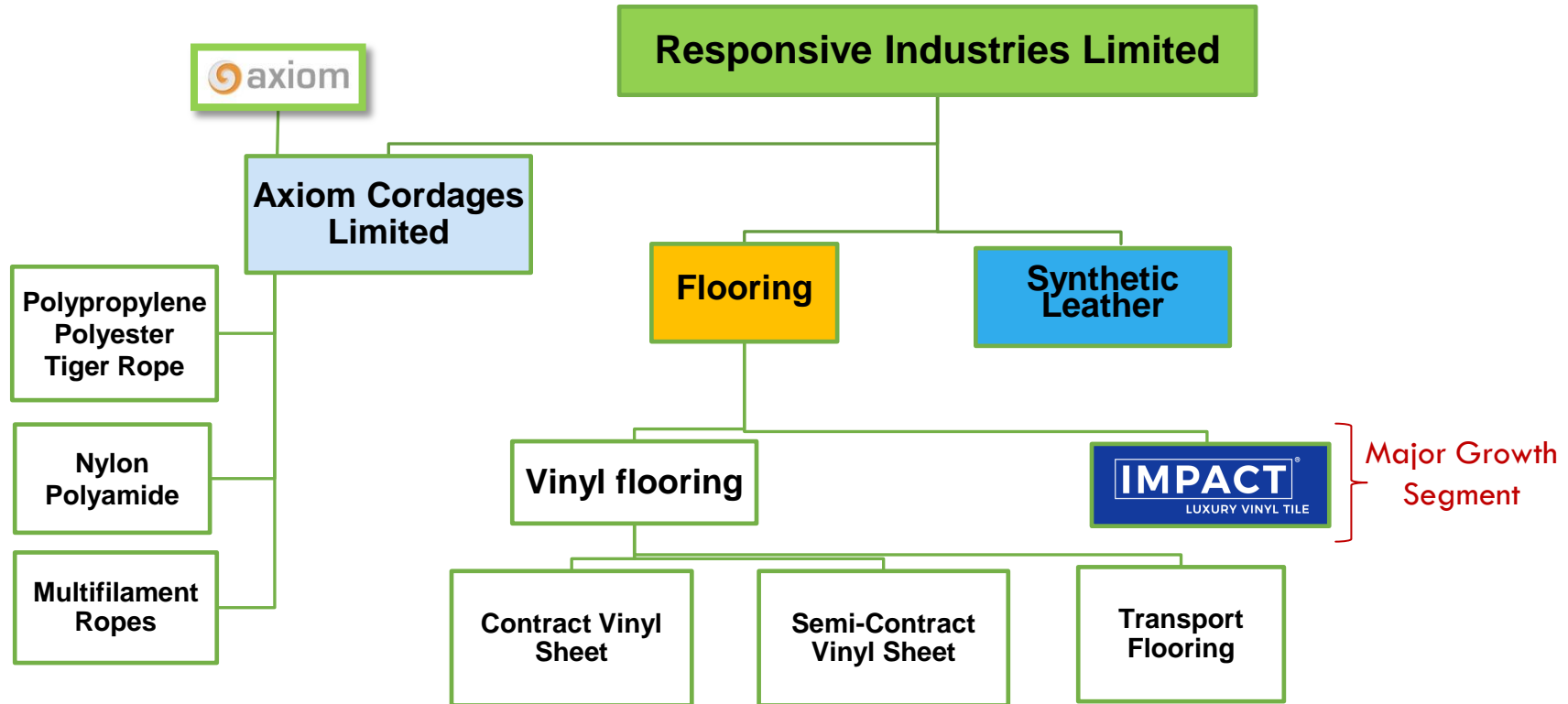


**Market Cap: Rs 2,385 crs**  
(As on May 24, 2019)  
**Long term Debt**  
**Free**



**Revenue: Rs. 775 Crs**  
**Core EBIDTA Margin: 15%**

# Company Overview



- ✓ Amongst top 4 producers of vinyl flooring globally
- ✓ 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.

