

Date: 18th June, 2018

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

Dear Sirs,

Sub: Submission of Annual Report 2017-18 in compliance with Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report 2017-18 of the Company.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
For **Responsive Industries Limited**


Ruchi Jaiswal

Company Secretary & Compliance Officer

Encl: As above





RESPONSIVE 

ANNUAL REPORT
2017 - 2018

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36th Annual General Meeting on Friday, 8th June 2018 at 10.00 am at Hotel Silver Avenue, Ostwal Empire, Next to Big Bazar, Boisar (West), Thane - 401 501

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atit Agarwal - Chairman

Mr. Rajesh Pandey - Director

Mr. S. S. Thakur- Independent Non - Executive Director

Mr. Jagannadham Thunuguntla - Independent Non - Executive Director

Ms. Jyoti Rai - Independent Non - Executive Director

COMPANY SECRETARY

Ms. Ruchi Jaiswal

STATUTORY AUDITORS

SGCO & Co. LLP

Chartered Accountants 4A, Kaledonia-HDIL, 2nd Floor, Sahar Road, Near Andheri Station, Andheri (East) Mumbai – 400 069, India

PRINCIPAL BANKERS

- Union Bank of India, Mumbai
- Bank of India, London Branch
- Canara Bank, London Branch
- Union Bank of India, Hong Kong
- Branch Export-Import Bank of India

REGISTERED OFFICE & WORKS

Village Betegaon, Mahagaon Road, Boisar (East), Taluka Palghar,

Dist. Thane – 401501

CIN NO: L99999MH1982PLC027797

CORPORATE OFFICE

7th Floor, Esperanca Building, Shahid Bhagat Singh Road, Colaba, Mumbai-400001

Tel No.: (022) 66562821| Fax No.: (022) 66562798

Email: investor@responsiveindustries.com| Website:www.responsiveindustries.com

REGISTRARS & SHARE TRANSFER AGENT

Link Intime India Private Limited

Tel No.: (022) 4918 6270| Fax No.: (022) 4918 6060

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai- 400083

Email: rnt.helpdesk@linkintime.co.in| Website: www.linkintime.co.in

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors have pleasure in presenting this Thirty Sixth Annual Report on the business and operations of your Company with the Audited Financial Statements for the year ended March 31, 2018.

1. FINANCIAL PERFORMANCE

| FINANCIAL RESULTS | (Rs. In Million) | |
|---|------------------|-----------------|
| | 2017-18 | 2016-17 |
| Sales and Other Income | 10,985.18 | 18,406.50 |
| Profit before Interest, Depreciation & Tax | 1,086.08 | 1,516.07 |
| Less: Interest | 170.39 | 228.95 |
| Profit before Depreciation & Tax | 915.69 | 1,287.12 |
| Less: Depreciation | 656.70 | 987.66 |
| Profit before Tax | 258.99 | 299.46 |
| Less: Provision for Taxation | 128.24 | 105.58 |
| Net Profit after Tax | 130.75 | 193.88 |
| Balance brought forward from previous year | 4,338.35 | 4,144.14 |
| Profit available for appropriations | 4,472.39 | 4,338.35 |
| Appropriations | | |
| Transfer to General Reserve | - | - |
| Proposed Final Dividend Interim Dividend | 26.69 | 26.69 |
| Corporate Dividend Tax | 5.43 | 5.43 |
| Balance carried to Balance Sheet | 4,440.46 | 4338.35 |

2. OPERATIONS & STATE OF COMPANY'S AFFAIRS

Your Company earned total revenue of Rs. 10,985.18 Million for the year ended 31st March, 2018, as compared to Rs. 18,406.50 Million in the previous financial year. The Company recorded a Net Profit after Tax of Rs.130.75 Million for the year ended 31st March, 2018. The Net Profit after Tax for the financial year ended 31st March, 2017 was Rs. 193.88 Million. There was no change in nature of business of the Company during the year under review.

3. DIVIDEND

Your Directors recommend Dividend of 10% i.e. Re.0.10 per Equity share of face value of Re.1/- each fully paid up aggregating to Rs. 26.69 Million for the year ended 31st March, 2018.

4. TRANSFER TO RESERVES

The Board of Directors has not recommended transfer of any amount to reserves.

5. SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2018 stood at 266.91 Million. During the year under review, the Company has not issued shares with differential voting rights nor granted any stock options or sweat equity shares. As on March 31, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company. During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

6. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

The Company has one material non listed Indian Subsidiary Company i.e. Axiom Cordages Limited. It also has one Hong Kong based subsidiary Responsive Industries Limited, and one step down subsidiary Axiom Cordages Limited incorporated on 02 June, 2017. The policy for determining material subsidiaries of the Company is available on the website of the Company i.e. www.responsiveindustries.com. Responsive International Limited, a wholly owned subsidiary of the Company is being Non operative since inception. The Company does not have any associate Company & Joint venture.

Performance of Axiom Cordages Limited is as follows:

The total revenue net of excise of Axiom Cordages Limited stood at Rs.2017.29 Million (Previous year 2194.02 Million). Profit after tax for the year stood at Rs. (35.32) Million (Previous year -108.24 Million).

The requirement of appointing Independent Director of the Company on the Board of Directors of the subsidiary Company has been duly complied with. The requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations") with regard to subsidiary company have been complied with. Statement containing salient features of the financial statement of Subsidiary Companies in Form AOC-1 forms part of this Annual Report.

7. CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of the Company and of its Subsidiaries, Axiom Cordages Limited are prepared in compliance with applicable provisions of the Companies Act, 2013, and "Ind AS" issued by the Institute of Chartered Accountants of India as well as Listing Regulations as prescribed by the Securities and Exchange Board of India (SEBI). The Financial Statements of Hong Kong based subsidiary Responsive Industries Limited and Axiom Cordages Limited. are prepared in accordance with the Small and Medium sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and in Compliance with the Hong Kong Companies Ordinance.

8. CORPORATE GOVERNANCE

The Company has complied with all the mandatory requirements of Corporate Governance. A separate report on Corporate Governance and a certificate from M/s. P. P. Shah & Co., Practicing Company Secretaries regarding compliance with the conditions of Corporate Governance is given in a separate section and forms part of the Annual Report. Further, a declaration affirming compliance with the code of conduct by all the Board members and senior management personnel along with certificate under Regulation 17(8) of the SEBI Listing Regulations is also given in this Annual Report.

9. DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rajesh Pandey (DIN 00092767) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Accordingly, his re-appointment forms part of the notice of the ensuing Annual General Meeting.

Mr. Rishab Agarwal is appointed as Managing Director of the Company w.e.f. 02 May, 2018 by the Board of Directors of the Company for a term of 5 years subject to the approval of shareholders. Accordingly, his appointment forms part of the Notice of this ensuing Annual General meeting. Mrs. Rohini Agarwal is appointed as Additional Director on the Board w.e.f. 02 May, 2018 by the Board of Directors of the Company. Accordingly, her appointment as a Director of the Company forms part of the Notice of this ensuing Annual General Meeting of the Company.

Mr. Jagannadham Thunuguntla and Ms. Jyoti Rai were appointed as Independent Director at the Annual General Meeting held on 22nd September, 2015 for a period of 3 years and their tenure expires in this ensuing Annual General Meeting. They are proposed to be re-appointed as an Independent Director for another term of five consecutive years for a term up to the conclusion of the 41st Annual General meeting to be held in the calendar year 2023. Accordingly, their re-appointment forms part of the notice of the ensuing Annual General Meeting.

Mr. S.S. Thakur was reappointed as Independent Director at the Annual General Meeting held on 29th September, 2017 for another term of 5 consecutive years. All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and SEBI Listing Regulations. During the year, Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- (a) in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed and there are no material departures;
- (b) 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 March 31, 2018 and of the Profit & loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- (f) the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

11. PLEDGE OF SHARES

None of the equity shares of the Directors of the Company are pledged with any banks or financial institutions.

12. PUBLIC DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

13. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

14. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion & Analysis Report for the year under review is attached, which forms part of the Annual Report.

15. PROPOSAL OF EMPLOYEE STOCK OPTION SCHEME:

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/plan. Your Company believes in rewarding its employees including Directors of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path.

The Company intends to implement the RESPONSIVE INDUSTRIES LIMITED – Employees Stock Option Scheme 2018 (RESPONSIVE ESOS 2018), with a view to attract and retain key talents working with the Company by way of rewarding their performance and had replaced the earlier Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('SEBI ESOP Guidelines 1999'). All listed companies having existing schemes to which the SEBI Regulations apply were required to comply with the same in their entirety.

Accordingly, it is proposed to adopt a new scheme under the SEBI SBEB Regulations, under the name and style 'RESPONSIVE ESOS 2018' for the purposes of granting options to the Employees/Directors of the Company and its subsidiaries, as applicable.

The Resolutions contained in the AGM notice to the Members' seeks their approval to authorise the Board of Directors of the Company to create, issue, offer and allot equity shares, from time to time, to employees/Directors of the Company and its subsidiaries under this Scheme.

A copy of the proposed RESPONSIVE ESOS Scheme 2018 will also be available for inspection at the Registered Office and Corporate Office of the Company between 10:00 a.m. to 1:00 p.m. on all working days up to the last date of the AGM. Also main feature of ESOP are also included in the explanatory Statement to the notice of AGM.

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

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, required information relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the "Annexure A" to the Directors' Report.

17. GROUP

Pursuant to intimation from the promoters, the names of the promoters & entities comprising the "Group" are disclosed in the Annual report for the purpose of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 in "Annexure B".

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has developed a CSR Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. The CSR Policy has been uploaded on the website of the Company. The Annual Report on CSR activities is annexed as "Annexure C" and forms a part of this Report.

19. EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in form MGT 9, as required under Section 92(3) of the Companies Act, 2013 is included in this Report as “**Annexure D**” and forms an integral part of this Report. MGT-7 will be available on the company’s website www.responsiveindustries.com

20. AUDITORS

20.1 Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and rules framed thereunder, M/s. SGC & Co. LLP, Chartered Accountants (Firm Reg. No: 112081W/W100184) were appointed as Statutory Auditors of the Company from the conclusion of the Thirty Fifth Annual General Meeting (AGM) of the Company held on 29th September, 2017 till the conclusion of Annual General Meeting (AGM) to be held in the calendar year 2022, subject to ratification of their appointment at every AGM. Accordingly, resolution seeking member’s approval for ratification of the appointment of SGC & Co. LLP, Chartered Accountants as Statutory Auditors forms part of the Notice convening the Annual General Meeting.

They have confirmed their eligibility and submitted the Certificate in writing that their appointment, if made, would be within the prescribed limit under the Act and they are not disqualified for appointment.

The Auditor’s Report for the F.Y. ended 31st March, 2018 does not contain any qualification, reservation or adverse remark and is prepared as per “Ind AS

20.2 Cost Auditors

Pursuant to Section 148 of Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, on recommendations of Audit Committee, your Directors has appointed M/s. S.K. Agarwal & Associates to audit the cost accounts of the Company for the financial year 2018-19.

A Resolution seeking member’s approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

20.3 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s. P.P. Shah & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in Form MR-3 is annexed herewith as “**Annexure E**”. It does not contain any qualification, reservation or adverse remark except for Non-appointment of Chief Financial Officer (CFO) and partial spending of amount towards Corporate Social Responsibility (CSR) by the Company.

As per the provision of section 203(1) of the Companies Act, 2013, the Company is required to appoint CFO. The Company is in process of finding suitable person as its Chief Financial Officer. The Company has been working on identifying the other projects apart from already taken for carrying out CSR activities; this has taken more than the estimated time looking at the total spending requirement.

21. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the year under review were in the ordinary course of business and on arm’s length basis. The Company has not entered into any contract/arrangement/transaction with related parties which could be considered material in nature. All Related Party Transactions are placed before the Audit Committee and Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive in nature. Your Directors draw attention of the members to note no.33 to the standalone financial statement which sets out related party disclosures.

The Company has developed a Related Party Transactions Policy which has been uploaded on the website of the Company and web-link thereto has been provided in the Corporate Governance report.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has set up an Internal Complaints Committee (ICC) for providing redressal mechanism pertaining to Sexual harassment of women employees at workplace. The Company has not received any complaint pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

23. RISK MANAGEMENT

The Company has laid down the procedures to inform the Board about the risk assessment and minimization procedures and the Board has formulated Risk Management Policy to ensure that the Board, its Audit Committee and its management should collectively identify the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management policy/ strategy. At present there is no identifiable risk which, in the opinion, of the Board may threaten the existence of the Company.

24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is also defined. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, corrective action are undertaken in the respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Internal Financial Control

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, including audit of internal financial controls over financial reporting, and the reviews performed by management and the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively as at March 31, 2018.

During the year under review, no material or serious observation has been observed for inefficiency or inadequacy of such controls.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and employees may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The employees and directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle blower Policy is placed on the website of the Company.

26. BOARD MEETINGS

During the year, 4 (Four) Board Meetings were held on 30th May 2017, 10th August, 2017, 14th November, 2017 and 14th February, 2018. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

As stipulated by code of Independent Director under the Companies Act, 2013. A separate meeting of the Independent Director of the Company was held on 14th February, 2018 to review the performance of Non Independent Directors, Chairman and the Board as a whole.

27. AUDIT COMMITTEE

The Board has well-qualified Audit Committee with majority of Independent Directors including Chairman. As on date, it comprises of Mr. S. S. Thakur - Chairman of Committee, Mr. Rajesh Pandey, Mr. Jagannadham Thunuguntla and Ms. Jyoti Rai as member. The Company Secretary of the Company acts as a Secretary of the Committee.

28. NOMINATION & REMUNERATION POLICY

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The detail of the same has been disclosed in the Corporate Governance Report.

29. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, performance evaluation of Board and that of its Committees and Individual Directors was carried out. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, participation by all directors and developing consensus amongst the directors for all decisions. The Chairman was evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the view of the Executive Directors and Non-Executive Directors.

30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts/tribunals which would impact the going concern status of the Company and its future operations.

31. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

During the year under review, the Company has not given any loan or guarantee or provided security in connection with loan to any other body corporate or person as specified in Section 186 of the Companies Act, 2013. For information pertaining to Investments, kindly refer notes to financial statements.

32. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

There were no employees of the Company drawing remuneration exceeding the specified limit during the year under consideration, hence the details prescribed under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable.

Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18 and
- (ii) The percentage increase in remuneration of each Director and Company Secretary in the financial year 2017-18.

| SR. NO | Name of the Director/KMP and Designation | Remuneration of Director/KMP for financial year 2017-18 (Rs. in Million) | Ratio of remuneration of each director to the median remuneration of employees | % increase in remuneration in the financial year 2017-18 |
|--------|---|--|--|--|
| 1 | Mr. Atit Agarwal (Non-Executive Chairman)* | - | - | -- |
| 2 | Mr. Rajesh Pandey (Executive Director) * | - | - | - |
| 3 | Mr. S.S.Thakur (Independent Non-Executive Director) | 0.50 | 1.58 | -9.09% |
| 4 | Mr. Jagannadham Thunuguntla (Independent Non- Executive Director) | 0.50 | 1.58 | -7.41% |
| 5 | Ms. Jyoti Rai (Independent Non-Executive Director) | 0.25 | 0.79 | -16.67% |
| 6 | Ms. Ruchi Jaiswal (Company Secretary & Compliance Officer) | 0.39 | 1.23 | - |
| 7 | **Ms. Alpa Ramani (Company Secretary & Compliance Officer) | 0.07 | 0.23 | 3.05% |

* Details not given for Mr. Atit Agarwal and Mr. Rajesh Pandey as they did not receive any remuneration from the Company.

** Remuneration of Ms. Alpa Ramani is for the month of April and May, 2017. She resigned w.e.f 30 May, 2017.

(iii) The Median Remuneration of employees of the Company for the financial year 2017-18 is Rs. 0.32 Million and there was a decrease of 3.03 % compared to the previous financial year.

(iv) The number of permanent employees on the rolls of the Company is 264 for the financial year ended March 31, 2018.

(v) Average percentage decrease in the salaries of employees other than the key managerial personnel for the financial year 2017-18 was approx. 4.30%. The decrease in the remuneration of key managerial personnel was approx. 31.23%. The remuneration is determined based on the performance of the employees of the company.

(vi) The remuneration of Whole-Time Director of the Company does not include any variable component. The key parameters for the variable component of remuneration availed by Independent Non-Executive Directors is based on their attendance and contribution at the Board and Committee Meetings.

(vii) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

33. HUMAN RESOURCES

The industrial relations at the manufacturing facilities of your Company have been cordial during the year. Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. The Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

34. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

35. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

36. ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge the support given by the Customers, Dealers, Distributors, Suppliers, Bankers, various departments of the Central and State Governments, Local Authorities and members of the Company. Your Directors would further like to record their appreciation for the unstinted effort put by all Employees of the Company during the year.

For and on behalf of the Board,

Place : Mumbai
Date : 02nd May, 2018

Rajesh Pandey
Director

ANNEXURE TO THE DIRECTOR'S REPORT

ANNEXURE-A

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo Pursuant to Provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A) CONSERVATION OF ENERGY:

- a) Energy conservation measures taken : **N.A.**
- b) Additional investments proposal, if any being implemented for reduction of consumption of energy: **N.A.**
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: **N.A.**
- d) Total energy consumption:

| Power & Fuel Consumption | Financial Year 2017-18 | Financial Year 2016-17 |
|---|---------------------------|---------------------------|
| 1. Electricity | | |
| (a) Purchased | | |
| Units | 2,09,98,845 | 2,63,63,618 |
| Total amount (Rs. in Million) | 131.12 | 206.38 |
| Rate/Unit (Rs.) | 6.24 | 7.83 |
| (b) Own Generation | | |
| (i) Through Diesel Generation | | |
| Units | NIL | NIL |
| Units per Liter of Diesel Oil | NIL | NIL |
| Cost/Unit | NIL | NIL |
| (ii) Through Steam Turbine/Generator | | |
| Units | NIL | NIL |
| Units per Liter of Diesel Oil | NIL | NIL |
| Cost per Unit | NIL | NIL |
| 2. Coal (Specify quantity and where used) | | |
| Quantity (Tonnes) | NIL | NIL |
| Average Rate | NIL | NIL |
| 3 Furnace Oil | | |
| Quantity (in M. Tones) | 3816.63 | 4621 |
| Total Amount (Rs. in Million) | 117.78 | 108.13 |
| Average Rate (Rs. per M.T.) | 30860.45 | 23399.70 |
| 4 Other/Internal Generation (Please give details) | | |
| Quantity | NIL | NIL |
| Total Cost | NIL | NIL |
| Rate per unit | NIL | NIL |

| | Financial Year 2017-18 | Financial Year 2016-17 |
|--|---------------------------|---------------------------|
| B) TECHNOLOGY ABSORPTION: Efforts made in technology absorption | NIL | NIL |
| C) FOREIGN EXCHANGE EARNINGS & OUTGO: Total Exchange Earned (Rs. in Million) Total Outgo (Rs. in Million) | 4,265.01 3,306.44 | 6,277.73 5,873.29 |

For and on behalf of the Board,

Place : Mumbai
Date : 02nd May, 2018

Rajesh Pandey
Director

ANNEXURE-B

Persons constituting group coming within the definition of "Group" for the purpose of Regulation 10 (a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, include the following:

| Sr.No | Name of the Entity |
|-------|---------------------------------|
| 1 | Wellknown Business Ventures LLP |
| 2 | Mavi Business Ventures LLP |
| 3 | Efficient Builders LLP |
| 4 | Axiom Cordages Limited |
| 5 | Goldstreet Infrastructure LLP |
| 6 | Onesource Trading Company LLP |
| 7 | Fairpoint Industries LLP |
| 8 | Fairpoint Tradecom LLP |

For and on behalf of the Board,

Place : Mumbai
Date : 02nd May, 2018

Rajesh Pandey
Director

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2017-18

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

Responsive Industries Limited believes that the true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people. The Company believes in reaching out to underserved communities and intends to make a positive difference to society and contribute its share towards the social cause of betterment of communities and areas in which the Company operates. The Company also believes in the trusteeship concept. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face, and working towards making a meaningful difference to them.