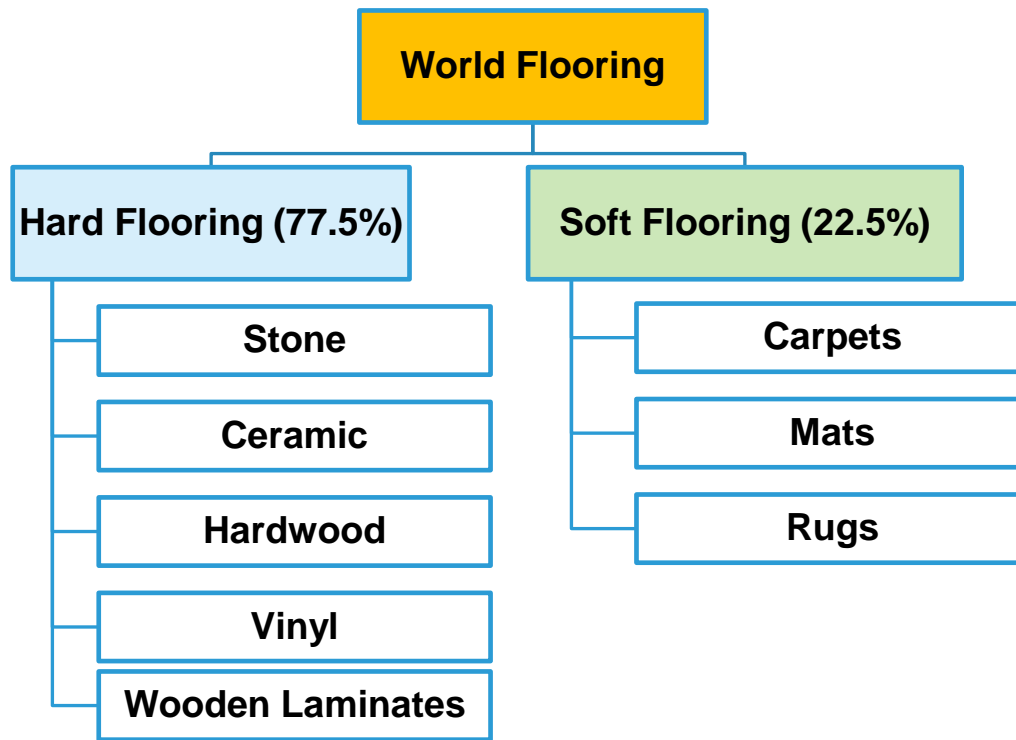
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## Industry Overview

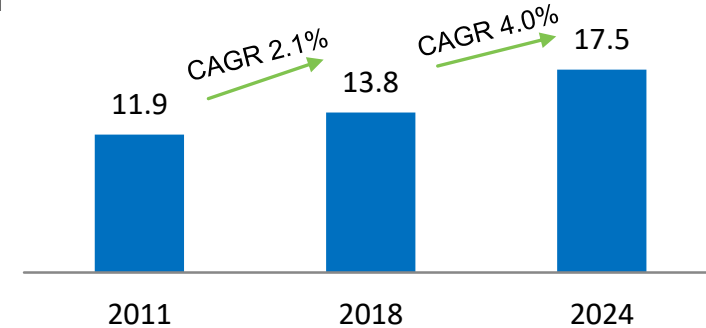


# Global Industry Overview: Flooring

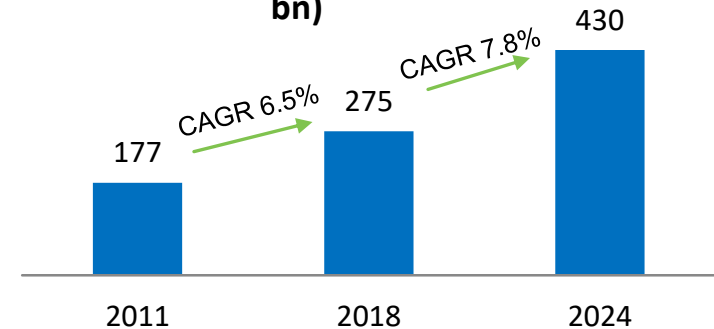
- ✓ Global Flooring market grows in tandem with GDP growth
- ✓ Excluding Ceramics, 80% of market is exposed to renovation
- ✓ Asia Pacific represents 53.2% of total global sales volume



**Global Flooring Market Volume (bn sqm)**



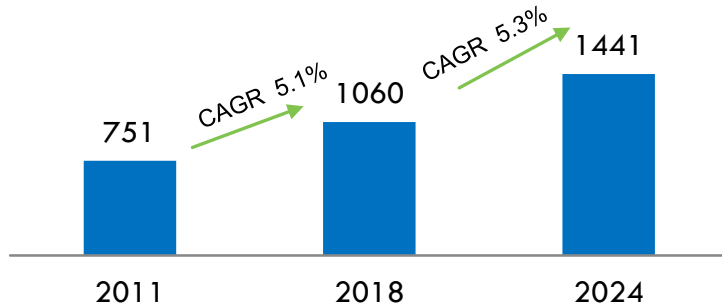
**Global Flooring Market Value (USD bn)**



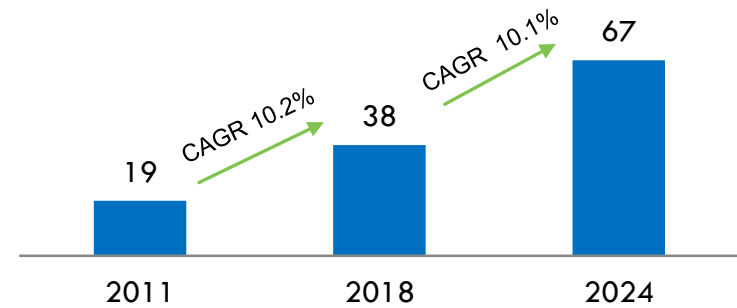
# Global Industry Overview: Vinyl Flooring

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

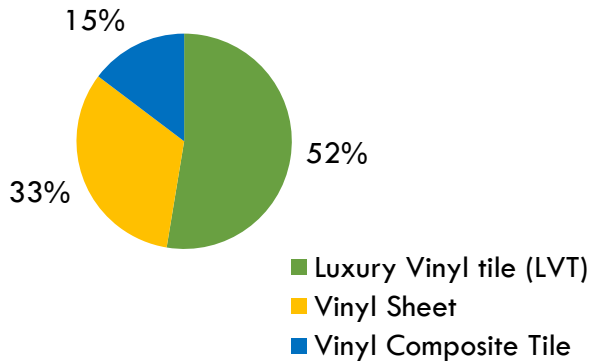
**Global Vinyl Flooring Market Volume (mn sqm)**



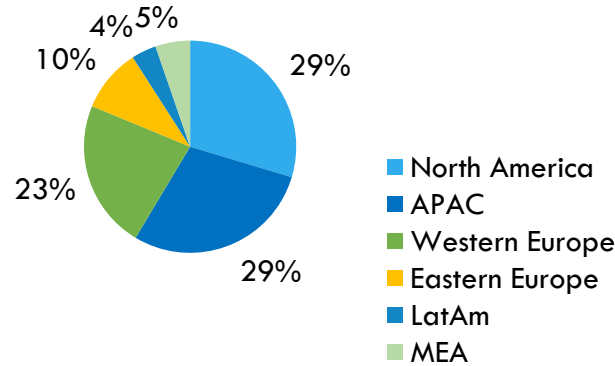
**Global Vinyl Flooring Market Value (USD bn)**



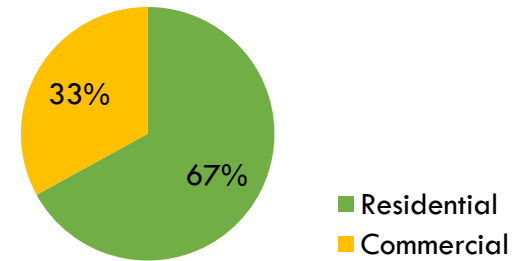
**Product wise revenue breakup**



**Region wise revenue breakup**



**Sector wise revenue breakup**



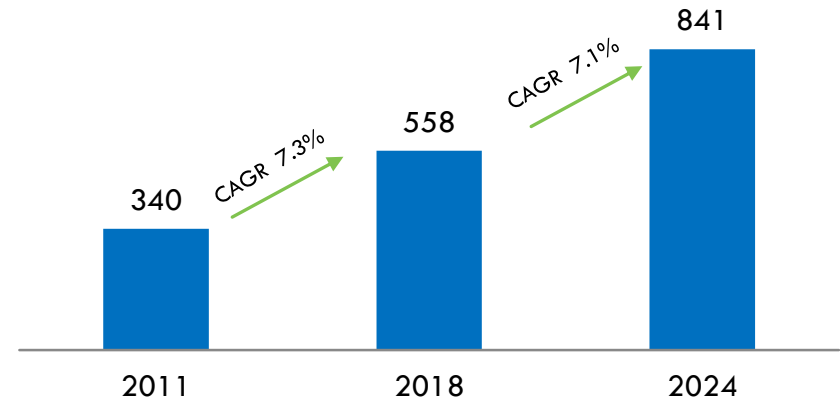
# Global Industry Overview: Luxury Vinyl Tile (LVT)

**Global Share 52% vs. India 11% in Total Flooring Sales**

## Benefits over traditional flooring

- ✓ Low cost
- ✓ Highly durable
- ✓ Low maintenance
- ✓ Real wood/stone like appearance
- ✓ Easy and quick installation
- ✓ Resists moisture, stain, scratches and daily wear and tear

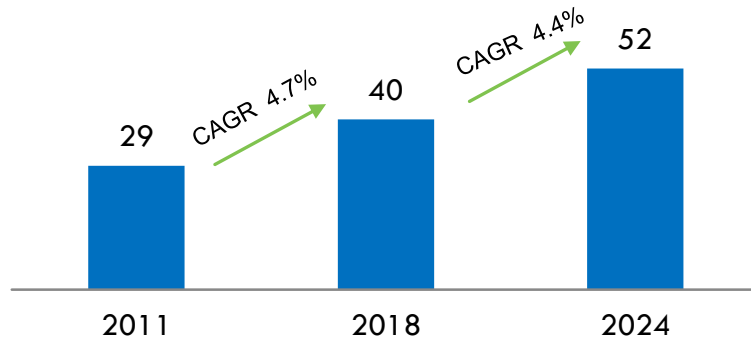
**Global LVT Flooring Market Volume  
(mn sqm)**