At Responsive Industries Limited, our mantra is – We listen. We're responsive.

In this regard, the Company has made this policy which encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large and is titled as the "CSR Policy" which is based as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 initiated by the Central Government under the relevant provisions of Section 135 of the Companies Act, 2013 and Schedule VII of the said Act.

Activities under CSR:

The Company will carry out CSR activities as specified in Schedule VII to the Companies Act, 2013, including any amendments to it but will not be limited to the following:

- Eradicating hunger, poverty and mal-nutrition, promoting preventive health care and sanitation, including contribution to the Swatch Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the clean Ganga funds set up by the central government for rejuvenation of river Ganga;
- Protection of natural heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of arm forces veterans, war widows and their dependents;
- Training to promote rural sport, nationally recognized sports, Paralympic sport and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects;
- Slum area development.

Web link to the CSR Policy:

<http://www.responsiveindustries.com/pdf/Investorinformation/policies/Corporate-Social-Responsibility-Policy.pdf>

2. The Composition of CSR Committee:

As on date, the Company has a CSR Committee of directors comprising of Mr. Atit Agarwal Chairman of the Committee, Mr. Rajesh Pandey, Mr. Jagannadham Thunuguntla and Ms. Jyoti Rai.

3. Average net profit of the Company for last 3 financial years for the purpose of computation of CSR: Rs.546.46 Million.

4. Prescribed CSR Expenditure (two percent of the amount mentioned in item 3 above): Rs.10.93 Million.

5. Details of CSR spent during the financial year:

a. Total amount to be spent for the financial year: Rs.10.93 Million

b. Amount unspent: Rs 10.83 Million

c. Manner in which the amount spent during the financial year: (Rs. In Million)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--------|--------------------------------------|--|--|---|--|---|--|
| Sr. No | CSR Project or activity identified | Sector in which the project is covered | Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs sub heads: (1) Direct Expenditure on projects and programs (2) Overheads# | Cumulative expenditure up to the reporting period | Amount spent: Direct or through implementing agency* |
| 1 | Health & Medical care | Promoting Health care including preventive health care | Mumbai Maharashtra | 0.065 | 0.065 | 0.065 | Through Implementing agency |
| 2 | Protecting & Promoting art & culture | Promoting art & culture | Mumbai Maharashtra | 0.039 | 0.039 | 0.039 | Through Implementing agency |
| | TOTAL | | | 0.104 | 0.104 | 0.104 | |

* Through Educational Trust/Charities Trust.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: The Company has been working on identifying the projects for carrying out CSR activities; this has been taken more time than estimated looking at the total spending requirements.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company. The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Rajesh Pandey

Director

Place : Mumbai

Date : 02nd May, 2018

Atit Agarwal

Chairman, CSR Committee

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013, and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

| | | |
|-----|---|--|
| i | CIN | L99999MH1982PLC027797 |
| ii | Registration Date | 13-07-1982 |
| iii | Name of the Company | Responsive Industries Limited |
| iv | Category / Sub-Category of the Company | Company limited by shares/Indian Non-Government Company |
| v | Address of the Registered Office and contact details | Betegaon, Mahagaon Road, Boisar (East), Taluka Palghar, Dist. Thane-401501 Tel: (022) 66562821 Fax: (022) 66562798 Email: investor@responsiveindustries.com Website: www.responsiveindustries.com |
| vi | Whether listed Company | Yes |
| vii | Name, address and contact details of Registrar and Transfer Agent, if any | Link Intime India Private Ltd. C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai-400 083 Tel No.: (022) 4918 6270 Fax No: (022) 4918 6060 Email: rent.helpdesk@linkintime.co.in Website: www.linkintime.co.in |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|--|----------------------------------|------------------------------------|
| 1 | PVC Products | 3130 | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and address of the Company | CIN/GLN | Holding/ Subsidiary /Associate | % of Shares held | Applicable Section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1 | Wellknown Business Ventures LLP Esperanca, Shahid Bhagat Singh Road, Colaba, Mumbai- 400039 | AAB-9683 (LLPIN) | Holding Entity | 50.85 | NA |
| 2 | Axiom Cordages Limited Gut No 114B & 120C, Betegaon Village, Boisar (East), Thane- 401 501 | U25209MH1999PLC119427 | Subsidiary Company | 58.18 | 2(87) |
| 3 | Responsive Industries Limited & Responsive International Limited-Hong Kong | - | Subsidiary Company | 100 | 2(87) |
| 4 | Axiom Cordages Limited - Hong Kong | - | Step Down Subsidiary Company | 58.18 | 2(87) |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total equity)

(i) Category wise shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year (01.04.2017) | | | | No. of Shares held at the end of the year (31.03.2018) | | | | % Change during the year |
|---|--|----------|------------------|-------------------|--|----------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 3562340 | 0 | 3562340 | 1.3346 | 3562340 | 0 | 3562340 | 1.3346 | 0 |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corporate | 155284357 | 0 | 155284357 | 58.1780 | 154744357 | 0 | 154744357 | 57.9756 | -0.2024 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1):- | 158846697 | 0 | 158846697 | 59.5126 | 158306697 | 0 | 158306697 | 59.3103 | -0.2023 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 158846697 | 0 | 158846697 | 59.5126 | 158306697 | 0 | 158306697 | 59.3103 | -0.2023 |

| | | | | | | | | | |
|--|------------------|----------|------------------|----------------|------------------|----------|------------------|----------------|----------------|
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 10637777 | 0 | 10637777 | 3.9855 | 10637777 | 0 | 10637777 | 3.9855 | 0 |
| c) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FII's | 11257931 | | 11257931 | 4.2178 | 11251938 | | 11251938 | 4.2156 | -0.0022 |
| h) Foreign Venture Capital funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 21895708 | 0 | 21895708 | 8.2033 | 21889715 | 0 | 21889715 | 8.2011 | -0.0022 |
| 2. Non Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 2546609 | 0 | 2546609 | 0.9541 | 1466830 | 0 | 1466830 | 0.5496 | -0.4045 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh | 634791 | 0 | 634791 | 0.2378 | 1700466 | 0 | 1700466 | 0.6371 | 0.3993 |
| ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh | 0 | 0 | 0 | 0 | 1719648 | 0 | 1719648 | 0.6443 | 0.6443 |
| c) Others | | | | | | | | | |
| i) Foreign Bodies | 81366228 | 0 | 81366228 | 30.4842 | 80975228 | 0 | 80975228 | 30.3377 | -0.1465 |
| ii) NRI / OCBs | 64865 | 0 | 64865 | 0.0243 | 189287 | 0 | 189287 | 0.0709 | .0466 |
| iii) Clearing Members/ Clearing House | 1395109 | 0 | 1395109 | 0.5227 | 523048 | 0 | 523048 | 0.1960 | -0.3267 |
| iv) HUF | 162693 | 0 | 162693 | 0.0610 | 141781 | 0 | 141781 | 0.0531 | -0.0079 |
| Sub-Total (B)(2): | 86170295 | 0 | 86170295 | 32.2841 | 86716288 | 0 | 86716288 | 32.4886 | 0.2045 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 108066003 | 0 | 108066003 | 40.4874 | 108606003 | 0 | 108606003 | 40.6897 | 0.2023 |
| C. Shares held by Custodian for GDRS & ADRS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| GRAND TOTAL (A+B+C) | 266912700 | 0 | 266912700 | 100 | 266912700 | | 266912700 | 100 | 0 |

(ii) Shareholding of Promoters

| Shareholder's Name | No. of Shares held at the beginning of the year (01.04.2017) | | | No. of Shares held at the end of the year (31.03.2018) | | | % Change in shareholding during the year |
|---|--|----------------------------------|--|--|----------------------------------|--|--|
| | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| | | | | | | | |
| Wellknown Business Ventures LLP | 148425340 | 55.6082 | 0.00 | 135725340 | 50.8501 | 0.00 | -4.7581 |
| Axiom Cordages Limited | 4418330 | 1.6553 | 0.00 | 4418330 | 1.6553 | 0.00 | 0.00 |
| Mavi Business Ventures LLP (Erstwhile Havest Enterprises LLP) | 848687 | 0.3180 | 0.00 | 508687 | 0.1906 | 0.1873 | -0.1274 |
| Efficient Builders LLP | 1592000 | 0.5964 | 0.00 | 1592000 | 0.5964 | 0.00 | 0.00 |
| Fairpoint Trade-com LLP | 0.00 | 0.00 | 0.00 | 12500000 | 4.6832 | 0.00 | 4.6832 |
| Swati Atit Agarwal | 1300010 | 0.4871 | 0.00 | 1300010 | 0.4871 | 0.00 | 0.00 |
| Saudamini Abhishek Agarwal | 937000 | 0.3511 | 0.00 | 937000 | 0.3511 | 0.00 | 0.00 |
| Atit O. Agarwal | 773330 | 0.2897 | 0.00 | 773330 | 0.2897 | 0.00 | 0.00 |
| Abhishek Omprakash Agarwal | 552000 | 0.2068 | 0.00 | 552000 | 0.2068 | 0.00 | 0.00 |
| TOTAL | 158846697 | 59.5126 | 0.00 | 158306697 | 59.3103 | 0.1873 | -0.2023 |

(iii) Change in Promoters' Shareholding

| Sr. No. | Name | Shareholding at the beginning/end of the year | | Date | Increase/decrease in shareholding | Reason | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|------------|-----------------------------------|--------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | | | | No. of Shares | % of total shares of the company |
| 1 | Wellknown Business Ventures LLP | | | | | | | |
| | At the beginning of the year | 148425340 | 55.6082 | 05.01.2018 | -500000 | Share lending | 147925340 | 55.4209 |
| | | | | 09.03.2018 | 140000 | Lent Share received back | 148065340 | 55.4733 |
| | | | | 31.03.2018 | 12340000 | Sale | 135725340 | 50.8501 |
| | At the end of the year | 135725340 | 50.8501 | 31.03.2018 | - | - | 135725340 | 50.8501 |
| 2 | Fairpoint Tradercom LLP | | | | | | | |
| | At the beginning of the year | - | - | - | - | - | - | - |
| | At the end of the year | 12500000 | 4.6832 | 31.03.2018 | - | Purchase | 12500000 | 4.6832 |
| 3 | Mavi Business Ventures LLP (Erstwhile Harvest Enterprises LLP) | | | | | | | |
| | At the beginning of the year | 848687 | 0.318 | 29.12.2017 | -340000 | - | 508687 | 0.1906 |
| | At the end of the year | 508687 | 0.19 | - | - | - | 508687 | 0.1906 |

There is no change in the shareholding of other Promoters between 01.04.2017 to 31.03.2018.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr No. | Name* | Shareholding at the beginning of the year (01.04.2017) | | Shareholding at the end of the year (31.03.2018) | |
|--------|---|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Fossebridge Limited | 32901800 | 12.3268 | 32901800 | 12.3268 |
| 2 | Xatis International Limited | 32705720 | 12.2533 | 32705720 | 12.2533 |
| 3 | Brenzett Limited | 15758708 | 5.9041 | 15367708 | 5.7576 |
| 4 | Life Insurance Corporation of India | 9584233 | 3.5908 | 9584233 | 3.5908 |
| 5 | Sparrow Asia Diversified Opportunities Fund | 5678069 | 2.1273 | 5678069 | 2.1273 |
| 6 | Passage To India Master Fund Limited | 4285869 | 1.6057 | 4285869 | 1.6057 |
| 7 | Davos International Fund | 1288000 | 0.4826 | 1288000 | 0.4826 |
| 8 | General Insurance Corporation of India | 1053544 | 0.3947 | 1053544 | 0.3947 |
| 9 | ***Anil Gupta | 0 | 0 | 700000 | 0.2623 |
| 10 | ***Shyam Sunder Kedia | 0 | 0 | 700000 | 0.2623 |
| 11 | **India Infoline Limited | 743713 | 0.2786 | 2338 | 0.0009 |
| 12 | **SMC Global Securities Ltd | 1306283 | 0.4894 | 1895 | 0.0007 |

* The Shares of the Company are traded on a daily basis. Hence the date wise increase/decrease in shareholding is not indicated.

** Not in the list of Top 10 shareholders as on 31.03.2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2017.

***Not in the list of Top 10 shareholders as on 01.04.2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2018.

(v) Shareholding of Directors and Key Managerial Personnel

| Sr No. | Name* | Shareholding at the beginning of the year (01.04.2017) | | Cumulative Shareholding during the year | |
|--------|--|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Atit Agarwal | | | | |
| | At the beginning of the year | 773330 | 0.29 | 773330 | 0.29 |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):) | - | - | - | - |
| | At the End of the year | 773330 | 0.29 | 773330 | 0.29 |

Other than listed above, no other Director and Key Managerial Personnel hold any shares in the Company.

V. INDEBTEDNESS

Rs in Million

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 3816.00 | - | - | 3816.00 |
| ii) Interest due but not paid | - | - | - | |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 3816.00 | - | - | 3816.00 |
| Addition/(Reduction) in Indebtedness during the financial year | (1587.01) | - | - | (1587.01) |
| Indebtedness at the end of the financial year | | - | - | |
| i) Principal Amount | 2228.51 | - | - | 2228.51 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 2228.51 | - | - | 2228.51 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NA Rs in Million

B. Remuneration to other Directors:

| Sl. No. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|---------|--|--|-----------------------------|---------------|--------------|
| | | Mr. S.S.Thakur | Mr. Jagannadham Thunuguntla | Ms. Jyoti Rai | |
| 1 | Independent Directors | | | | |
| | Fee for attending board / committee meetings | 0.195 | 0.195 | 0.195 | 0.585 |
| | Commission | 0.305 | 0.305 | 0.055 | 0.665 |
| | Others | - | - | - | |
| | Total (1) | 0.5 | 0.5 | 0.25 | 1.25 |
| 2 | Other Non-Executive Directors | - | - | - | - |
| | Fee for attending board / committee meetings | - | - | - | - |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (2) | - | - | - | - |
| | Total (B)=(1+2) | 0.5 | 0.5 | 0.25 | 1.25 |
| | Total Managerial Remuneration (A+B) | 0.5 | 0.5 | 0.25 | 1.25 |
| | Ceiling as per the Act | (being 1% of net profit of Company calculated as per Section 198 of the Companies Act, 2013) | | | |

Remuneration to Key Managerial Personnel other than MD/Manager/WTB

Rs in Million

| SR. No | Particulars of Remuneration | Key Managerial Personnel | |
|--------|--|---|-------|
| | | Ms. Ruchi Jaiswal Company Secretary & Compliance Officer | Total |
| 1 | Gross Salary (a) Value of Perquisites u/sec 17 (1) of the Income Tax Act, 1961 (b) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961 | 0.39 | 0.39 |
| 2 | Stock Option | | |
| 3 | Sweat Equity | | |
| 4 | Commission a. as a % of profit b. others | | |
| 5 | Others | | |
| | | | |
| | Total | 0.39 | 0.39 |

| SR. No | Particulars of Remuneration | Key Managerial Personnel | |
|--------|--|---|-------|
| | | Ms. Alpa Ramani Company Secretary & Compliance Officer | Total |
| 1 | Gross Salary (a) Value of Perquisites u/sec 17 (1) of the Income Tax Act, 1961 (b) Value of Perquisites u/sec 17 (2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961 | 0.07 | 0.07 |
| 2 | Stock Option | | |
| 3 | Sweat Equity | | |
| 4 | Commission a. as a % of profit b. others | | |
| 5 | Others | | |
| | | | |
| | Total | 0.07 | 0.07 |

* for the month of April and May 2017

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES (Under the Companies Act):

None

For and on behalf of the Board,

Place : Mumbai
Date : 02nd May, 2018

Rajesh Pandey
Director

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Responsive Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Responsive Industries Limited**. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the **Responsive Industries Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Responsive Industries Limited** ("the Company") for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period).**

(d) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period).**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards – 1 for Board Meetings and Secretarial Standards – 2 for General Meetings.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules Regulations, Guidelines, etc. mentioned above subject to the following qualifications:

a. Non Appointment of Chief Financial Officer:

As per the provisions of Section 203 (1) of the Companies Act, 2013, the Company is required to appoint the following Key Managerial Personnel:

a. Managing Director or Chief Executive Officer or manager and in their absence, a Whole-Time Director.

b. Company Secretary

c. Chief Financial Officer

The Company has appointed Company Secretary and an Executive Director (Whole Time Director). The Company has not appointed Chief Financial Officer

b. Non Spending of amount towards Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act, 2013, a Company to whom the provisions of CSR applies, is required to spend atleast 2% of its average net profits made during the immediately three preceding financial years on CSR activities. As per the financial statement as on March 31, 2017, the Company was required to spend Rs.10,932,522.50 during the financial year 2017 – 18 on CSR activities. The Company has spent Rs. 103,975.00 towards CSR activities during the financial year 2017 – 18. An amount of Rs. 10,828,547.50 was not spent towards CSR activities.