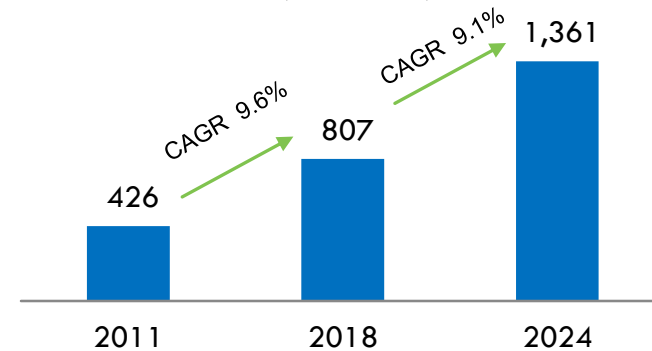


## Industrialisation, urbanisation, affordable housing growth to boost the market

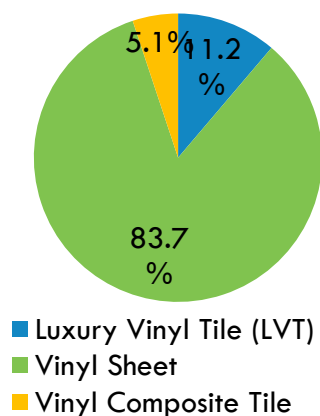
India Vinyl Flooring Market volume  
(mn sqm)



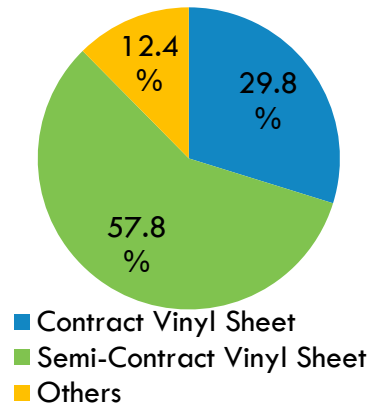
India Vinyl Flooring Market value  
(USD mn)



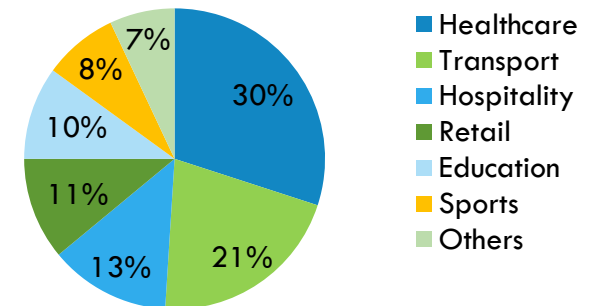
Product wise sales breakup  
(2018)



Contract Type sales breakup  
(2018)



Vinyl Sheet Flooring Segment Drivers  
(2018)



Source: Imarc Global Vinyl Flooring Market Report

**The organised sector in India accounts for less than 50% market**

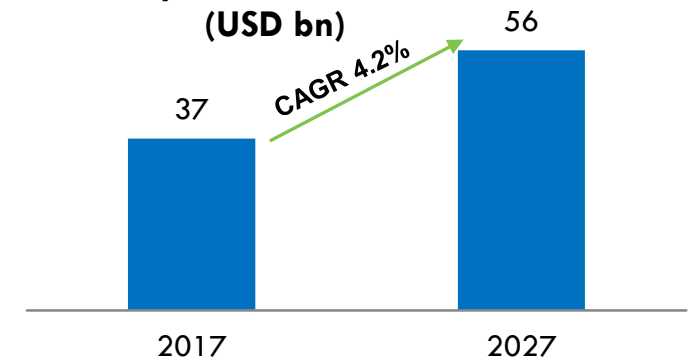
## Macro Economic & Aesthetic Factors

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

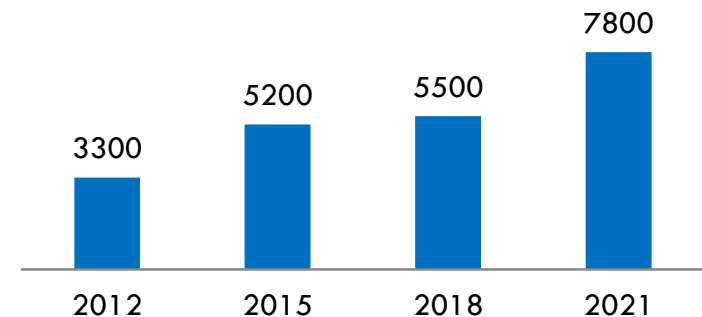
## Government Regulations

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

**Global Synthetic Leather Market  
(USD bn)**



**India Synthetic Leather Market  
(Rs cr)**



4

# Company Overview



# Leaders in Vinyl Flooring & Synthetic Leather

**State-of-the-art manufacturing facility:**  
Location: Boisar, 120km North of Mumbai, Maharashtra

Advanced logistics, multi-modal cargo handling

Proximity to Ports and National Highways

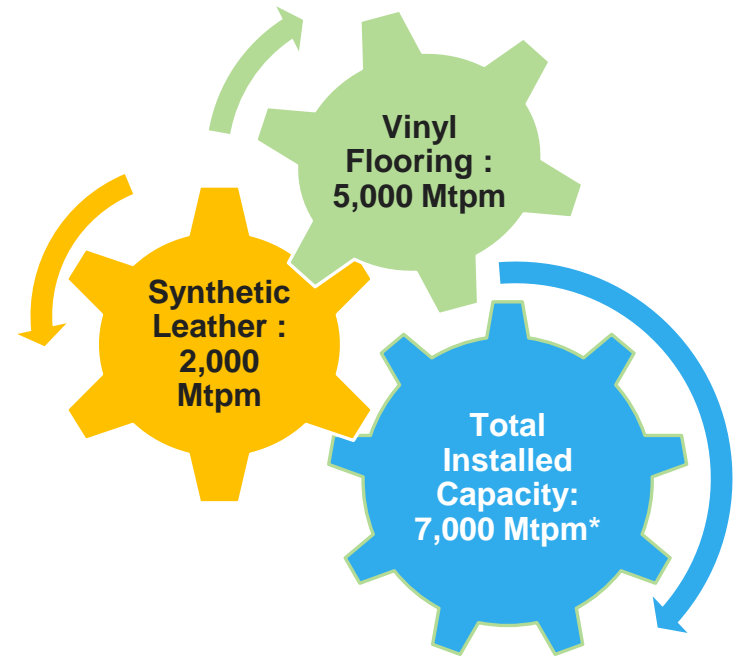
Fully backward Integrated Facility

In-house R&D laboratory

Large raw material and engineering stores

62 acres Park Area

15 Manufacturing Lines



*\*Metric tons per month*

3

Key R&D officers

5

Senior QC officers

20

Mid level managers (Tech exp)

100

Skilled operators

500

Workers

# Leadership Position in Vinyl Flooring

## Total Vinyl Flooring Solutions

**500+ SKUs**

Eye-catching  
diverse  
designs

**5000+**

Projects  
completed till  
date

**30+**

Vinyl flooring  
ranges

**20+**

Assured years  
of durability

**25 mn**

Square meters  
made annually

**Homogenous**



**Safety**



**Sports**



### IMPACT to create demand pull for other flooring products of Responsive



- Look and feel similar to Wooden Laminates & Engineered Wood
- Total market opportunity of USD 7 bn
- Fastest growing flooring sub-segment with 15% CAGR
- High life of 10+ years, low wear & tear, instant installation
- Free from Water and Pest related problems
- Developed through in-house R&D efforts

### Applications



Offices



Residential



Retail



Hospitality



# Domestic Distribution Strength

**Only Indian Brand with Last Mile Distribution Network**

**35**

Cities across India

**75+**

Active Distributor

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



# Expanding Global Footprints

## Expanding worldwide product development and distribution in different regions



70 Countries

300 Active Distributor

300-500 Retail Partner Outlet for LVT - Planned

# Marquee Clients base

## Projects Executed

- Healthcare



- Sports



- Education



- Safety & Transport



- Hospitality



# International Accreditations & Certifications



- ✓ Annually audited for factory consistency and System Controls
- ✓ Advanced product testing for smoke, fire and toxicity



- ✓ Annual audits for environmental performance
- ✓ Guarantees ZERO VOC emissions from all products
- ✓ Mark of toxic free chemistry in floors



- ✓ Annual audits for process efficiency
- ✓ Qualifying regularly since first year of inception



- ✓ ASTM 5925 certifies the products as stain and chemical resistant
- ✓ Also accredited with ASTM D3389 (weight loss/ thousand cycles) for abrasion resistant products



- ✓ Gives the flooring accreditation towards LEED Credits
- ✓ Mark of International acclaim for Architects



- ✓ EN 13893 and EN ISO11925-2 certifies the flooring as both slip resistant and fire safe respectively