The reasons for not spending the same have been given at an appropriate place in the Directors Report.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Mumbai

Date : 26th April, 2018

Signature:

For P. P. Shah & Co.,

Practicing Company Secretaries

Pradip Shah

FCS No. 1483 C P No.: 436

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company, Responsive Industries Limited (RIL) is one of the leading providers of vinyl flooring internationally and one of the largest Indian producer of PVC flooring, artificial leather cloth and soft sheeting. We possess the largest domestic capacity in PVC flooring and artificial leather cloth segments. Our products portfolio includes PVC flooring, automotive upholstery solutions, FMCG and pharmaceutical packaging and transparent sheeting. We serve multiple industries comprising healthcare, hospitality, transportation, IT and telecom, retail, education, sports infrastructure and real estate which are widely used both for household and commercial purposes.

During the year under review, the Company's performance was satisfactory and the Company was able to meet the demand of PVC product satisfactorily. Despite the slowdown, your Company is seeing bright future for its business and will strive for better performance in coming years.

B. OPPORTUNITIES AND THREATS

The Company is among the market leaders in PVC product segment. The consumption of PVC products like PVC Leather Cloth is increased with reasonable percentage in both commercial and household purposes and for other PVC products like PVC Sheeting, the consumption in commercial purposes has been increased. With this growing demand of PVC products in the domestic market as well as the overseas markets for commercial and household application, the Company is expecting several opportunities for profitable growth. The Company has all geared up to meet these challenges and continue to be among the leaders in this sector.

The threats that the Company faces are from the unorganized sector in the domestic markets due to cheaper imports and European & other countries competition in the overseas market.

C. PERFORMANCE OF COMPANY

The Company is engaged only in one segment of products i.e. PVC products. The Company produces various types, grades and form of PVC Leather Cloth, PVC Flooring and PVC Sheeting. Your company achieved Net Sales of Rs.10,725.45 Million & recorded net profit after tax of Rs. 130.75 Million for the year ended 31st March, 2018.

D. OUTLOOK

With Company's increased capacity utilization, strong product development, market efforts, the company is optimistic about its growth in the coming years.

E. RISK AND CONCERNS

Your Company has a clearly documented Risk Management Policy. The management team of the company regularly identifies, reviews and assesses such risk and decides appropriate guidelines for mitigating the same.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has instituted adequate internal control procedure commensurate with the nature of its business and the size of its operations for smooth conduct of the business. Internal audit is conducted at regular intervals and covers the key areas of operations. It is an independent objective and assurance function responsible for evaluating and improving the effectiveness of risk management control, governance processes etc.

G. FINANCIAL & OPERATIONAL PERFORMANCE

Your company achieved Net Sales of Rs. 10,725.45 Million for the year ended 31st March, 2018 as compared to Rs. 18056.54 Million in the previous year. Further, your Company recorded net profit after tax of Rs. 130.75 Million as compared to Rs. 193.88 Million for the previous year. In terms of geographical market, performance of the Company is as follows.

| Sales | Year ended 31.03.2018 | Year ended 31.03.2017 |
|--------------|-----------------------|-----------------------|
| Local | 6,453.36 | 11,751.91 |
| Export | 4,272.09 | 6,304.62 |
| Total | 10,725.45 | 18,056.54 |

H. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company's biggest asset is its employees. The Company provides suitable environment for development of leadership skills which enables it to recruit and retain quality professionals in all the fields. Your Company's industrial relation continued to be harmonious during the year under review.

I. TRANSPARENCY IN SHARING INFORMATION

Transparency refers to sharing information and acting in an open manner. Processes and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Your Company strives to provide maximum possible information in this report to keep the stakeholders updated about the business performance..

CAUTIONARY STATEMENT:

Statement in the management discussion and analysis describing the Company's objectives, projections, expectations may constitute a 'forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed and implied.

Place : Mumbai
Date : 02nd May, 2018

For and on behalf of the Board,

Rajesh Pandey
Director

CORPORATE GOVERNANCE REPORT

I. Company's Philosophy on Code of Governance

Your Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders value while safeguarding the interest of all the stakeholders. It is this conviction that has led the company to make strong Corporate Governance values intrinsic in all operations. The Company is led by a distinguished Board. The Board provides a strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well informed and well-equipped to fulfill its oversight responsibilities and to provide management the strategic direction it needs to create long-term shareholders value.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges.

II. Board of Directors

Composition:

The composition of the Board is in conformity with SEBI Listing Regulations, 2015. Details of the Directors, their directorships and committee chairmanship/membership held by them in other public companies as on March 31, 2018 (excluding Responsive Industries Limited) are as under:

| Name of Director | Category | No. of Directorships in other Public Limited Companies | Committee Positions | |
|-----------------------------|-----------------------------------|--|---------------------|----------|
| | | | Chairman** | Member** |
| Mr. Atit Agarwal | Non-Executive Chairman (Promoter) | 1 | - | - |
| Mr. Rajesh Pandey | Executive | 1 | - | 1 |
| Mr. S. S. Thakur | Independent, Non-Executive | 3 | 2 | 3 |
| Mr. Jagannadham Thunuguntla | Independent, Non-Executive | - | - | - |
| Ms. Jyoti Rai | Independent, Non-Executive | 1 | - | - |

Notes:

1. *Other directorships exclude directorships of Private Limited Companies, Foreign Companies and Section 8 Companies.
2. **Only Audit Committee and Stakeholder's Relationship Committee have been considered for the purpose of the Committee positions as per Listing Regulations.
3. Members of the Board of the Company do not have membership of more than ten Committees or Chairmanship of more than five Committees.
4. The particulars of Director seeking re-appointment at the forthcoming AGM are provided in the Notice to the Annual General Meeting. The brief profile of the Directors is placed on the website of the Company.
5. The tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under SEBI Listing Regulations, 2015 and Section 149 of the Companies Act, 2013.
6. None of the Directors have any inter-se relation among themselves.

Board Meetings

During the year, 4 (Four) Board Meetings were held on 30th May 2017, 10th August 2017, 14th November 2017 and 14th February 2018 and the particulars of attendance of the Directors are as under:

| Name of Director | No. of Board meetings attended | Attendance at AGM held on 29/09/2017 |
|-----------------------------|--------------------------------|--------------------------------------|
| Mr. Atit Agarwal | 4 of 4 | Yes |
| Mr. Rajesh Pandey | 4 of 4 | Yes |
| Mr. S.S.Thakur | 4 of 4 | Yes |
| Mr. Jagannadham Thunuguntla | 4 of 4 | No |
| Ms. Jyoti Rai | 4 of 4 | Yes |

The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company.

During the year under review, Separate meeting of the Independent Directors was held on 14.02.2018 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

III. Committees of the Board

As on 31st March 2018, the Company has Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

1. Audit Committee

The Audit Committee is constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations. Members of the Audit Committee possess financial/accounting expertise. The Audit Committee invites executives, as it considers appropriate, representatives of Statutory Auditors and Internal Auditors to present at its meetings. The Company Secretary acts as the secretary to the audit committee.

Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 30th May 2017, 10th August 2017, 14th November 2017 and 14th February 2018 and not more than one hundred and twenty days lapsed between two consecutive meetings of the Audit Committee.

| Name of Director | Designation | No. of meetings attended |
|-----------------------------|-------------|--------------------------|
| Mr. S. S. Thakur | Chairman | 4 of 4 |
| Mr. Rajesh Pandey | Member | 4 of 4 |
| Mr. Jagannadham Thunuguntla | Member | 4 of 4 |
| Ms. Jyoti Rai | Member | 4 of 4 |

Terms of reference:

Powers of Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit committee, inter alia, includes the following:

Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- Recommending the appointment, remuneration and terms of appointment of auditors of the company;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - 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.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

1. Review of Information by Audit Committee

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- Review the statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013. The Committee comprises of Non-Executive Directors and majority of them are independent. The Chairman of the Committee is an Independent Director.

Composition, Meetings & Attendance

During the year under review, the Committee met 3 (Three) times on 30th May 2017, 14th November 2017 and 14th February 2018.

Names of the Committee Members along with their attendance are given below:

| Name of Director | Designation | No. of meetings attended |
|-----------------------------|-------------|--------------------------|
| Mr. S. S. Thakur | Chairman | 3 of 3 |
| Mr. Jagannadham Thunuguntla | Member | 3 of 3 |
| Ms. Jyoti Rai | Member | 3 of 3 |

Terms of Reference:

- To identify persons who are qualified to become directors and who may be appointed in senior management level in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of performance of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To deal with the matters relating to the remuneration payable to Whole time Directors, Key Managerial Personnel and Senior Management Executives and commission, if any, to be paid to Non-Executive directors, apart from sitting fees.
- To review the overall compensation policy, service agreement and other employment conditions of Whole time Directors, Key Managerial Personnel and Senior Management Executives.
- To evaluate whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- To deal with other matters as the Board may refer to the Nomination and Remuneration Committee ("the Committee") from time to time.

Nomination & Remuneration Policy:

The Company recognizes the competitive nature of the current market conditions and this requires the Company to provide competitive remuneration offering to directors and employees to ensure that a high caliber of staff is attracted to the Company and retained once they have gained experience. The Company further acknowledges that it can only excel in service delivery through the exceptional performance of its people and that the remuneration offering to the directors and employees plays a substantial motivational role when exceptional performance is compensated with exceptional rewards. The Remuneration of Whole time Directors, Key Managerial Personnel and Senior Executives of the Company are decided based on certain predetermined criteria and as per the recommendation of the Committee. The Company pay remuneration to Whole time Directors, Key Managerial Personnel and Senior Executives by way of salary, perquisites, allowances (fixed component), incentives and commission (variable component) based on the recommendation of the Committee and approval of the Board of Directors and shareholders, if applicable.

Guaranteed Portion of Remuneration: Whole time Directors and employees are receiving guaranteed portion of their total package on a monthly basis. **Variable Portion of Remuneration:** Incentive bonus to reward employees for exceptional performance above the accepted standard and is variable. These rewards are based on individual, departmental or Company' performance related to predefined targets. Performance is measured over a 12 months period.

Non-Executive Independent Directors are paid sitting fees for every meeting of the Board or the Committee attended and reimbursement of expenses, if any incurred by them. The remuneration by way of Annual Commission to the Non-Executive Independent Directors is decided by the Board of Directors on recommendation of the Committee and paid to them based on their participation and contribution at the Board / Committee meetings and the time spent on matters other than at meetings, in terms of the resolution passed by the shareholders of the Company in the Annual General Meeting held on 22nd September, 2015.

The total commission payable to the Directors shall not exceed 1% of the net profit of the Company. The Commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year. The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

Details of Remuneration, Sitting fees, Commission paid to the Directors during the financial year ended 31st March, 2018 are given below:

| SR. No | Name of Director | Sitting Fees (Rs. in Million) | Annual Remuneration / Commission* (Rs. in Million) |
|--------|-----------------------------|-------------------------------|--|
| 1 | Mr. S. S. Thakur | 0.195 | 0.305 |
| 2 | Mr. Jagannadham Thunuguntla | 0.195 | 0.305 |
| 3 | Ms. Jyoti Rai | 0.195 | 0.055 |

As on 31st March 2018, Mr. Atit Agarwal holds 7,73,330 equity shares in the Company. Other than this, no other director by himself/herself or for any other person on a beneficial basis holds any shares in the Company. The Company has not issued any convertible instruments.

There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company does not have any Employee Stock Option Scheme.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include level of engagement and contribution by a director, independence of judgment, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality.

3. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013. The Chairman of Committee i.e. Mr. S.S.Thakur is a Non-Executive Director.

Composition, Meetings & Attendance

During the year under review, the Committee met 1 (One) time on 14th November, 2017.

Name of the Committee Members along with their attendance is given below -

| Name of Director | Designation | Annual Remuneration / Commission* (Rs. in Million) |
|-------------------|-------------|--|
| Mr. S. S. Thakur | Chairman | 1 of 1 |
| Mr. Rajesh Pandey | Member | 1 of 1 |
| Mr. Atit Agarwal | Member | 1 of 1 |

The Company Secretary of the Company has been designated as Compliance Officer (**E-mail ID: investor@responsiveindustries.com**) for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges. The "SCORES" website of SEBI for redressing of Grievances of the Investors is being visited at regular intervals by the Company Secretary and there are no pending complaints registered with SCORES for the Financial Year ended on 31st March, 2018.

Terms of Reference

The Committee looks into the redressal of complaints of investors such as transfer of shares, non-receipt of declared dividend/notices/annual reports, etc.

Details of Investor Complaints

| Number of Complaints from 01.04.2017 to 31.03.2018 | | | |
|--|----------|-----------|--------------------------|
| Pending as on 01.04.2017 | Received | Redressed | Pending as on 31.03.2018 |
| Nil | Nil | Nil | Nil |

4. Corporate Social Responsibility (CSR) Committee

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. Your Company has developed a CSR Policy which is available on the website of the Company.

Composition, Meetings & Attendance

During the year under review, the Committee met on 30th May, 2017.

Name of the Committee Members along with their attendance is given below –

| Name of Director | Designation | No. of meetings attended |
|-----------------------------|-------------|--------------------------|
| Mr. Atit Agarwal | Chairman | 1 of 1 |
| Mr. Rajesh Pandey | Member | 1 of 1 |
| Mr. Jagannadham Thunuguntla | Member | 1 of 1 |
| Ms. Jyoti Rai | Member | 1 of 1 |

Terms of Reference

The Terms of Reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a CSR Policy.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.
- Monitor CSR policy from time to time.

IV. General Body Meetings

(i) Annual General Meetings (AGM):

Location, date and time of the Annual General Meeting held during the last 3 years.

| Financial Year | Date | Time | Location | Special Resolutions Passed |
|----------------|------------|------------|---|---|
| 2016-17 | 29.09.2017 | 10.00 a.m. | Hotel Silver Avenue, Ostwal Empire, Next to Big Bazar, Boisar (West), Thane- 401501 | Resolution under Section 149, 152 of Companies Act, 2013 for re-appointment of Independent Director. |
| 2015-16 | 09.09.2016 | 10.00 a.m. | Hotel Silver Avenue, Ostwal Empire, Next to Big Bazar, Boisar (West), Thane- 401501 | |
| 2014-15 | 22.09.2015 | 11.00 a.m. | Hotel Silver Avenue, Ostwal Empire, Next to Big Bazar, Boisar (West), Thane- 401501 | Resolution under Section 14 of Companies Act, 2013 for alteration of Articles of Association of the Company |

(ii) Extra-Ordinary General Meetings held during last three years

No Extra-Ordinary General Meeting of the Shareholders was held during last three financial years.

(iii) Postal Ballot

During the year under review, no resolution has been passed through postal ballot. None of the businesses proposed to be transacted requires passing a resolution through postal ballot.

V. Disclosures

(i) Related Party Transactions

The Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in nature. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. Your Directors draw attention of the members to note no.33 to the standalone financial statement which sets out related party disclosures and they are not in conflict with the interest of the Company at large. The Company has adopted a policy for related Party transactions which has been uploaded on the Company's website at <http://www.responsiveindustries.com/pdf/Investor-information/policies/Related-Party-Transactions-Policy.pdf>

(ii) The Company has complied with the requisite regulations relating to capital markets. No Penalties/strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the last three years.

(iii) Whistle Blower Policy

The Company has adopted whistle blower policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put on the website of the Company i.e. www.responsiveindustries.com

(iv) Details of Compliance with mandatory requirements and adoption of non- mandatory requirements

The Company has complied with the applicable mandatory requirements of the SEBI Listing Regulations. The Company has adopted following non-mandatory requirements of SEBI Listing Regulations, 2015.

Adoption of Non-Mandatory Requirements

- i. As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- ii. The Company's financial statement for the financial year 2017-18 does not contain any audit qualification.
- iii. The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and directly inter-acts to the Audit Committee.

(v) Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. No deviation is made in following the same.

(vi) Code of Conduct

The Code of Conduct has been put on the Company's website. The members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2018. The Annual Report contains declaration to this effect signed by Mr. Rajesh Pandey.

(vii) Subsidiary Companies

The Company has one material non listed Indian subsidiary Company and one Hong Kong based subsidiary incorporated on 02 June, 2018. The requirement of appointing Independent Director of the Company on the Board of Directors of the Indian subsidiary Company has been duly complied with. All requirements with regard to subsidiary company have been complied with.

(viii) Material Subsidiary policy

The Company has framed policy for determining "material subsidiaries" to ensure that Board of Directors has overall supervision of functioning of Subsidiaries of the Company and to provide the governance framework for such subsidiaries. The policy is available at <http://www.responsiveindustries.com/pdf/Investor-information/policies/Policy-on-Material-Subsidiaries.pdf>

(ix) Certificate under Regulation 17(8)

The Certificate pursuant to the Regulation 17(8) of the SEBI Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs is annexed and forms part of the Annual Report.

(x) Familiarisation Programme

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details are available at: <http://www.responsiveindustries.com/pdf/Investorinformation/news/FamiliarizationProgramImparted-to-Independent-Directors.pdf>

(xi) The Company has adopted policy on preservation of documents and Archival Policy as well as Policy for determination of materiality of events or information.

(xii) Dividend Distribution Policy

The Company has adopted Dividend Distribution Policy. The Policy is available at <http://www.responsiveindustries.com/pdf/Investor-information/policies/DividendDistribution-Policy.pdf>

VI. Means of Communication

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results & announces forthwith results to all the Stock Exchanges, where the shares are listed. The results are published normally in Free Press Journal and Navshakti. The results are also displayed on the Company's website at www.responsiveindustries.com. The Company issues news releases on significant corporate decisions/activities and posts them on Company's website. The Company's website provides for separate section for investors where relevant shareholders information is available. The Management Discussion & Analysis Report forms part of the Annual Report.

VII. General Shareholder Information

1. Annual General Meeting

Date : 08th June, 2018

Time : 10 a.m

Venue: Hotel Silver Avenue, Ostawal Empire

Next to Big Bazar, Boisar(West) Thane-401 501, Maharashtra

2. Financial Calendar (Tentative)

Financial Year of the Company 01st April, 2018 to 31st March, 2019

Results for the Quarter ending:

| | |
|--------------------|---|
| June 30, 2018 | On or before 14 th August, 2018 |
| September 30, 2018 | On or before 14 th November, 2018 |
| December 31, 2018 | On or before 14 th February, 2019 |
| March 31, 2018 | On or before 15 th May, 2019 or 30 th May, 2019 |

3. Date of Book Closure: 02nd June, 2018 to 08th June, 2018 (Both days inclusive)

4. Dividend Payment Date:

Final Dividend, if declared, shall be paid/credited after 08th June, 2018.