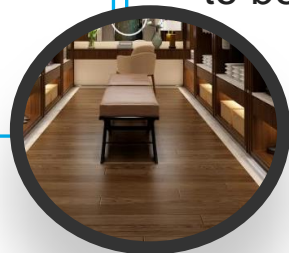
## Other Certifications



## 3 Pillars Driving Growth

### Transition to High Value-added Products

- ✓ Changing product mix to increase profitability
- ✓ Shifting focus from low margin printed flooring to high margin contract and semi contract vinyl sheets



### New Product Innovation

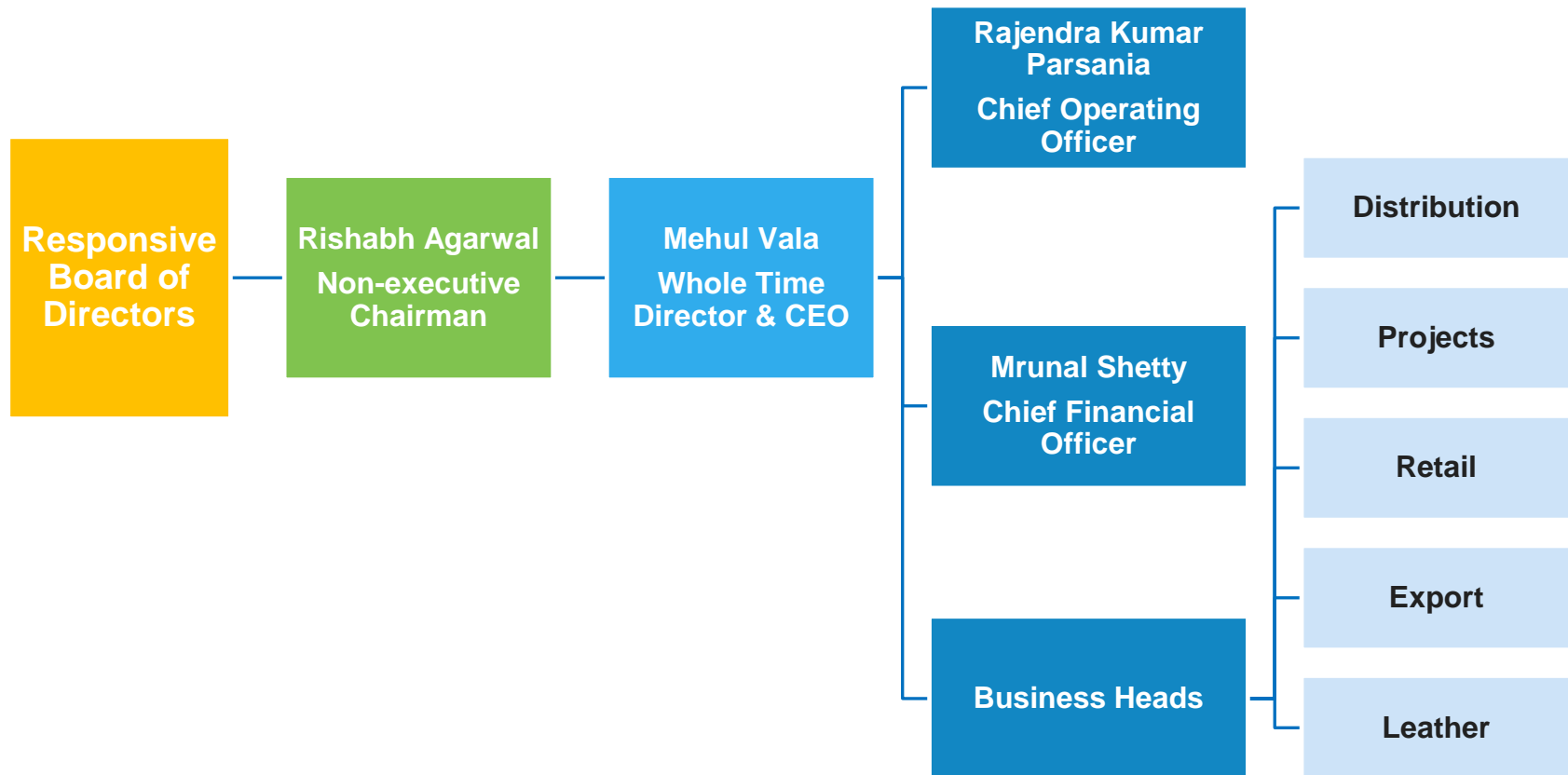
- ✓ Launched IMPACT Rigid Core Luxury Vinyl Tile in flooring business
- ✓ Increase opportunity for B2C segment, currently 10% of business
- ✓ Resources and facility freed from printed flooring to be used for IMPACT