(5) Listing of Equity Shares on the Stock Exchange

1. BSE Limited

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

2. National Stock Exchange of India Limited

Exchange Plaza, Bandra- Kurla Complex, Bandra (East) Mumbai - 400 051

Listing Fees as applicable have been paid.

6. Stock code/Symbol

(a) Stock Exchange

1. BSE Ltd.

2. National Stock Exchange of India Ltd.

(b) Demat ISIN Number in NSDL & CDSL

Stock Code

505509

RESPONIND

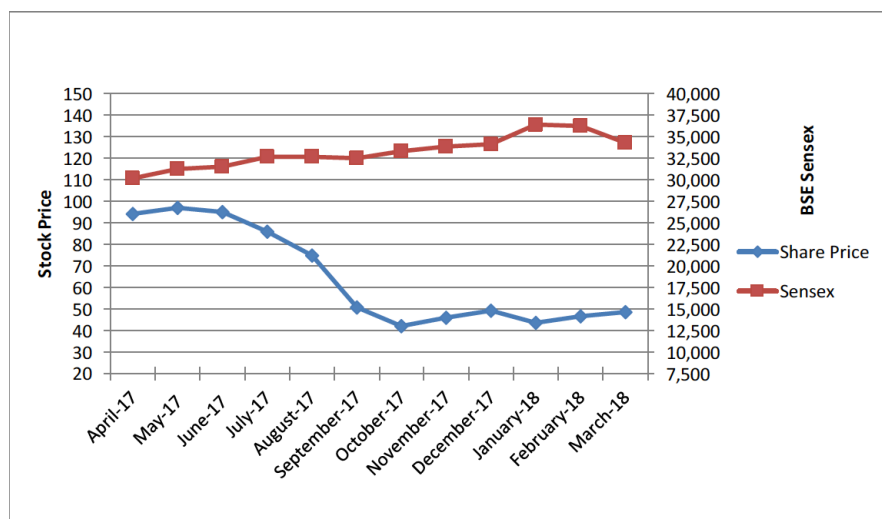
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for Equity Shares

7. Stock Market Data:

| Month | BSE Limited | | National Stock Exchange (NSE) | |
|------------|-------------|-----------|-------------------------------|-----------|
| | High (Rs.) | Low (Rs.) | High (Rs.) | Low (Rs.) |
| April-2017 | 94.25 | 83.05 | 92.00 | 73.30 |
| May-2017 | 97.00 | 84.60 | 94.00 | 84.25 |
| June-2017 | 95.00 | 81.00 | 92.00 | 76.35 |
| July-2017 | 85.95 | 56.20 | 96.30 | 56.10 |
| Aug -2017 | 74.75 | 39.85 | 94.90 | 39.50 |
| Sep-2017 | 50.80 | 35.10 | 51.00 | 35.75 |
| Oct-2017 | 42.10 | 34.50 | 42.35 | 34.50 |
| Nov -2017 | 46.00 | 36.70 | 47.00 | 36.70 |
| Dec-2017 | 49.15 | 38.10 | 49.80 | 36.00 |
| Jan-2018 | 43.60 | 39.00 | 43.50 | 38.90 |
| Feb -2018 | 46.50 | 36.40 | 46.80 | 36.00 |
| Mar -2018 | 48.50 | 37.10 | 46.80 | 36.80 |

8. Performance of Responsive Industries Limited share price in comparison to BSE Sensex:



9. Registrar and Transfer Agents:

Shareholders correspondence should be addressed to the Registrar and Transfer Agents of the Company at the following Address:

Link Intime India Private Ltd.,

C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai- 400 083

E-mail: rnt.helpdesk@linktime.co.in | Website: www.linkintime.co.in

Tel No.: (022) 49186270 | Fax No.: (022) 49186060

10. Share Transfer System:

100% equity shares of the Company are in dematerialized form. Transfers of these shares are done through the depositories with no involvement of the Company.

A Certificate is obtained every six months from a Practicing Company Secretary with regard to, inter alia, effecting transfer, sub division, consolidation, renewal, exchange of equity shares within fifteen days of their lodgment. The certificate is also filed with BSE Limited & National Stock Exchange of India Limited where the equity shares of the Company are listed.

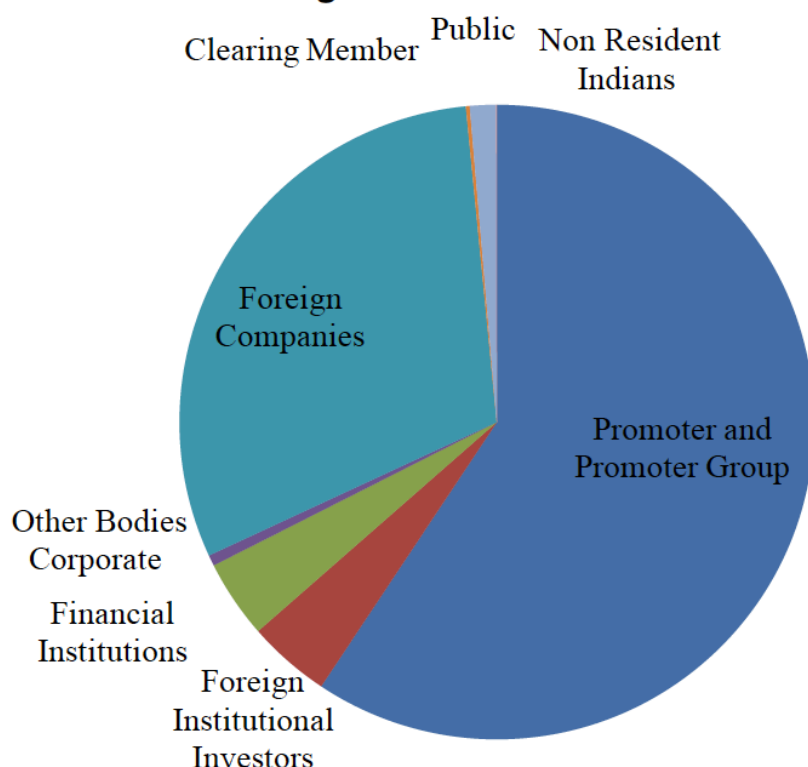
11. Distribution of Shareholding as on 31st March, 2018

| Range | No. of shareholders | % of total shareholders | No. of Shares held | % of shareholding |
|-----------------|---------------------|-------------------------|--------------------|-------------------|
| 1 to 500 | 2440 | 79.9476 | 335705 | 0.1258 |
| 501 to 1000 | 255 | 8.3552 | 216231 | 0.0810 |
| 1001 to 2000 | 143 | 4.6855 | 215273 | 0.0807 |
| 2001 to 3000 | 59 | 1.9332 | 154248 | 0.0578 |
| 3001 to 4000 | 25 | 0.8191 | 91328 | 0.0342 |
| 4001 to 5000 | 32 | 1.0485 | 154044 | 0.0577 |
| 5001 to 10000 | 36 | 1.1796 | 260671 | 0.0977 |
| 10001 and above | 62 | 2.0315 | 265485200 | 99.4652 |
| Total | 3052 | 100.00 | 266912700 | 100.00 |

12. Shareholding Pattern as on 31st March, 2018

| Sr. No. | Category | No. of shares held | % of Shareholding |
|---------|---------------------------------|--------------------|-------------------|
| 1 | Promoter and Promoter Group | 158306697 | 59.31 |
| 2 | Foreign Institutional Investors | 11251938 | 4.22 |
| 3 | Financial Institutions | 10637777 | 3.99 |
| 4 | Other Bodies Corporate | 1466830 | 0.54 |
| 5 | Foreign Companies | 80975228 | 30.34 |
| 6 | Clearing Member | 523048 | 0.20 |
| 7 | Public | 3561895 | 1.33 |
| 8 | Non Resident Indians | 64865 | 0.07 |
| | Grand Total | 266912700 | 100.00 |

Shareholding Pattern as on 31st March 2018



13. Dematerialization of shares and liquidity

As of 31st March 2018, 266912700 Equity Shares representing 100% of the paid up equity capital of the Company have been dematerialized with the following depositories:

| Description | ISIN No. | Depositories |
|-------------|--------------|--|
| Fully Paid | INE688D01026 | National Securities Depository Ltd.(NSDL) Trade World , A Wing , 4th Floor , Kamala Mills Compound , Lower Parel, Mumbai - 400 013 |
| | | Central Depository Services (India) Ltd.(CDSL) Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai - 400 023 |

The equity shares of the Company are regularly traded on NSE and BSE.

14. Outstanding GDRs/ADRs/Warrants or any convertible Instruments

As of date the Company has not issued these types of securities.

15. Reconciliation of Share Capital Audit Report

A qualified Practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the total issued and listed equity share capital. The audit confirms that the issued/ paid up capital is in agreement with the total number of dematerialized shares held with NSDL and CDSL.

16. Registered Office & Plant Location

Village Betegaon , Mahagaon Road, Boisar (E), Tal. Palghar, Dist. Thane - 401501

17. Address for correspondence

Shareholders should address correspondence to the Company's Registrars and Transfer Agents at the address mentioned below. Shareholders could also contact the Registered Office of the Company at the address mentioned below.

Registrar & Transfer Agents:

Link Intime India Private Ltd.,

C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai- 400 083

Tel No.: (022) 4918 6270| Fax No.: (022) 4918 6060

Email: rnt.helpdesk@linktime.co.in| Website : www.linkintime.co.in

Registered Office:

Village Betegaon, Mahagaon Road, Boisar (E), Tal. Palghar, Dist. Thane- 401501

T:- (022) 6656 2821| F:- (022) 6656 2798

E:- investor@responsiveindustries.com| Website: www.responsiveindustries.com

18. Unclaimed Dividends

Pursuant to the provisions of Section 205C of Companies Act, 1956, the amount of dividend remaining unpaid / unclaimed for a period of seven years from the date they became due for payment are required to be transferred to the Investor Education and Protection Fund (IEP administered by the Central Government. During the year under review, the Company transferred unpaid dividend of f.y. 2009-10 to IEPF. There is no unpaid dividend lying with company anymore.

19. Practicing Company Secretary's Certificate on Corporate Governance

M/s. P.P. Shah & Co., Practicing Company Secretary has verified the compliance of the Corporate Governance norms by the Company. Certificate issued by him in this regard is annexed hereto.

For and on behalf of the Board,

Place : Mumbai

Date : 02nd May, 2018

Rajesh Pandey

Director

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management Personnel, which is displayed on the Company's website. I confirm that all the Members of the Board of the Company and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to each one of them, for financial year ended March 31, 2018.

Place : Mumbai

Date : 02nd May, 2018

Rajesh Pandey

Director

CERTIFICATE

To
The Members of Responsive Industries Limited

We have examined the compliance of conditions of Corporate Governance by Responsive Industries Limited ("the Company") for the financial year ended March 31, 2018 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "Corporate Governance Requirements").

The compliance of the 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 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above referred Corporate Governance Requirements.

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.

Place : Mumbai
Date : 26th April, 2018

For P. P. Shah & Co
Practicing Company Secretaries
Pradip Shah – Partner
FCS No. 1483, C P No.: 436

CERTIFICATE

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Board of Directors

Responsive Industries Limited

I, Mr. Rajesh Pandey, hereby certify that

(a) I have reviewed the financial statements and the cash flow statement of Responsive Industries Limited for the year ended March 31, 2018 and that to the best of my knowledge and belief:

- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year 2017-18 which are fraudulent, illegal or violate the Company's code of conduct.

(c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal controls.

(d) I have indicated to the Auditors and the Audit committee that:

- i. There have been no significant changes in internal control over financial reporting during the year;
- ii. There have been no significant changes in accounting policies during the year; and
- iii. There are no instances of significant fraud of which we have become aware.

Place : Mumbai
Date : 02nd May, 2018

Rajesh Pandey
Director

STANDALONE FINANCIALS

INDEPENDENT AUDITOR'S REPORT

To the Members
Responsive Industries Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Responsive Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Standalone financials statements of the Company for the year ended 31st March, 2017, were audited by Haribhakti & Co. LLP who expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section 3 of Section 143 of the Act, we report that:

a) We have sought and 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 it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

e) On the basis of the written representations received from the Directors as on 31st March 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March 2018 from being appointed as a Director in terms of subsection 2 of Section 164 of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report report in "Annexure B" ;

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The company did not have any long term contracts including derivative contracts. Hence the question of any material foreseeable losses does not arise.

iii. There has been no delay in transferring amount, required to be transferred to the Investor Education and Protection Fund by the company

For S G C O & Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem No: 044739

Place : Mumbai

Date : 2nd May 2018

Annexure “A” to Independent Auditor’s Report

Annexure referred to in Paragraph 1 under “Report on Other Legal and Regulatory Requirements” in the Independent Auditor’s Report of even date to the members of **Responsive Industries Limited** (“the Company”) on the Standalone Ind AS financial statements for the year ended 31st March 2018.

(i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) During the year, the fixed assets of the Company have been physically verified by the Management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

c) The title deeds of immovable properties recorded as fixed assets in the books of accounts of the Company are held in the name of the Company.

(ii) The inventories have been physically verified by the management during the year at reasonable intervals. Discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.

(iii) a) As informed the Company has not granted any Loan, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) (a), 3 (iii) (b), and 3 (iii) (c) of the said Order are not applicable to the Company.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Sections of Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public within the provision of Section 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of accounts maintained by the company in respect of products where the maintenance of cost records have been specified by the Central Government under sub section (1) of section 148 of the Act and the rules framed thereunder and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Service tax, Value added tax, custom duty, excise duty, cess and any other material statutory dues applicable to it. However there have been slight delay in few cases.

AND

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, goods and service tax, Value added tax, custom duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six month from the date they became payable except the following:

| Name of the Statue | Nature of dues | Amount (Rs. In Million) | Period to which the amount relates | Due date | Date of payment |
|-----------------------------|-------------------|-------------------------|------------------------------------|----------|-----------------|
| Central Sales tax Act, 1956 | Central Sales Tax | 1.19 | 2008-2009 to 2016-2017 | various | unpaid |

b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, Goods & Service tax, value added tax, custom duty, excise duty which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institution.

(ix) The Company has not raised money by way of public issue offer/ further public offer (including debt instruments) and term loan have been applied by the Company for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practises in India, and according to the information and explanation given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officer or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.

(xi) During the year, the Company has not paid any managerial remuneration. Hence the provisions of section 197 read with Schedule V to the Act is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us, all transaction entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the financial Statements etc., as required by the applicable Indian Accounting Standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For S G C O & Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem No: 044739

Place : Mumbai

Date : 2nd May 2018

Annexure “B” to the Independent Auditor’s Report of even date on the Standalone Ind AS financial statements of Responsive Industries Limited for the year ended 31st March 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Responsive Industries Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For SGC& Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem No: 044739

Place : Mumbai

Date : 2nd May 2018

RESPONSIVE INDUSTRIES LIMITED
Balance Sheet as at March 31, 2018

Rs in Million

| Particulars | Note | As at March 31, 2018 | As at March 31, 2017 |
|---|---------|----------------------|----------------------|
| I ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant and Equipment | 3 | 4,928.99 | 5,490.12 |
| (b) Other Intangible assets | 3 | 0.68 | 0.67 |
| (c) Investments in Subsidiaries | 4 | 264.79 | 257.75 |
| | | 5,194.46 | 5,748.54 |
| (d) Financial Assets | | | |
| (i) Non current Investments | 5 | 0.11 | 0.14 |
| (ii) Other Financial Assets | 6 | 17.94 | 27.81 |
| | | 18.05 | 27.95 |
| (e) Income tax Asset (net) | 7 | 17.40 | - |
| (f) Other Non Current Assets | 8 | 0.14 | 212.01 |
| Total Non - Current Assets | | 5,230.05 | 5,988.50 |
| (2) Current assets | | | |
| (a) Inventories | 9 | 1,086.00 | 1,113.69 |
| (b) Financial Assets | | | |
| (i) Current Investments | 5 | 328.17 | 143.23 |
| (ii) Trade receivables | 10 | 2,712.40 | 2,565.18 |
| (iii) Cash and Cash Equivalents | 11 | 22.76 | 184.34 |
| (iv) Bank Balances other than Cash and Cash Equivalents | 12 | 125.06 | 354.89 |
| (v) Loans | 13 | 1.82 | 2.27 |
| (vi) Other Financial Assets | 6 | 4.41 | 20.20 |
| | | 3,194.62 | 3,270.10 |
| (c) Other Current Assets | 14 | 214.51 | 323.66 |
| Total Current Assets | | 4,495.13 | 4,707.44 |
| TOTAL ASSETS | | 9,726.18 | 10,696.94 |
| II EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 15 | 266.91 | 266.91 |
| (b) Other Equity | 15 | 5,880.53 | 5,778.42 |
| Total Equity | | 6,147.44 | 6,045.33 |
| Liabilities | | | |
| (1) Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 16 | 2.83 | 668.70 |
| (ii) Other non - current Financial liabilities | 17 | 4.53 | 4.58 |
| | | 7.36 | 673.28 |
| (b) Provisions | 18 | 32.26 | 32.80 |
| (c) Deferred tax liabilities (Net) | 19 | 163.08 | 101.92 |
| Total Non - Current Liabilities | | 202.70 | 808.00 |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 16 | 1,556.90 | 1,887.25 |
| (ii) Trade Payables | 20 | 565.96 | 278.53 |
| (iii) Other Financial Liabilities | 17 | 1,168.56 | 1,595.58 |
| | | 3,291.42 | 3,761.36 |
| (b) Other current liabilities | 21 | 82.26 | 32.54 |
| (c) Provisions | 18 | 1.36 | 1.27 |
| (d) Current Tax Liabilities (Net) | 22 | - | 47.43 |
| Total Current Liabilities | | 3,375.04 | 3,842.60 |
| TOTAL EQUITY AND LIABILITIES | | 9,726.18 | 10,696.94 |
| Significant Accounting Policies | 2 | | |
| Notes forming parts of financial statements | 1 to 39 | | |

For and behalf of the Board

As per our attached report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No: 112081W/W100184

Suresh Murarka
Partner
Membership No. : 044739
Place : Mumbai
Date : May 02, 2018

Atit Agarwal **Rajesh Pandey**
Director Director
DIN 02330412 DIN 00092767

Ruchi Jaiswal
Company Secretary
Place : Mumbai
Date : May 02, 2018

RESPONSIVE INDUSTRIES LIMITED
Statement of Profit and Loss for the year ended March 31,2018

Rs in Million

| | Particulars | Note | Year ended March 31, 2018 | Year ended March 31, 2017 |
|------|--|---------|------------------------------|------------------------------|
| | Income : | | | |
| I | Revenue from Operations | 23 | 10,978.37 | 18,646.27 |
| II | Other Income | 24 | 154.74 | 170.27 |
| III | Total Income (I+II) | | 11,133.11 | 18,816.55 |
| IV | Expenses: | | | |
| | Cost of Materials Consumed | 25 | 9,358.62 | 16,012.75 |
| | Changes in inventories of finished goods, stock in trade and work-in-progress | 26 | (217.33) | (12.90) |
| | Excise Duty | | 147.93 | 410.05 |
| | Employee benefit expenses | 27 | 109.50 | 100.02 |
| | Finance Costs | 28 | 170.39 | 228.95 |
| | Depreciation and amortisation expenses | 3 | 656.70 | 987.66 |
| | Other expenses | 29 | 648.31 | 790.57 |
| | Total expenses (IV) | | 10,874.12 | 18,517.09 |
| V | Profit before tax (III-IV) | | 258.99 | 299.46 |
| VI | Tax Expenses | | | |
| | (1) Current tax | | 47.00 | 101.09 |
| | (2) Deferred tax Charge / (Credit) | 19 | 59.48 | 4.49 |
| | (3) Tax of earlier years | | 21.76 | - |
| VII | Profit after tax (V-VI) | | 130.75 | 193.88 |
| VIII | Other Comprehensive Income (net of tax) | | | |
| | Items that will not be reclassified to Profit or loss | | | |
| | - Remeasurements of Defined Benefit Plans | | | |
| | [Net of Deferred tax amounting to Rs. (1.74 million) (P.Y. Rs. (0.17 million)] | 32 | 3.29 | 0.33 |
| | Total Other Comprehensive Income (net of tax) | | 3.29 | 0.33 |
| IX | Total Comprehensive Income for the year | | 134.04 | 194.21 |
| X | Earnings per equity share [Face Value of Re. 1 each (PY Re. 1 each)] | 30 | | |
| | (1) Basic | | 0.49 | 0.73 |
| | (2) Diluted | | 0.49 | 0.73 |
| | Significant Accounting Policies forming part of the accounts | 2 | | |
| | Notes forming parts of financial statements | 1 to 39 | | |

As per our attached report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No: 112081W/W100184

For and on behalf of the Board

| | |
|---------------------|----------------------|
| Atit Agarwal | Rajesh Pandey |
| Director | Director |
| DIN 02330412 | DIN 00092767 |

Suresh Murarka
Partner
Membership No. : 044739

Ruchi Jaiswal
Company Secretary

Place : Mumbai
Date : May 02, 2018

Place : Mumbai
Date : May 02, 2018

RESPONSIVE INDUSTRIES LIMITED
Cash Flow Statement for the year ended March 31,2018

Rs in Million

| Particulars | Year ended 31-Mar-2018 | Year ended 31-Mar-2017 |
|--|---------------------------|---------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net Profit Before Tax | 258.99 | 299.46 |
| Add / (Less) : Adjustments for | | |
| Depreciation and Amortisation | 656.70 | 987.65 |
| Provision for gratuity | 6.21 | 4.71 |
| Finance Income (including fair value change in financial instrument) | (20.62) | (33.94) |
| Finance Cost (including fair value change in financial instruments) | 170.39 | 228.95 |
| Dividend Income | (5.06) | - |
| Fair Valuation gain on instrument measured at FVTPL | (7.71) | (4.64) |
| Loss / (profit) on sale of investments | (8.56) | - |
| Loss / (profit) on sale of property, plant & equipments | 2.96 | (1.84) |
| Unrealised Loss on exchange fluctuations (net) | (32.83) | 22.66 |
| Provision for Doubtful Debts, Advances and Deposits | 18.35 | 15.61 |
| Provision for Expected Credit Loss | 4.19 | - |
| Sundry balances written off (net) | (6.58) | 2.67 |
| Fair Valuation of Non-Current Investment | (0.01) | (0.03) |
| Operating Profit Before Working Capital changes | 1,036.40 | 1,521.26 |
| Add / (Less) : Adjustments for change in working capital | | |
| (Increase)/ Decrease in other non-current financial Assets | 9.88 | 1.49 |
| (Increase) /Decrease in other non-current Asset | 1.04 | 1.72 |
| (Increase) / Decrease in Inventory | 27.69 | (772.95) |
| (Increase) / Decrease in trade receivables | (169.76) | 1,590.88 |
| Increase / (Decrease) in Other Current Financial Assets | 15.78 | (9.40) |
| (Increase) / Decrease in other current assets | 90.80 | (233.88) |
| (Increase) / Decrease in Loans | 0.45 | - |
| Increase / (Decrease) in trade payables | 294.02 | (1,640.83) |
| Increase / (Decrease) in other current financial liabilities | 163.76 | 392.35 |
| Increase / (Decrease) in other current liabilities | 49.72 | 4.63 |
| Increase / (Decrease) in other non-current liabilities | (0.05) | (0.05) |
| Cash generated from Operations | 1,519.72 | 855.22 |
| Add / (Less) : Direct taxes paid | (115.57) | (77.89) |
| Net Cash Inflow / (Outflow) from Operating activities | 1,404.15 | 777.33 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Acquisition of Property, Plant and Equipments / Intangible Assets / Capital Work-in-Progress | (98.63) | (84.45) |
| Capital Advance (given) / received | 210.83 | (7.70) |
| Proceeds from sale of fixed assets | 0.10 | 4.46 |
| Interest Received | 20.62 | 33.94 |
| Dividend Received | 5.06 | - |
| Sale of Investments | 160.73 | 101.13 |
| Fair valuation gain on instruments measured at FVTPL | 7.71 | 4.64 |
| Acquisition of Current Investments | (344.97) | (103.47) |
| Fixed Deposits placed with banks | 229.83 | (253.97) |
| Net Cash Inflow / (Outflow) from Investing activities (B) | 191.27 | (305.42) |

RESPONSIVE INDUSTRIES LIMITED
Cash Flow Statement for the year ended March 31,2018

Rs in Million

| Particulars | Year ended 31-Mar-2018 | Year ended 31-Mar-2017 |
|---|---------------------------|---------------------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Loans repaid during the year | (1,256.65) | (1,270.37) |
| Short term loans taken / (repaid) during the year | (330.35) | 761.96 |
| Interest Paid | (170.39) | (228.95) |
| Net Cash Inflow / (Outflow) from Financing activities (C) | (1,757.40) | (737.35) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | (161.97) | (265.44) |
| Add: Cash and Cash Equivalents at the beginning of year | 190.61 | 456.05 |
| Cash and Cash Equivalents at the end of year | 28.64 | 190.61 |
| Components of Cash and Cash Equivalents at the end of year | | |
| Cash on hand | 0.34 | 1.54 |
| Balance with banks | 22.42 | 13.85 |
| Cheques on hand | - | 168.96 |
| Add: Unrealised Gain / (Loss) in Bank Accounts | 5.88 | 6.26 |
| Cash and Cash Equivalents (closing) | 28.64 | 190.61 |

As per our attached report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No: 112081W/W100184

For and on behalf of the Board

| | |
|---------------------|----------------------|
| Atit Agarwal | Rajesh Pandey |
| Director | Director |
| DIN 02330412 | DIN 00092767 |

Suresh Murarka
Partner
Membership No. : 044739

Ruchi Jaiswal
Company Secretary

Place : Mumbai
Date : May 02, 2018

Place : Mumbai
Date : May 02, 2018

1. Company Overview:

Responsive Industries Limited ("the Company"), was incorporated on 13th July, 1982, CIN L99999MH1982PLC027797. The Company is a Public Limited Company incorporated and domiciled in Mumbai, Maharashtra, India and is having its registered office at Village Betagaon, Mahagaon Road, Boisor East, Palghar, Thane - 401 501.

The Company has primary listing in Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Company is a major producer and supplier of various articles made out of Plastics / Polymers, which includes products like Vinyl flooring, Rigid PVC, Leather Cloth & Soft Sheeting's.

2. Statement of Significant Accounting Policies:

2.1 Basis of preparation of financial statements:

The Ind AS Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Ind AS Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value. **Authorisation of Financial Statements:** The Ind AS Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 2nd May 2018.

2.2 Use of estimates:

The preparation of the Ind AS financial statements of the Company in accordance with Indian Accounting Standards (Ind-AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions; however uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amounts of assets or liabilities in future periods. Appropriate revisions in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions in estimates are recognized prospectively in the financial statements in the period in which the estimates are revised in any future periods affected.

2.3 Fair Value Measurement:

The Company measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial asset and liabilities.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company uses valuation techniques, which are appropriate in circumstances and for which sufficient data is available considering the expected loss/ profit in case of financial assets or liabilities.

2.4 Revenue Recognition

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization and when the revenue can be reliably measured.

Revenue from sale of goods is recognized when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.

Revenue from the sale of goods includes excise duty and is net-off returns, taxes or duties collected on behalf of the government and applicable trade discounts and rebates.

Interest income is recognized using Effective Interest Rate (EIR) method.

Revenue in respect of export sales is recognized on the basis of dispatch of goods for exports. (i.e. on the date of Bill of Lading). Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reasonably.

Other Income is accounted for on accrual basis, when certainty of receipt is established.

2.5 Inventories

Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Stores and Spares and Packing Materials, are valued at cost or net realizable value, whichever is lower. Materials-in transit are valued at cost-to-date. Cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on FIFO basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

2.6 Property, Plant and Equipment (PPE):

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment. In other cases, the spare part is inventorised on procurement and charged to the Statement of Profit and Loss on consumption.

An item of property, plant and equipment and any significant part initially recognised separately as part of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values and useful lives of property, plant and equipment are reviewed at regular intervals and changes, if any, are accounted in line with revisions to accounting estimates.

2.7 Capital Work in Progress

Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in progress. Expenditure during construction period is included under Capital Work in Progress & the same is allocated to the respective PPE on the completion of its construction.

2.8 Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

2.9 Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

2.10 Depreciation

Depreciation on Plant, Property and Equipment has been provided on the Straight - Line basis, over the estimated useful lives of assets. The Company provides pro-rata depreciation from the date of addition / up to the date of deletion made during the reporting period. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposal of the asset and the resultant gains or losses are recognized in the statement of Profit and Loss.

The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act, except in case of Plant & Machinery which are depreciated over a useful lives of 20 years based on the technical assessment.

2.11 Impairment of Non - financial Assets:

Non – financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of the assets or Cash Generating Units (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.12 Government Subsidy

Grants and subsidies from the Government are recognized if the following conditions are satisfied,

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

2.13 Taxes on Income

a) Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

b) Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred Tax asset and liability are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled based on rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

2.14 Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- Debt instruments at Fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

- Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

- Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Accumulated gains or losses on equity instruments measured at FVTOCI are never reclassified to the Statement of Profit and Loss.

d) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial asset measured at amortised cost
- Financial asset measured at fair value through other comprehensive income Expected credit losses are measured through a loss allowance at an amount equal to:
 - 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
 - Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

2.15 Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(i) Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

(ii) Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.16 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.17 Employee Benefits

a) Short-term employee benefit

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Post-employment obligations

The Company operates the following post – employment schemes:

1. Defined benefit plans such as gratuity, and
2. Defined contribution plans such as provident fund.

Gratuity Obligation:

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc. are charged to the Statement of Profit and Loss as incurred.

2.18 Foreign Currency Transactions:

a) Functional and Presentation Currency:

The Financial Statements are presented in Indian rupees which is the functional currency for the Company. All amounts have been rounded off to the nearest millions, unless otherwise indicated.

b) Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term monetary items taken prior to April 1, 2016) are recognised in Statement of Profit and Loss either as Profit or Loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Company has elected to continue the policy adopted under previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as on 31st March, 2016 i.e. foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in foreign currency: monetary item translation different account and amortised over the balance period of the asset and liability.

c) Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.19 Provisions, Contingent Liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.20 Earnings per Share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.21 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

2.22 Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.23 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

A. Equity Share Capital

Rs in Million

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|--------|----------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Equity shares at the beginning of the year | 26,69,12,700 | 266.91 | 26,69,12,700 | 266.91 |
| Add: Shares issued during the year | - | - | - | - |
| Equity shares at the end of the year | 26,69,12,700 | 266.91 | 26,69,12,700 | 266.91 |

B. Other Equity

Rs in Million

| Particulars | Capital Reserve | Securities Premium Reserve | General Reserve | Retained Earnings | Total |
|---|-----------------|----------------------------|-----------------|-------------------|----------|
| As at April 1, 2016 | 1.38 | 1,438.59 | 0.10 | 4,144.14 | 5,584.21 |
| Profit for the year ended March 31, 2017 | - | - | - | 193.88 | 193.88 |
| Other Comprehensive Income | - | - | - | 0.33 | 0.33 |
| As at March 31, 2017 | 1.38 | 1,438.59 | 0.10 | 4,338.35 | 5,778.42 |
| Profit for the year ended March 31, 2018 | - | - | - | 130.75 | 130.75 |
| Other Comprehensive Income | - | - | - | - | - |
| Remeasurement of net defined benefits plans | - | - | - | 3.29 | 3.29 |
| Final Dividend on Equity Shares | - | - | - | (26.69) | (26.69) |
| Tax on Final Dividend | - | - | - | (5.24) | (5.24) |
| As at March 31, 2018 | 1.38 | 1,438.59 | 0.10 | 4,440.46 | 5,880.53 |

As per our attached report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

For and on behalf of the Board

Atit Agarwal

Director

DIN 02330412

Rajesh Pandey

Director

DIN 00092767

Suresh Murarka

Partner

Membership No.: 044739

Place : Mumbai

Date : May 02, 2018

Ruchi Jaiswal

Company Secretary

Place : Mumbai

Date : May 02, 2018

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

| Note 3 : Property, Plant and Equipment | | | | | | | | | | | | (Rs. In Million) |
|--|---------------|------------------|---------------------|-------------------------|------------------------|-------------------|-------------|--------------|--------------|----------------|-----------------|----------------------------|
| Particulars | Freehold Land | Factory Building | Plant and Machinery | Electrical Installation | Furniture and Fixtures | Office equipments | Computer | Motor Cars | Motor Trucks | Weighing Scale | Total | Capital Work in Progress** |
| Year Ended March 31, 2016 | | | | | | | | | | | | |
| As at April 1, 2016 | 78.10 | 109.62 | 7,339.71 | 8.95 | 1.89 | 7.79 | 3.00 | 24.92 | 25.45 | 0.15 | 7,599.58 | - |
| Additions | - | 124.01 | 5.69 | 0.99 | - | 1.41 | 1.28 | 56.30 | - | - | 189.68 | 71.34 |
| Disposals | - | - | - | - | - | - | - | (1.00) | (4.68) | - | (5.68) | (71.34) |
| Increase / (Decrease) in foreign exchange fluctuations (net) | - | - | (33.89) | - | - | - | - | - | - | - | (33.89) | - |
| Closing Gross Carrying Amount | 78.10 | 233.64 | 7,311.51 | 9.94 | 1.89 | 9.20 | 4.28 | 80.22 | 20.77 | 0.15 | 7,749.69 | - |
| Accumulated Depreciation | | | | | | | | | | | | |
| Upto March 16 | - | 5.10 | 1,251.39 | 3.43 | 0.26 | 2.09 | 1.34 | 6.55 | 5.22 | 0.02 | 1,275.39 | - |
| For the year | - | 5.67 | 967.46 | 1.61 | 0.31 | 1.80 | 1.45 | 5.19 | 3.73 | 0.02 | 987.24 | - |
| Reversal on account of disposals | - | - | - | - | - | - | - | (0.21) | (2.85) | - | (3.06) | - |
| Closing Accumulated Depreciation | - | 10.77 | 2,218.85 | 5.03 | 0.56 | 3.89 | 2.80 | 11.53 | 6.10 | 0.04 | 2,259.57 | - |
| Net Carrying Amount as at March 31, 2017 | 78.10 | 222.87 | 5,092.66 | 4.90 | 1.33 | 5.32 | 1.48 | 68.69 | 14.67 | 0.11 | 5,490.12 | - |
| Year Ended March 31, 2018 | | | | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | | | | |
| As at April 1, 2017 | 78.10 | 233.64 | 7,311.51 | 9.94 | 1.89 | 9.20 | 4.28 | 80.22 | 20.77 | 0.15 | 7,749.69 | - |
| Additions | - | 0.90 | 93.83 | - | 0.58 | 0.82 | 1.78 | - | - | - | 97.90 | - |
| Disposals | - | - | (5.23) | - | - | - | - | - | - | - | (5.23) | - |
| Increase / (Decrease) in foreign exchange fluctuations (net) | - | - | 0.67 | - | - | - | - | - | - | - | 0.67 | - |
| Closing Gross Carrying Amount | 78.10 | 234.54 | 7,400.78 | 9.94 | 2.47 | 10.02 | 6.05 | 80.22 | 20.77 | 0.15 | 7,843.04 | - |
| Accumulated Depreciation | | | | | | | | | | | | |
| Upto March 31, 2017 | - | 10.77 | 2,218.85 | 5.03 | 0.56 | 3.89 | 2.80 | 11.53 | 6.10 | 0.04 | 2,259.57 | - |
| For the year | - | 9.01 | 629.75 | 1.35 | 0.25 | 1.67 | 1.06 | 10.53 | 3.01 | 0.02 | 656.65 | - |
| Reversal on account of disposals | - | - | (2.17) | - | - | - | - | - | - | - | (2.17) | - |
| Closing Accumulated Depreciation | - | 19.78 | 2,846.43 | 6.38 | 0.81 | 5.56 | 3.85 | 22.06 | 9.11 | 0.06 | 2,914.04 | - |
| Net Carrying Amount as at March 31, 2018 | 78.10 | 214.76 | 4,554.35 | 3.56 | 1.66 | 4.47 | 2.20 | 58.16 | 11.66 | 0.08 | 4,928.99 | - |