### 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



# Organization structure





5

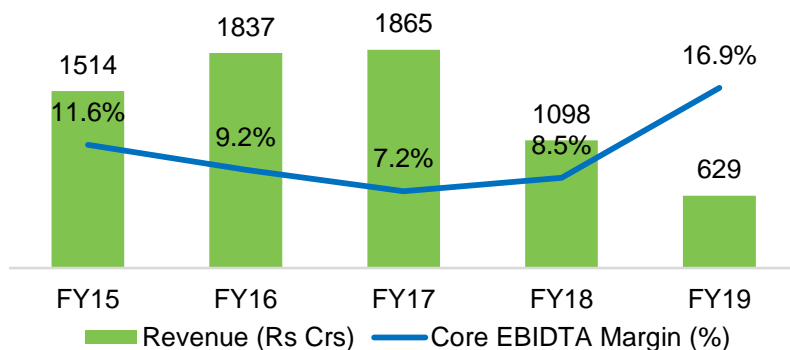
# Financial Overview



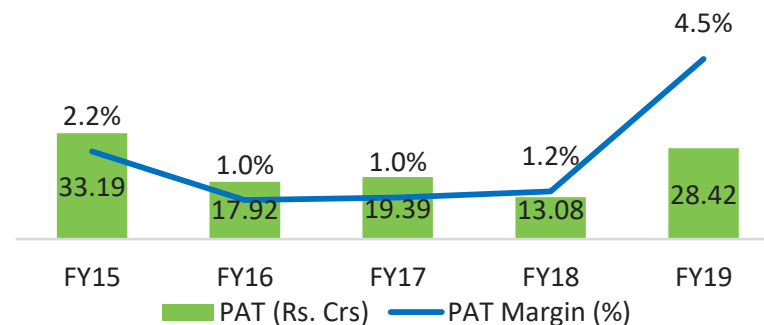
# Financial Overview: Annual (Standalone)

Shift in product mix reduced revenue with an increase in Networth and lowering debt

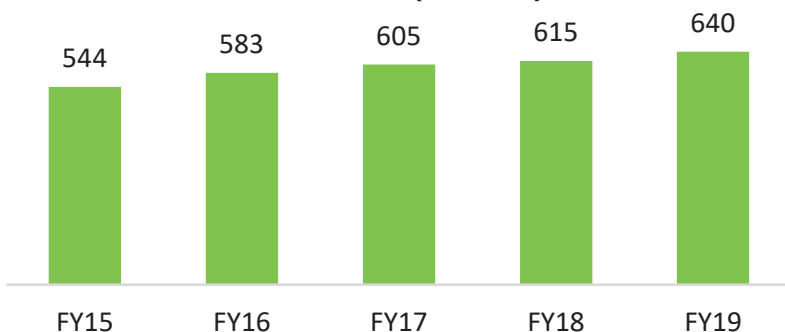
Revenue and EBIDTA Margin



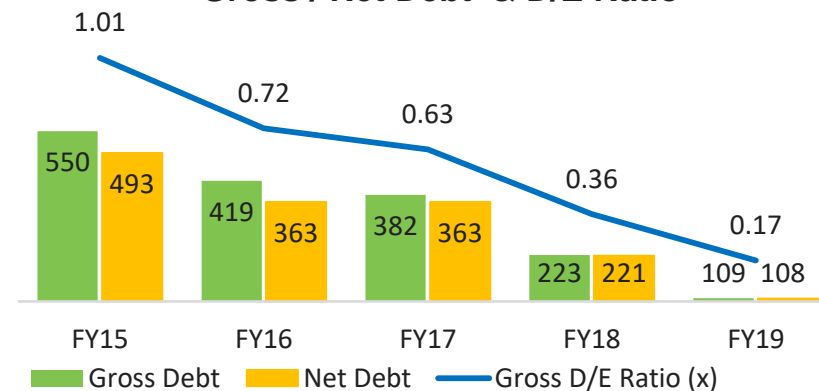
PAT and PAT Margin



Networth (Rs Crs)