Note 3 : Intangible Assets

(Rs. In Million)

| Particulars | Computer Software | Total |
|---|-------------------|-------------|
| Year Ended March 31, 2017 | | |
| Gross Carrying Amount | | |
| As at April 1, 2016 | 1.44 | 1.44 |
| Additions | 0.65 | 0.65 |
| Closing Gross Carrying Amount | 2.09 | 2.09 |
| Accumulated Amortisation | | |
| Opening Accumulated Amortisation | 1.01 | 1.01 |
| Amortisation Charge for the year | 0.41 | 0.41 |
| Closing Accumulated Amortisation | 1.42 | 1.42 |
| Closing Net Carrying Amount as at March 31, 2017 | 0.67 | 0.67 |
| Gross Carrying Amount | | |
| As at April 1, 2017 | 2.09 | 2.09 |
| Additions | 0.06 | 0.06 |
| Closing Gross Carrying Amount | 2.15 | 2.15 |
| Accumulated Amortisation | | |
| Opening Accumulated Amortisation | 1.42 | 1.42 |
| Amortisation Charge for the year | 0.05 | 0.05 |
| Closing Accumulated Amortisation | 1.47 | 1.47 |
| Closing Net Carrying Amount as at March 31, 2018 | 0.68 | 0.68 |

NOTE:

During the year, the Company has revised the useful life of plant & machinery from 15 years to 20 years with effect from July 1, 2017. Accordingly, the plant and machinery have been depreciated over remaining revised useful life. Consequently, the depreciation for the year ended March 31, 2018 has reduced by Rs.165.44 million having consequential impact on the plant and machinery and profit for the year. For details of assets on lien, refer note no. 16

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|--|---------------|---------------|
| Note 4 : Investments in Subsidiaries | | |
| Investments in equity instruments at Cost | | |
| (Trade, Unquoted and fully paid-up) | | |
| Axiom Cordages Limited | 257.75 | 257.75 |
| [1,91,32,563 (P.Y. 1,91,32,563) Equity Shares of Rs.10/- each fully paid up] | | |
| Responsive International Limited | - | 0.00005 |
| [Nil Equity share (P.Y. 1 share) of USD 1 fully paid] | | |
| Responsive Industries Limited, Hongkong | 7.04 | - |
| (10,000 (PY. Nil) Equity shares of USD 1 each) | | |
| | 264.79 | 257.75 |
| Aggregate amount of | | |
| a) Aggregate amount of quoted investments as per books | - | - |
| b) Market value of Quoted investments | - | - |
| c) Aggregate amount of unquoted investments as per books | 264.79 | 257.75 |
| d) Aggregate amount of impairment in value of investment | - | - |
| Note 5 : Investments | | |
| Non Current Investments | | |
| Investments in equity instruments of Other companies at Fair Value through Profit or Loss | | |
| (Non Trade, Quoted and fully paid up) | | |
| Syschem India Limited | 0.11 | 0.10 |
| [9,526 shares (P.Y.9,526 shares) of Rs. 10 each] | | |
| | 0.11 | 0.10 |
| Investments in other instruments at fair value through Profit or loss | | |
| (unquoted) | | |
| Investment In Partnership Firms | | |
| Investment In Maharashtra Holdings [Refer Note 1(a) below] | - | 0.015 |
| Investment In Mangaon Holdings [Refer Note 1(b) below] | - | 0.025 |
| Total Investment In Partnership Firms | - | 0.040 |
| Total Non - Current Investments | 0.11 | 0.14 |
| Total Non - Current Investments | | |
| Aggregate amount of | | |
| a) Aggregate amount of quoted investment as per books | 0.11 | 0.10 |
| b) Market value of Quoted investments | 0.11 | 0.10 |
| c) Aggregate amount of unquoted investment as per books | - | 0.04 |
| d) Aggregate amount of impairment in value of investment | - | - |

Note:1(a) - During the year, the Company has retired as a partner from the partnership firm - Maharashtra Holdings

Note:1(b) - During the year, the Company has retired as a partner from the partnership firm - Mangaon Holdings

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|---------------|---------------|
| Current Investments | | |
| Investments in Mutual Funds at Fair Value through Profit or Loss | | |
| Unquoted | | |
| JM Multi Strategy Fund | 5.22 | 4.80 |
| BNP Paribas Short Term Income Fund | - | 34.26 |
| ICICI Prudential Leap Fund | 31.38 | - |
| DSP Blackrock Mutual Fund | 110.90 | - |
| ICICI Prudential Savings Fund | 97.84 | - |
| Motilal Oswal Focused Multicap Opportunities Fund | 14.26 | - |
| Investments in Convertible Debentures at amortised cost (unquoted) | | |
| Mope Investment Advisors Private Limited | - | 46.00 |
| Investments in Other Investments at Fair Value through Profit or Loss (Unquoted) | | |
| Reliance Financial Limited | - | 30.00 |
| IDFC Score Fund | 20.50 | 2.50 |
| E CAP Equities Limited | 20.11 | - |
| Edelweiss Crossover Opportunities Fund | 2.76 | - |
| IIFL Yield Enhancer Fund | 25.20 | 25.66 |
| | 328.17 | 143.23 |
| Aggregate amount of | | |
| a) Aggregate amount of quoted investment as per books | - | - |
| b) Market value of Quoted investments | - | - |
| c) Aggregate amount of unquoted investment as per books | 328.17 | 143.23 |
| d) Aggregate amount of impairment in value of investment | - | - |
| Details of holding in Current Investments | | |
| No. of units held | | |
| - Mutual funds | | |
| JM Multi Strategy Fund of Rs. 10/- each fully paid up | 1,91,109 | 1,91,109 |
| BNP Paribas Short Term Income Fund of Rs. 10/- each fully paid up | - | 18,37,209 |
| ICICI Prudential Leap Fund of Rs 100 each fully paid up | 2,79,516 | - |
| DSP Blackrock Mutual Fund of Rs 10 each fully paid up | 1,07,98,182 | - |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|--------------|--------------|
| ICICI Prudential Savings Fund of Rs 10 each fully paid up | 3,75,712 | - |
| Motilal Oswal Focused Multicap Opportunities Fund of Rs 10 each fully paid up | 13,74,968 | - |
| -Non - Convertible Debentures | | |
| Mope Investment Advisors Private Limited of Rs 10,00,000 each | - | 46 |
| -Other Instrument | | |
| E CAP Equities Limited of Rs 1,00,000/- per unit | 195 | - |
| Reliance Financial Limited of Rs. 100,000/- per unit | - | 300 |
| Edelweiss Crossover Opportunities Fund of Rs 10 per unit | 2,50,000 | - |
| IDFC Score Fund of Rs. 1,000/- per unit | 20,500 | 2,500 |
| IIFL Yeild Enhancer Fund of Rs 10 per unit | 60,88,878 | 24,56,037 |
| NAV of Unit Mutual Fund held | | |
| JM Multi Strategy Fund | 27.30 | 25.12 |
| BNP Paribas Short Term Income Fund | - | 18.65 |
| ICICI Prudential Leap Series Fund | 112.28 | - |
| DSP Blackrock Mutual Fund | 10.27 | - |
| ICICI Prudential Savings Fund | 260.41 | - |
| Motilal Oswal Focused Multicap Opportunities Fund | 10.37 | - |
| Note 6 : Other Financial Assets (Unsecured and considered good, unless otherwise stated) | | |
| Non - Current | | |
| <u>Security deposits</u> | | |
| Considered Good | 17.94 | 17.91 |
| Considered Doubtful | 2.10 | 2.36 |
| Less: Provision for Doubtful Deposits | (2.10) | (2.36) |
| | 17.94 | 17.91 |
| Bank Deposits - original maturity more than 12 months | - | 9.90 |
| | 17.94 | 27.81 |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|-----------------|-----------------|
| Current | | |
| Interest accrued on Security Deposits - Considered Good | 4.41 | 8.50 |
| Other Security Deposits | - | 11.70 |
| | 4.41 | 20.20 |
| For details of lien refer note 16 | | |
| Note 7 : Income Tax Asset (net) | | |
| Advance Tax & TDS (net of Provisions) | 17.40 | - |
| | 17.40 | - |
| Note 8 : Other Non Current Assets (Unsecured, Considered Good, unless otherwise stated) | | |
| <u>Capital Advances</u> | | |
| - to related parties | - | 81.46 |
| - to others | - | 129.37 |
| Prepaid expenses | 0.14 | 1.18 |
| | 0.14 | 212.01 |
| Capital Advances includes receivable from related party as follows | | |
| Firm in which the Company is a partner | - | 81.46 |
| | - | 81.46 |
| Note 9 : Inventories (at lower of cost or net realisable value) | | |
| a) Raw Materials* | 796.95 | 1,059.24 |
| b) Finished Goods | 222.53 | - |
| c) Work in Process** | 28.95 | 34.16 |
| d) Stores & Spares | 12.67 | 11.06 |
| e) Packing Materials | 24.90 | 9.23 |
| | 1,086.00 | 1,113.69 |
| Included in inventories, goods - in - transit as follows | | |
| Raw materials | 28.40 | - |
| | 28.40 | - |
| *PVC resin and related raw materials | | |
| **PVC related products | | |
| For details of lien refer note 16 | | |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|-----------------|-----------------|
| Note 10 : Trade receivables (Unsecured and considered good, unless otherwise stated) | | |
| - Considered Good | 2,716.59 | 2,565.18 |
| - Considered Doubtful | - | 12.40 |
| | 2,716.59 | 2,577.57 |
| Less: Provision for Doubtful Debts | - | (12.40) |
| Less: Provision for Expected Credit Loss | (4.19) | - |
| | 2,712.40 | 2,565.18 |
| Current Portion | 2,712.40 | 2,565.18 |
| Non-Current Portion | - | - |
| | 2,712.40 | 2,565.18 |
| For details of lien refer note 16 | | |
| Note 11 : Cash and Cash Equivalents | | |
| Balance with banks - on Current Accounts | 22.42 | 13.84 |
| Cash on hand | 0.34 | 1.54 |
| Cheques on Hand | - | 168.96 |
| | 22.76 | 184.34 |
| For details of lien refer note 16 | | |
| Note 12 : Bank Balances Other than Cash and Cash Equivalents | | |
| Fixed Deposits with Bank * | | |
| - maturity beyond 3 months and less than 12 months | 125.06 | 354.89 |
| | 125.06 | 354.89 |
| *Out of the above, Fixed Deposits amounting to Rs. 121.09 million (PY. Rs. 124.79 million) is on Lien against facilities taken from bank. | | |
| Note 13 : Loans | | |
| Loans and advances to staff | 1.82 | 2.27 |
| | 1.82 | 2.27 |
| Note 14 : Other Current Assets (Unsecured, Considered Good, unless otherwise stated) | | |
| Advances recoverable in cash or kind or for value to be received | 1.39 | 4.20 |
| Advances for Purchases | | |
| Considered Good | 52.67 | 280.55 |
| Considered Doubtful | - | 24.69 |
| Less: Provision for Doubtful advances | - | (24.69) |
| Prepaid expenses | 5.56 | 8.50 |
| Recoverable from Customs. Excise, GST, etc. | 154.89 | 30.41 |
| | 214.51 | 323.66 |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|--|---------------------|---------------------|
| Note 15 : Equity Share Capital | | |
| Authorised | | |
| 42,00,00,000 (P.Y. 42,00,00,000) Equity shares of Re.1/- each | 420.00 | 420.00 |
| | 420.00 | 420.00 |
| Issued, Subscribed and Fully Paid up | | |
| 26,69,12,700 (P.Y. 26,69,12,700) Equity shares of Re.1/- each fully paid up | 266.91 | 266.91 |
| | 266.91 | 266.91 |
| a. Reconciliation of shares outstanding at the beginning and at the end of the year | | |
| Opening balance of number of shares | 26,69,12,700 | 26,69,12,700 |
| Closing balance of number of shares | 26,69,12,700 | 26,69,12,700 |
| b. Number of Shares held by holding entity and subsidiary company | | |
| Holding Entity - [Wellknown Business Ventures LLP] | 13,59,25,340 | 14,84,25,340 |
| Subsidiary Company - [Axiom Cordages Limited] | 44,18,330 | 44,18,330 |
| c. Details of shareholders holding more than 5% shares in the company | | |
| 1) Wellknown Business Ventures LLP | | |
| - Number of share held | 13,59,25,340 | 14,84,25,340 |
| - % of total equity share capital | 50.93% | 55.61% |
| 2) Fossierbridge Limited | | |
| - Number of share held | 3,29,01,800 | 3,29,01,800 |
| - % of total equity share capital | 12.33% | 12.33% |
| 3) Xatis International Limited | | |
| - Number of share held | 3,27,05,720 | 3,27,05,720 |
| - % of total equity share capital | 12.25% | 12.25% |
| 4) Brenzett Limited | | |
| - Number of share held | 1,53,67,708 | 1,57,58,708 |
| - % of total equity share capital | 5.76% | 5.90% |
| d. There are no bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date. | | |
| e. Rights / Preferences and restrictions attached to equity shares. | | |
| Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting, right to receive annual report and other quarterly / half yearly / annual publications and right to get new shares proportionately in case of issuance of additional shares by the Company. | | |
| In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. | | |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-2018 | 31-Mar-2017 |
|---|-----------------|-----------------|
| Other Equity | | |
| Capital Reserve | 1.38 | 1.38 |
| Securities Premium Reserve | 1,438.59 | 1,438.59 |
| General Reserve | 0.10 | 0.10 |
| Retained Earnings | 4,440.46 | 4,338.35 |
| | 5,880.53 | 5,778.42 |
| (i) Capital reserves | | |
| Opening balance | 1.38 | 1.38 |
| Closing Balance | 1.38 | 1.38 |
| (ii) Securities Premium Reserve | | |
| Opening balance | 1,438.59 | 1,438.59 |
| Closing Balance | 1,438.59 | 1,438.59 |
| (iii) General reserves | | |
| Opening balance | 0.10 | 0.10 |
| Closing Balance | 0.10 | 0.10 |
| (iv) Retained Earnings | | |
| Opening balance | 4,338.35 | 4,144.14 |
| Add: | | |
| - Profit for the year as per Statement of Profit and Loss | 130.75 | 193.88 |
| - Remeasurements of net defined benefit plans (Net of tax) | 3.29 | 0.33 |
| Less: Appropriation | | |
| - Final dividend | | |
| - on Equity Shares | 26.69 | - |
| - Tax on final dividend | 5.24 | - |
| | 4,440.46 | 4,338.35 |
| Total | 5,880.53 | 5,778.42 |
| Nature and Purpose of Reserves : | | |
| Capital Reserves | | |
| Capital Reserve is created on account of Forfeiture of Equity Shares. | | |
| Securities Premium Reserve | | |
| Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the act. | | |
| General Reserve | | |
| General Reserve represents appropriation of retained earnings and are available for distribution to shareholders. | | |
| Retained Earnings | | |
| Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders. | | |
| Proposed Dividend on Equity Share not recognised | | |
| Final Dividend for the year ended March 31, 2018 @ Rs. 0.10 per Share; (P.Y. 0.10 per share) | 26.69 | 26.69 |
| Dividend Distribution Tax | 5.43 | 5.43 |
| | 32.12 | 32.12 |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|-------------|---------------|
| Note 16 : Borrowings | | |
| Non Current Borrowings | | |
| <u>Secured - From Banks</u> | | |
| Vehicle Loans (Refer Note i below) | 12.88 | 33.71 |
| External Commercial Borrowing (Refer Note ii below) | 658.73 | 1,894.56 |
| Gross Non Current Borrowings | 671.61 | 1,928.26 |
| Less current Maturities | 668.78 | 1,259.57 |
| | 2.83 | 668.70 |

Note i: The loans are repayable in equal installments and the interest rate on above is ranging between 8.50% to 10.60%. They are secured by way of hypothecation of specific vehicles acquired under the arrangements.

Note ii: External Commercial Borrowings are secured by way of first pari passu charge on all fixed assets of the company and second ranking pari passu charge on all current assets of the Company.

The External Commercial Borrowings are repayable in 24 quarterly installments commencing from December 2012. Interest rate on ECB are 6 months USD LIBOR + 456 basis points.

Terms of Repayment Schedule of Long Term Borrowings as at March 31, 2018

| Non - Current | Interest Rate | Rs. in millions | Repayment Schedule |
|--|------------------------------|-----------------|---------------------------|
| Vehicle Loans | 8.50% to 10.60% | 2.83 | April 2019 to March 2020 |
| | | | |
| Current | Interest Rate | Rs. in millions | Repayment Schedule |
| Vehicle Loans | 8.50% to 10.60% | 10.05 | April, 2018 to March 2019 |
| External Commercial Borrowing | USD LIBOR + 456 basis points | 658.73 | April, 2018 to March 2019 |
| | | | |
| Current Borrowings | | | |
| <u>Secured - From Banks</u> | | | |
| Packing Credit Foreign Currency Loans (Refer Note i below) | | 853.99 | 1,022.61 |
| EBRD (Post Shipment) Loan (Refer Note ii below) | | 309.60 | 160.47 |
| Buyer's Credit (Refer Note iii below) | | 393.31 | 704.18 |
| | | 1,556.90 | 1,887.25 |

Note i: PCFC Loan of Rs.853.99 million (PY Rs.1022.61 million) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future.

Note ii: EBRD (Post Shipment) of Rs.309.60 million (PY Rs.160.47 million) are secured by first ranking pari passu hypothecation charge on entire current assets of the company both present and future.

Note iii: Buyers Credit of Rs 393.31 million (PY Rs 704.18 million) are secured by goods purchased under letter of credit.

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|--|-----------------|-----------------|
| Note 17 : Other financial liabilities | | |
| Non - Current | | |
| Security Deposits from Subsidiary Company | 4.53 | 4.58 |
| | 4.53 | 4.58 |
| Current | | |
| Current Maturities of Long Term Debt [Refer Note 16 above] | 668.78 | 1,259.57 |
| Interest accrued but not due on borrowings | 0.003 | 0.01 |
| Book Overdraft | 468.16 | 295.95 |
| Other payables (includes provision for expenses and dues to employees) | 31.61 | 40.06 |
| | 1,168.56 | 1,595.58 |
| Note 18 : Provisions | | |
| Non - Current | | |
| Provision for gratuity (Refer Note 32) | 32.26 | 32.80 |
| | 32.26 | 32.80 |
| Current | | |
| Provision for gratuity (Refer Note 32) | 1.36 | 1.27 |
| | 1.36 | 1.27 |

RESPONSIVE INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Note 19 : Tax Expense | | | | | |
|---|-------------|---------------------------|-------------|-------------|------------------------------|
| (a) Amount recognised in Statement of Profit and Loss | | | | | |
| Particulars | 2017-18 | | 2016-17 | | |
| Current Tax expense (A) | | | | | |
| Current year | | 47.00 | | | 101.09 |
| Short /(Excess) provision of earlier year | | 21.76 | | | - |
| | | 68.76 | | | 101.09 |
| Deferred tax expense (B) | | | | | |
| Origination and reversal of temporary differences | | 59.48 | | | 4.49 |
| Tax expense recognised in the income statement (A+B) | | 128.24 | | | 105.58 |
| (b) Amount recognised in other comprehensive income | | | | | |
| Particulars | 2017-18 | | | 2016-17 | |
| | Before tax | Tax (expense)/ benefit | Net of tax | Before tax | Tax (expense)/ benefit |
| Items that will not be reclassified to profit or loss | | | | | |
| Remeasurement of the defined benefit plans | 5.03 | (1.74) | 3.29 | 0.51 | (0.17) |
| | 5.03 | (1.74) | 3.29 | 0.51 | (0.17) |
| | | | | | |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| (c) Reconciliation of effective tax rate | | | | | | | |
|--|---------------------------------|------------------------------|-------------------|-------------------------------|----------------------------------|------------------------|--------------------|
| Particulars | 2017-18 | 2016-17 | | | | | |
| Profit before tax | 258.99 | 299.46 | | | | | |
| Tax using the company domestic tax rate (Current year 34.608% and Previous Year 34.608%) | 89.63 | 103.64 | | | | | |
| Tax effect of: | | | | | | | |
| Tax effect on non deductible expenses | 11.14 | 93.93 | | | | | |
| Others | 5.72 | (91.99) | | | | | |
| Adjustment recognised in current year in relation to the current tax of prior years | 21.76 | - | | | | | |
| Tax expense as per Statement of the Profit and loss | 128.24 | 105.58 | | | | | |
| Effective tax rate | 49.52% | 35.26% | | | | | |
| (d) Movement in deferred tax balances | | | | | | | |
| Particulars | Net balance as at April 1, 2017 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Net Balance as at March 31, 2018 | Deferred tax liability | Deferred tax asset |
| Deferred tax (Asset)/Liabilities | | | | | | | |
| Property, plant and equipment & Intangible assets | 144.98 | 29.46 | - | - | 174.42 | 174.42 | - |
| Investments | 6.73 | 2.67 | - | - | 9.40 | 9.40 | - |
| Fair Valuation of Non-current Assets | (0.02) | (0.02) | - | - | (0.04) | - | (0.04) |
| Employee benefits | (12.72) | 3.39 | 1.74 | - | (7.60) | - | (7.60) |
| Provisions | (13.65) | 11.47 | - | - | (2.18) | - | (2.18) |
| Fair Valuation of Non-current Liabilities | 0.15 | 0.02 | - | - | 0.16 | 0.16 | - |
| Other Ind AS Impact - Land | (21.04) | 19.37 | - | - | (1.67) | - | (1.67) |
| Other Items | (2.50) | (6.87) | - | - | (9.38) | - | (9.38) |
| Deferred tax (Asset)/Liabilities | 101.92 | 59.48 | 1.74 | - | 163.08 | 183.95 | (20.87) |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|------------------|------------------|
| Note 20 : Trade payables | | |
| Amount due to Micro, Small and Medium Enterprises (Refer Note below) | 4.60 | 55.72 |
| Others | 561.36 | 222.80 |
| | 565.96 | 278.53 |
| Details of due to Micro, Small and Medium Enterprises as per the Micro, Small and Medium Enterprises Development Act 2006 | | |
| Particulars | 31-Mar-18 | 31-Mar-17 |
| Amount due and payable at the year end | | |
| - Principal amount | 4.60 | 55.72 |
| - Interest on above principals * | - | - |
| Payment made during the year after the due date | | |
| - Principal | - | - |
| - Interest | - | - |
| Interest due and payable for Principal already paid | - | - |
| Total Interest accrued and remained unpaid at year end | - | - |
| * Interest has been waived off by the respective parties | | |
| Note 21 : Other Current Liabilities | | |
| Advance from Customers | 59.28 | 22.33 |
| Statutory Liabilities | 22.98 | 10.21 |
| | 82.26 | 32.54 |
| Note 22 : Current Tax liabilities (Net) | | |
| Current Tax Liabilities (net of advance tax) | - | 47.43 |
| | - | 47.43 |
| Note 23 : Revenue from Operations | | |
| <u>Revenue from Sale of Products (Including excise duty)*</u> | | |
| - Domestic Sales | 6,634.04 | 12,190.29 |
| - Export Sales | 4,272.09 | 6,304.62 |
| Less : Sales Return | (4.16) | (8.22) |
| Less : Trade, other discounts and allowance | (28.60) | (20.11) |
| | 10,873.38 | 18,466.58 |
| <u>Other Operating Revenue</u> | | |
| Incentive and assistance | 104.99 | 179.69 |
| | 10,978.37 | 18,646.27 |
| * PVC related products Incentive and assistance includes export incentive in the nature of promotion of export & refund of taxes on export of goods. | | |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|--|------------------|------------------|
| Note 24 : Other income | | |
| <u>Dividend Income</u> | | |
| - from Subsidiary company | 0.96 | - |
| - from other companies | 4.10 | - |
| <u>Interest Income</u> | | |
| - On Fixed Deposit | 20.60 | 32.62 |
| - On Instrument measured at FVTPL | 0.01 | 1.32 |
| Gain on Foreign Exchange fluctuation (net) | 104.28 | 127.81 |
| Profit on sale of Property, Plant and Equipment (net) | - | 1.84 |
| Fair Value of non - current investments (net) | 0.01 | 0.03 |
| Profit on sale of current Investments (net) | 8.56 | - |
| Fair valuation gain on Mutual Funds measured at FVTPL | 7.71 | 4.64 |
| Sundry Balance written off / back (net) | 6.58 | - |
| Rent Income | 0.65 | 0.65 |
| Others | 1.27 | 1.36 |
| | 154.74 | 170.27 |
| Note 25 : Cost of Materials Consumed | | |
| Opening Stock | 1,059.24 | 304.35 |
| Add: Purchases* | 9,096.33 | 16,767.64 |
| | 10,155.57 | 17,071.99 |
| Less: Closing Stock | 796.95 | 1,059.24 |
| | 9,358.62 | 16,012.75 |
| *PVC resin and related materials | | |
| Note 26 : Changes in inventories of finished goods, stock in trade and work-in-progress | | |
| Closing Stocks: | | |
| Finished Goods | 222.53 | - |
| Stock in process | 28.95 | 34.16 |
| | 251.48 | 34.16 |
| Less: Opening Stocks | | |
| Finished Goods | - | - |
| Stock in process | 34.16 | 21.26 |
| | 34.16 | 21.26 |
| | (217.33) | (12.90) |
| Note 27 : Employee benefits expense | | |
| Salaries and wages | 88.86 | 82.39 |
| Provision for Gratuity (Refer Note 32) | 6.21 | 4.71 |
| Contribution to Provident fund and others funds (Refer Note 32) | 3.59 | 3.47 |
| Staff welfare expenses | 10.85 | 9.45 |
| | 109.50 | 100.02 |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | 31-Mar-18 | 31-Mar-17 |
|---|---------------|---------------|
| Note 28 : Finance Costs | | |
| Interest expenses on borrowings | 153.35 | 206.67 |
| Other Borrowing Costs | 17.04 | 22.28 |
| | 170.39 | 228.95 |
| Note 29 : Other expenses | | |
| Power & Fuel | 249.34 | 312.87 |
| Stores and Spares consumed | 42.15 | 68.82 |
| Repairs & Maintenance (Plant & Equipment) | 8.21 | 5.67 |
| Repairs & Maintenance (Buildings) | 1.11 | 0.01 |
| Freight & Forwarding Charges | 117.08 | 115.83 |
| Auditor's Remuneration (Refer note below) | 3.26 | 1.93 |
| Insurance charges | 5.57 | 5.23 |
| Legal and professional expenses | 25.15 | 21.39 |
| Provision for Doubtful Debts and Advances | 18.35 | 15.42 |
| Rates & Taxes | 5.07 | 12.88 |
| Rent expenses (Refer Note 31) | 0.69 | 2.45 |
| Loss on sale of Property, Plant & Equipment (net) | 2.96 | - |
| Provision for Expected Credit Loss | 4.19 | - |
| Expenditure on Corporate Social Responsibility (CSR) (Refer Note 34) | 0.10 | 5.34 |
| Sundry Balance written off (net) | - | 2.67 |
| Other Expenses | 165.07 | 220.06 |
| | 648.31 | 790.57 |
| Auditors' remuneration includes: (excluding Service Tax and Goods & Service Tax) | | |
| Audit Fees | 2.00 | 1.90 |
| Others | 1.26 | 0.03 |
| | 3.26 | 1.93 |
| Note 30 : Earnings per share : | | |
| Profit attributable to equity shareholders for basic and diluted earnings per share (Rs). | 130.75 | 193.88 |
| Weighted average number of equity shares for Basic EPS | 26,69,12,700 | 26,69,12,700 |
| Weighted average number of equity shares for Diluted EPS | 26,69,12,700 | 26,69,12,700 |
| Face value of Equity Share (Re.) | 1 | 1 |
| Basic Earnings Per Share (Rs.) | 0.49 | 0.73 |
| Diluted Earnings Per Share (Rs.) | 0.49 | 0.73 |
| Note 31 : Leases | | |
| The Company has entered into lease agreements with various parties with maturity period ranging from one year to five years and are cancellable in nature | | |
| A. Leases as lessee | | |
| Assets taken on Operating Lease | | |
| Lease Payments recognized during the year in the Statement of Profit and Loss | 0.69 | 2.45 |
| B. Leases as lessor | | |
| Rent income | 0.65 | 0.65 |

Note 32 : Employee benefit expenses

Post Employment Benefit Plans:

Defined Contribution Plans

| Amount recognised in the Statement of Profit and Loss | 2017-18 | 2016-17 |
|---|---------|---------|
| Contribution to Provident fund and others | 3.59 | 3.47 |

Defined Benefit Plans

The Company has the following Defined Benefit Plans:

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date. The following are the details of defined benefit plans:

Movement in net defined benefit (asset)/ liability

| a) Reconciliation of balances of Defined Benefit Obligation. | 2017-18 | 2016-17 |
|--|--------------|--------------|
| Defined Obligations at the beginning of the year | 34.07 | 30.40 |
| Interest Cost | 2.41 | 2.35 |
| Current Service Cost | 2.54 | 2.36 |
| Past service cost | 1.26 | - |
| Benefits paid | (1.63) | (0.53) |
| Actuarial (Gains)/ Losses on obligations | | |
| -Changes in financial Assumptions | (1.88) | 2.46 |
| Changes in demographic assumption | (1.39) | - |
| -Experience adjustments | (1.76) | (2.97) |
| Defined Obligations at the end of the year | 33.62 | 34.07 |
| Defined benefit obligations at the end of the year | 33.62 | 34.07 |
| Changes in Fair Value of Plan Assets | - | - |
| Net (Asset) / Liability recognised in the balance sheet | 33.62 | 34.07 |

| b) Amount recognised in Statement of Profit and Loss | 2017-18 | 2016-17 |
|--|-------------|-------------|
| Current Service Cost | 2.54 | 2.36 |
| Past Service Cost and loss / (gain) on curtailments and settlement | 1.26 | - |
| Interest Cost | 2.41 | 2.35 |
| Expenses for the year | 6.21 | 4.71 |

| c) Amount recognised in Other Comprehensive Income - Remeasurements : | 2017-18 | 2016-17 |
|---|---------------|---------------|
| Actuarial (Gains)/ Losses | | |
| -Changes in financial assumptions | (1.88) | 2.46 |
| -Change in demographic assumption | (1.39) | - |
| -Experience adjustments | (1.76) | (2.97) |
| Total | (5.03) | (0.51) |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

Notes to financial statements for the year ended March 31, 2018

| d) Major Actuarial Assumptions | 2017-18 | 2016-17 |
|---------------------------------------|--|----------------|
| Discount Rate (%) | 7.65% | 7.20% |
| Salary Escalation/ Inflation (%) | 11.00% | 11.00% |
| Withdrawal rates | 10% at younger ages reducing to 2% at older ages | 3% at all ages |

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

Sensitivity analysis

Sensitivity analysis for each significant actuarial assumption as stated above, showing how the defined benefit obligation would be affected, considering increase/decrease as at 31.03.2018 and 31.03.2017 is as below:

| Particulars | Gratuity - Unfunded | |
|--------------------------------------|-----------------------------------|---|
| | 2017-18 | 2016-17 |
| | Defined Benefit Obligation | Change in Defined Benefit Obligation |
| Discounting rate varied by 0.5% | | |
| + 0.5% | 31.98 | 32.29 |
| - 0.5% | 35.38 | 35.99 |
| Salary growth rate varied by 0.5% | | |
| + 0.5% | 35.11 | 35.85 |
| - 0.5% | 32.06 | 32.29 |
| Withdrawal rate (W.R.) varied by 10% | | |
| W.R. * 110% | 33.31 | 33.75 |
| W.R. * 90% | 33.94 | 34.01 |

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

The expected future cash flows as at 31st March 2018 were as follows:

| Particulars | Gratuity Unfunded |
|--|--------------------------|
| Projected benefits payable in future years from the date of reporting | |
| 1st following year | 1.36 |
| 2nd following year | 1.67 |
| 3rd following year | 1.60 |
| 4th following year | 2.56 |
| 5th following year | 1.71 |
| Years 6 to 10 | 13.48 |

Other details as at 31.03.2018

| Particulars | Gratuity unfunded |
|--|--------------------------|
| Weighted Average Duration of the Projected Benefit Obligation (in years) | 10.22 |
| Prescribed contribution for next year | 2.46 |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Note 33 : Disclosures on Related party transactions

Rs in Million

i) Nature and Relationship of Related Parties

a) Subsidiary Companies

Axiom Cordages Limited

Responsive Industries Limited, Hongkong

b) Holding Entity

Wellknown Business Ventures LLP

c) Directors & Key Management Personnel

| | |
|--|-------------------|
| 1) Mr. Atit Agarwal | Director |
| 2) Mr. Rajesh Pandey | Director |
| 3) Ms. Alpa Ramani (upto 30th May, 2017) | Company Secretary |
| 4) Ms. Ruchi Jaiswal (from 30th May, 2017) | Company Secretary |

d) Relatives of Key Management Personnel

- 1) Mr. Abhishek Agarwal
- 2) Mrs. Saudamini Agarwal

e) Entities where Directors / Key Management Personnel have Significant Influence

- 1) One Source Trading Company LLP
- 2) Fairpoint Tradecom LLP

ii) Transactions with Related Parties during the year

Relationship

a) Subsidiary Company

| | | |
|--------------------------|--------|--------|
| Investment in Subsidiary | 7.04 | - |
| Interest Expenses | 0.0002 | 0.0002 |
| Sales | 141.59 | - |
| Purchases | 203.01 | 309.36 |
| Rent Income | 0.65 | 0.65 |
| Job Work Charges | - | 50.03 |
| Dividend Paid | 0.44 | - |
| Dividend Received | 0.96 | - |

b) Holding Entity

| | | |
|---------------|-------|---|
| Dividend Paid | 14.84 | - |
|---------------|-------|---|

c) Investment in Partnership Firm

| | | |
|-----------------|---|------|
| Capital Advance | - | 7.70 |
|-----------------|---|------|

d) Directors and Key Management Personnel

| | | |
|---------------|------|------|
| Remuneration | - | 0.65 |
| Salary | 0.46 | 0.46 |
| Dividend Paid | 0.08 | - |

e) Relatives of Directors / Key Management Personnel

| | | |
|---------------|------|---|
| Dividend Paid | 0.28 | - |
|---------------|------|---|

f) Entities where Directors / Key Management Personnel have Significant Influence

| Particulars | Expenses | March 31, 2018 | March 31, 2017 |
|---------------------------|-----------------------|----------------|----------------|
| Onesource Trading Co LLP | Rent Expenses | 0.53 | 1.49 |
| Onesource Trading Co. LLP | Interest Income | - | 0.93 |
| Onesource Trading Co. LLP | Advance Given | 4.70 | 0.07 |
| Onesource Trading Co. LLP | Advance received back | 4.70 | - |
| Onesource Trading Co. LLP | Deposit received back | 11.70 | - |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| iii) Closing Outstanding Balances of Related Parties | | | | |
|---|----------------------|---|---------------------------------|---------------------------------|
| Name of Entities | Nature | Relationship | As at March 31, 2018 | As at March 31, 2017 |
| Axiom Cordages Limited | Rent Deposit Payable | Subsidiary Company | 4.53 | 4.58 |
| Axiom Cordages Limited | Investment in Shares | Subsidiary Company | 257.75 | 257.75 |
| Axiom Cordages Limited | Payable (net) | Subsidiary Company | 388.45 | - |
| Responsive Industries Limited, Hongkong | Investment in Shares | Subsidiary Company | 7.04 | - |
| Alpa Ramani | Salary Payable | Key Management Personnel | - | 0.05 |
| Ruchi Jaiswal | Salary Payable | Key Management Personnel | 0.04 | - |
| Maharashtra Holdings | Capital Advance | Investment in Partnership Firm | - | 81.46 |
| Maharashtra Holdings | Capital Contribution | Investment in Partnership Firm | - | 0.015 |
| Mangaon Holdings | Capital Contribution | Investment in Partnership Firm | - | 0.025 |
| One Source Trading Company LLP | Security Deposit | Entities where key management have significant influence | - | 13.89 |
| Fairpoint Tradecom LLP | Trade Payable | Entities where key management have significant influence | 22.76 | - |

Note 1: Related parties as disclosed by Management and relied upon by auditors

Note 2: No amount pertaining to related parties have been provided for as doubtful debts. Also, no amount has been written off / back which was due from / to related parties.

Note 34 : Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

Rs in Million

| Particulars | 2017-18 | 2016-17 |
|--|----------------|----------------|
| a) Amount required to be spent by the company during the year | 10.93 | 11.08 |
| b) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company) # | 0.10 | 5.34 |
| c) Provision created for balance amount | - | - |

The above expenditure includes contribution to funds, expenses through registered trusts / registered society or company established under section 8 of the Act and direct expenses by the Company.

Note 35 : Segment Reporting

The Company is primarily engaged in the business of Manufacturing & Selling of articles made out of Plastics / Polymers. As such, the Company operates in a single segment and there are no separate reportable segments as defined in Ind AS 108 - "Operating Segments". The same is consistent with the information reviewed by the Chief Operating Decision Maker (CODM).