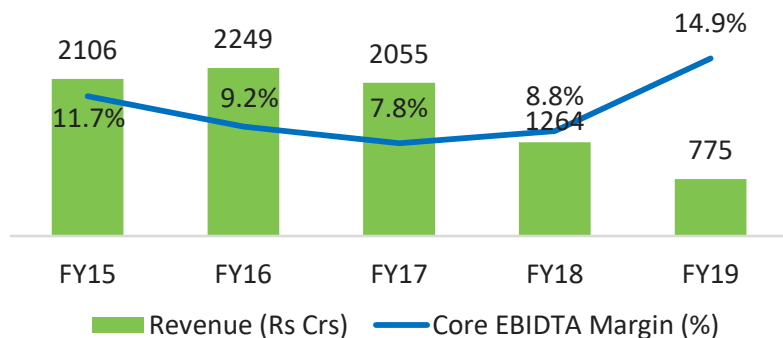
Gross / Net Debt & D/E Ratio



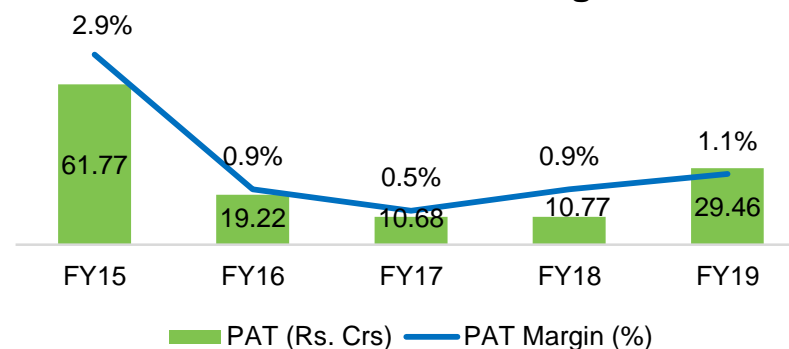
\*Gross Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings  
Net Debt = Gross Debt - Cash & Cash Equivalents

# Financial Overview: Annual (Consolidated)

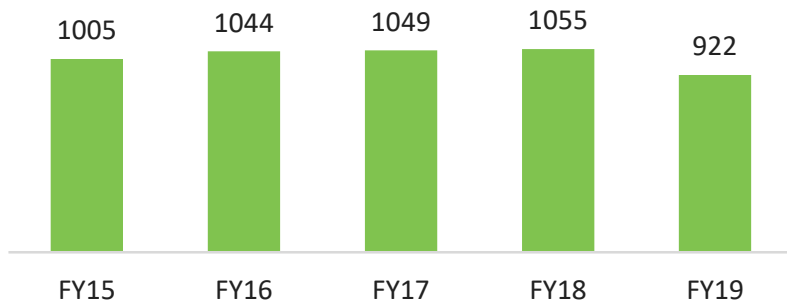
### Revenue and EBIDTA Margin



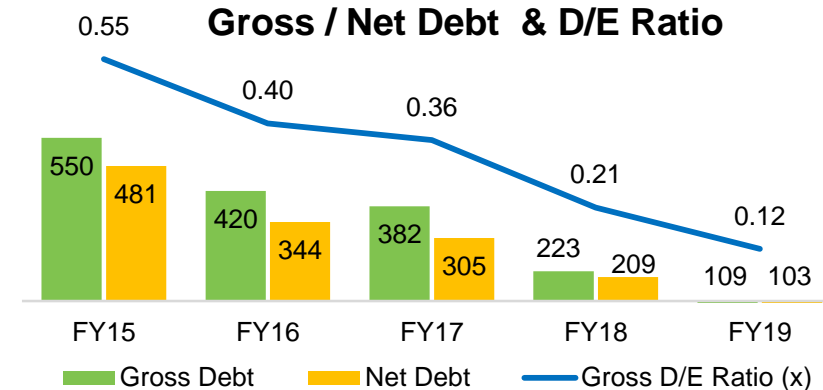
### PAT and PAT Margin



### Networth (Rs Crs)

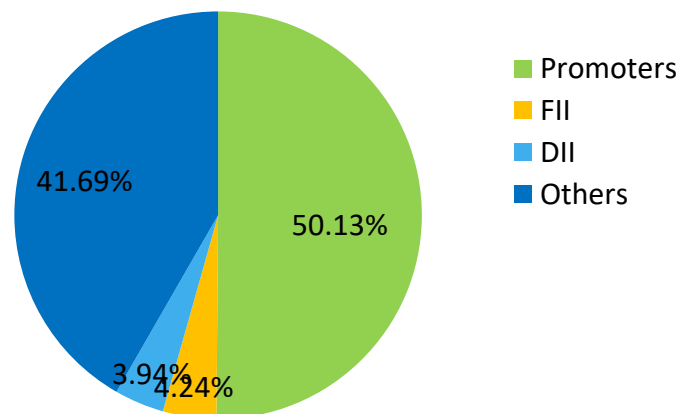


### Gross / Net Debt & D/E Ratio



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

## Shareholding Pattern (as on 31 Mar 2019)



## Top shareholders (as on March 2019)

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

## Stock Data - BSE (as on 24 May 2019)

Stock code	RESPONIND
Stock Price	INR 89.35
52 Week High/Low	INR 105.95/ 67.40
Market Capitalization	INR 2,384.86 Crores
Shares Outstanding	26.7 Crores
Index	S&P BSE SMALL CAP
Group	B
Face value	INR 1

## Valuation metrics

Enterprise value	INR 2,487 Crores
P/E	82.00
P/BV	2.59
Net D/E	0.11
EV / Sales	3.21
EV / Core EBITDA	21.55

Note: Valuation Metrics are based on FY19 Consolidated Financials

# THANK YOU

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## Contact

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### IR Contact

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