Geographical Information:

The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical areas. The following is the distribution of the Company's Revenues by geographical markets :

| | (Rs. In Million) | |
|-----------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Revenues | | |
| India | 6,601.28 | 12,161.96 |
| Export | 4,377.08 | 6,484.32 |
| | 10,978.37 | 18,646.27 |

The following is the carrying amount of segment assets by geographical area in which the assets are located

| Non - Current Assets (other than financial instruments and deferred tax assets) | (Rs. In Million) | |
|--|------------------|-----------------|
| India | 4,947.21 | 5,702.80 |
| Outside India | - | - |
| | 4,947.21 | 5,702.80 |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Note 36 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. In Million)

| 31st March 2018 | Carrying amount | | | | Fair value | | | |
|--|----------------------|-----------------------------|-----------------|-----------------|---------------|--------------|----------|---------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Investments in Equity Instruments | 0.11 | - | - | 0.11 | 0.11 | - | - | 0.11 |
| Investments in Mutual Funds | 259.60 | - | - | 259.60 | 259.60 | - | - | 259.60 |
| Other Investments | 68.57 | - | - | 68.57 | - | - | - | - |
| Other Financial Assets | 17.94 | - | 4.41 | 22.35 | - | 17.94 | - | 17.94 |
| Trade receivables | - | - | 2,712.40 | 2,712.40 | - | - | - | - |
| Cash and cash equivalents | - | - | 22.76 | 22.76 | - | - | - | - |
| Bank Balances other than Cash and cash equivalents | - | - | 125.06 | 125.06 | - | - | - | - |
| Loans | - | - | 1.82 | 1.82 | - | - | - | - |
| | 346.21 | - | 2,866.44 | 3,212.66 | 259.71 | 17.94 | - | 277.64 |
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | 1,559.73 | 1,559.73 | - | - | - | - |
| Trade Payables | - | - | 565.96 | 565.96 | - | - | - | - |
| Other Financial Liabilities | - | - | 1,173.09 | 1,173.09 | - | - | - | - |
| | - | - | 3,298.77 | 3,298.77 | - | - | - | - |

(Rs. In Million)

| 31st March 2017 | Carrying amount | | | | Fair value | | | |
|--|----------------------|-----------------------------|-----------------|-----------------|--------------|--------------|----------|--------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Investments in Equity Instruments | 0.10 | - | - | 0.10 | 0.10 | - | - | 0.10 |
| Investment in Subsidiary Company | - | - | 257.75 | 257.75 | - | - | - | - |
| Investments in Mutual Funds | 39.06 | - | - | 39.06 | 39.06 | - | - | 39.06 |
| Other Investments | - | - | 104.21 | 104.21 | - | - | - | - |
| Other Financial Assets | 17.92 | - | 30.10 | 48.02 | - | 27.82 | - | 27.82 |
| Trade receivables | - | - | 2,565.18 | 2,565.18 | - | - | - | - |
| Cash and cash equivalents | - | - | 184.34 | 184.34 | - | - | - | - |
| Bank Balances other than Cash and cash equivalents | - | - | 354.89 | 354.89 | - | - | - | - |
| Loans | - | - | 2.27 | 2.27 | - | - | - | - |
| | 57.08 | - | 3,498.74 | 3,555.82 | 39.16 | 27.82 | - | 66.98 |
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | 2,555.95 | 2,555.95 | - | - | - | - |
| Trade Payables | - | - | 278.53 | 278.53 | - | - | - | - |
| Other Financial Liabilities | - | - | 1,595.58 | 1,595.58 | - | - | - | - |
| | - | - | 4,430.06 | 4,430.06 | - | - | - | - |

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

| Type | Valuation Technique | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|--|---------------------------------|---|
| Non current financial assets and liabilities measured at amortised cost | Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. | Not applicable | Not applicable |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Note 36 : Financial instruments – Fair values and risk management (continued)

C. Financial Risk Management

c.i. Risk Management Framework

A wide range of risks may affect the Company's business and operational / financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the Company's operational and financial performance.

C.ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoverable are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Accounts receivables :

Rs in Million

| Particulars | As at 31-03-2018 | As at 31-03-2017 |
|------------------|------------------|------------------|
| Not Due | 1,670.66 | 2,562.02 |
| 0 - 6 months | 1,042.49 | 3.15 |
| 6 - 12 months | 2.45 | 3.19 |
| Beyond 12 months | 0.99 | 9.21 |
| Total | 2,716.59 | 2,577.57 |

Financial assets are considered to be of good quality and there is no significant increase in credit risk

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Note 36 : Financial instruments – Fair values and risk management (continued)

Movements in provision of doubtful debts

Rs in Million

| Particulars | As at 31-03-2018 | As at 31-03-2017 |
|---------------------------------------|------------------|------------------|
| Opening provision | 12.40 | 14.19 |
| Add : Additional provision made | - | - |
| Less : Provision reversed | (12.40) | (1.79) |
| Add : Provision for Expected Credit | 4.19 | - |
| Credit Loss Closing provisions | 4.19 | 12.40 |

(b) Cash and cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of Rs. 147.82 million at 31st March 2018 (P.Y. Rs. 539.24 million). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing. Also, Company invests its short term surplus funds in bank fixed deposit, which carry no / low mark to market risks for short duration therefore does not expose the Company to credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk is managed by Company through effective fund management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Maturity Analysis of Significant Financial Liabilities

Rs in Million

| Particulars | As at 31-03-2018 | Contractual Cash Flows | | |
|---|------------------|------------------------|-----------|-------------------|
| | | Upto 1 year | 1-5 years | More than 5 years |
| Non current borrowings (including current maturities) | | | | |
| Vehicle Loan | 12.88 | 10.06 | 2.83 | |
| External Commercial Borrowing | 658.73 | 658.73 | - | - |
| Current borrowings- | | | - | - |
| Packing Credit Foreign Currency Loan | 853.99 | 853.99 | - | - |
| EBRD (Post Shipment) Loan | 309.60 | 309.60 | - | - |
| Buyer's Cred | 393.31 | 393.31 | - | - |
| Trade and other payables | 565.96 | 565.96 | - | - |
| Other current liabilities | 499.77 | 499.77 | - | - |
| Particulars | As at 31-03-2017 | Contractual Cash Flows | | |
| | | Upto 1 year | 1-5 years | More than 5 years |
| Non current borrowings (including current maturities) | | | | |
| Vehicle Loan | 33.71 | 20.45 | 13.26 | - |
| External Commercial Borrowing | 1894.56 | 1239.11 | 655.44 | - |
| Current borrowings- | | | - | - |
| Packing Credit Foreign Currency Loan | 1022.61 | 1022.61 | - | - |
| EBRD (Post Shipment) Loan | 160.47 | 160.47 | - | - |
| Buyer's Cred | 704.18 | 704.18 | - | - |
| Trade and other payables | 220.21 | 220.21 | - | - |
| Other current liabilities | 369.80 | 369.80 | - | - |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Note 36 : Financial instruments – Fair values and risk management (continued)

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

C.iv.a Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2018, March 31, 2017 are as below:

Rs in Million

| 31st March, 2018 | USD |
|--|---------------|
| Financial assets | |
| Bank Balances other than Cash and Cash Equivalents | 0.001 |
| Trade receivables | 33.92 |
| Net exposure for assets | 33.92 |
| | |
| Financial liabilities | |
| Foreign Currency Borrowings (Including Current Maturities) | 10.11 |
| Short Term Borrowings | 23.89 |
| Trade and other payables | 3.10 |
| Net exposure for liabilities | 37.10 |
| Net exposure (Assets - Liabilities) | (3.17) |

C.iv.b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at 31/03/2018 | As at 31/03/2017 |
|--|------------------|------------------|
| External Commercial Borrowing bearing variable interest rate | 658.73 | 1,894.56 |
| Packing Credit Foreign Currency Loans | 853.99 | 1,022.61 |
| EBRD (Post Shipment) Loan | 309.60 | 160.47 |
| Buyer's Credit | 393.31 | 704.18 |
| Total of Variable Rate Financial Liabilities | 2,215.63 | 3,781.82 |

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Rs in Million

| Cash flow sensitivity (net) | Profit or loss | |
|------------------------------------|----------------|----------------|
| INR | 50 bp increase | 50 bp decrease |
| 31st March 2018 | | |
| Variable-rate loan instruments | (11.08) | 18.91 |
| Cash flow sensitivity (net) | (11.08) | 18.91 |
| Rs in Million | | |
| 31st March 2017 | | |
| Variable-rate loan instruments | (18.91) | 18.91 |
| Cash flow sensitivity (net) | (18.91) | 18.91 |

C.iv.c Other price risk

The Company invests its surplus funds in various Equity and debt instruments . These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

Rs in Million

| | |
|--|----------------|
| 31st March, 2017 | USD |
| Financial assets | |
| Bank Balances other than Cash and Cash Equivalents | 0.001 |
| Trade receivables | 34.40 |
| Net exposure for assets | 34.40 |
| Financial liabilities | |
| Foreign Currency Borrowings (Including Current Maturities) | 29.21 |
| Short Term Borrowings | 29.10 |
| Trade and other payables | 0.50 |
| Net exposure for liabilities | 58.81 |
| Net exposure (Assets - Liabilities) | (24.41) |

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

Rs in Million

| Effect in INR (before tax) | Profit or (loss) and Equity | |
|---|-----------------------------|----------------|
| | Strengthening | Weakening |
| For the year ended 31st March, 2018 1% movement | | |
| USD | (2.07) | 2.07 |
| | (2.07) | 2.07 |
| Effect in INR (before tax) | Profit or (loss) and Equity | |
| | Strengthening | Weakening |
| For the year ended 31st March, 2018 1% movement | | |
| USD | 15.83 | (15.83) |
| | 15.83 | (15.83) |

Note 37 : Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's debt to equity ratio at 31st March, 2018 was 0.36 (PY. 0.63)

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

Note 38 : Prior Period Items

a) As per the requirement of Ind AS 12- "Income Taxes" deferred tax asset of Rs 175.31 lakhs on freehold land was not recognised in the opening balance sheet of 01-04-2015 during the time of transition of financial statements from IGAAP to Ind AS and consequently it was also not recognised in the financial year 2015-16 amounting to Rs 19.79 lakhs and Rs 15.27 lakhs for the FY 2016-17. This has been rectified by restating the comparative figures of the respective financial years in the balance sheet; statement of Profit & Loss and opening retained earnings by giving effect to each affected financial line items.

b) Under Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" material prior period error shall be corrected by retrospective restatement. Hire Charges expenses of Rs 22.00 million which pertains to the FY 2016-17 were omitted to be included in the financials of previous year. Now the same has been included in the financial statements of 2016-17 by restating the required figures with corresponding effect on taxes and other affected line items of those financial statements.

RESPONSIVE INDUSTRIES LIMITED
Notes to financial statements for the year ended March 31, 2018

Following are the financial items affected due to restatement in the comparative financial results presented hereunder for the matters stated above for the FY 2016-17:

Rs in Million

| Extract from balance sheet | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2017 (Restated) |
|--|---------------------|---------------------|--------------------------------|
| In Statement of assets & liabilities as on March 31, 2017 | | | |
| Increase / (Decrease) in Trade Payables | 565.96 | 254.00 | 278.53 |
| Increase / (Decrease) Recoverable from Customs. Excise, GST, | 154.89 | 27.44 | 30.41 |
| Increase / (Decrease) Statutory Liabilities | 22.98 | 9.77 | 10.21 |
| Increase / (Decrease) Advance Tax & TDS (net of Provisions) | 17.40 | 55.05 | 47.43 |
| Increase / (Decrease) Provision for taxation (net of advance tax) | 47.00 | 108.70 | 101.09 |

| Extract from statement of profit and loss | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2017 (Restated) |
|---|---------------------|---------------------|--------------------------------|
| Increase / (Decrease) Freight & Forwarding Charges | 117.08 | 93.83 | 115.83 |

| Extract from statement of changes in equity | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2017 (Restated) |
|--|---------------------|---------------------|--------------------------------|
| Increase / (Decrease) Opening retained earnings | 4,338.35 | 3506.71 | 4,144.14 |
| Increase / (Decrease) Current year net profit | 102.11 | 207.07 | 194.21 |
| Increase / (Decrease) Closing retained earnings | 4,440.46 | 3713.78 | 4,338.35 |

Note 39: Figures of previous year have been regrouped, reclassified, and / or rearranged wherever necessary to confirm with current year's presentation.

As per our attached report of even date

For SGC& Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem No: 044739

Place : Mumbai

Date : 2nd May 2018

For and on behalf of the Board

Atit Agarwal

Director

DIN 02330412

Rajesh Pandey

Director

DIN 00092767

Ruchi Jaiswal

Company Secretary

Place : Mumbai

Date : May 02, 2018

CONSOLIDATED FINANCIALS

INDEPENDENT AUDITOR'S REPORT

To the Members of Responsive Industries Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Responsive Industries Limited ("hereinafter referred to as "the Holding Company"), and its subsidiary Axiom Cordages Limited and Responsive Industries Limited (Hongkong) (the Holding Company and its subsidiaries together referred to as "the Group), comprising of the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement and the for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 including Ind AS, of the consolidated state of affairs of the group, as at 31st March 2018, their consolidated profit, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Other Matter

The Consolidated financial statements of the Company for the year ended 31st March, 2017, were audited by Haribhakti & Co. LLP who expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

As required by sub-section 3 of Section 143 of the Act, we report to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;

b) In our opinion, proper books of account as required by law relating to preparation aforesaid Consolidated in IND-AS Financial Statements have been kept by the company so far as it appears from our examination of those books and the reports of the other auditors

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

e) On the basis of the written representations received from the Directors of the Holding Company and Subsidiary Companies as on 31st March 2018 and taken on record by the Board of Directors of the Holding Company and its Subsidiary Companies, none of the Directors of the Group is disqualified as on 31st March 2018 from being appointed as a Director in terms of subsection 2 of Section 164 of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”;

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations which would impact the Consolidated Financial Position of the Group

ii. The Group did not have any long-term contracts including derivative contracts. Hence the question of any material foreseeable losses does not arise.

iii. There has been no delay in transferring amount, required to be transferred to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its Subsidiaries.

For SGC & Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem No: 044739

Place : Mumbai

Date : 2nd May 2018

Annexure “A” to the Independent Auditor’s Report of even date on the Consolidated Ind AS Financial statements of Responsive Industries Limited for the year ended 31st March 2018. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Responsive Industries Limited and its Subsidiary companies, collectively (the Group) as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Group, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Group, which are companies incorporated in India & Hongkong, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”) These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial control, both issued by the ICAI., Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of

the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For SGC& Co. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem No: 044739

Place : Mumbai

Date : 2nd May 2018

RESPONSIVE INDUSTRIES LIMITED
Consolidated Balance Sheet as at March 31, 2018

Rs in Million

| Particulars | Note No. | As at March 31, 2018 | As at March 31, 2017 |
|---|----------|----------------------|----------------------|
| I ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant and Equipment | 3 | 6,990.24 | 7,348.26 |
| (b) Goodwill on consolidation | | 661.27 | 661.27 |
| (c) Other Intangible assets | 4 | 0.68 | 0.67 |
| | | 7,652.19 | 8,010.20 |
| (d) Financial Assets | | - | - |
| (i) Investments | 5 | 0.15 | 0.19 |
| (ii) Other Financial Assets | 6 | 32.66 | 42.66 |
| | | 32.81 | 42.85 |
| (e) Income tax Asset (net) | 7 | 27.60 | - |
| (f) Other Non Current Assets | 8 | 0.14 | 237.39 |
| (g) Total Non - Current Assets | | 7,712.74 | 8,290.44 |
| (2) Current assets | | | |
| (a) Inventories | 9 | 1,166.19 | 1,249.67 |
| (b) Financial Assets | | | |
| (i) Investments | 5 | 377.80 | 151.59 |
| (ii) Trade receivables | 10 | 3,935.01 | 4,068.95 |
| (iii) Cash and Cash Equivalents | 11 | 141.57 | 778.25 |
| (iv) Bank Balances other than Cash and Cash Equivalents | 12 | 180.75 | 416.89 |
| (v) Loans | 13 | 1.82 | 2.27 |
| (vi) Other Financial Assets | 6 | 115.52 | 23.18 |
| | | 4,752.47 | 5,441.13 |
| (c) Other Current Assets | 14 | 276.65 | 364.13 |
| Total Current Assets | | 6,195.31 | 7,054.93 |
| TOTAL ASSETS | | 13,908.05 | 15,345.37 |
| II EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share Capital | 15 | 262.50 | 262.50 |
| (b) Other Equity | 15 | 8,708.53 | 8,629.79 |
| Equity attributable to owners | | 8,971.03 | 8,892.29 |
| Non-Controlling Interest | | 1,583.31 | 1,597.25 |
| Total Equity | | 10,554.34 | 10,489.54 |
| Liabilities | | | |
| (2) Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| - Borrowings | 16 | 2.83 | 672.01 |
| | | 2.83 | 672.01 |
| - Provisions | 17 | 35.38 | 35.35 |
| (b) Deferred tax liabilities (Net) | 18 | 288.71 | 239.88 |
| Total Non - Current Liabilities | | 326.92 | 947.24 |
| (3) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 16 | 1,556.90 | 1,887.26 |
| (ii) Trade Payables | 19 | 197.16 | 306.95 |
| (iii) Other Financial Liabilities | 20 | 1,185.54 | 1,612.41 |
| | | 2,939.60 | 3,806.62 |
| (b) Other current liabilities | 21 | 85.33 | 47.04 |
| (c) Provisions | 17 | 1.86 | 1.66 |
| (d) Current Tax Liabilities (Net) | 22 | - | 53.27 |
| Total Current Liabilities | | 3,026.79 | 3,908.59 |
| TOTAL EQUITY AND LIABILITIES | | 13,908.05 | 15,345.37 |

Significant Accounting Policies

2

Notes forming part of financial statements

1 to 40

As per our attached report of even date For S G C O & Co. LLP

Chartered Accountants

Firm Reg. No. : 112081W/W100184

Suresh Murarka

Partner

Membership No. : 044739

Place : Mumbai

Date : May 2, 2018

For and on behalf of the Board

Atit Agarwal

Director

DIN 02330412

Rajesh Pandey

Director

DIN 00092767

Ruchi Jaiswal

Company Secretary

Place : Mumbai

Date : May 2, 2018

RESPONSIVE INDUSTRIES LIMITED
Consolidated statement of Profit and Loss for the year ended March 31, 2018

Rs in Million

| Particulars | Note | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---------|------------------------------|------------------------------|
| Income | | | |
| I Revenue from operations | 23 | 12,637.01 | 20,545.52 |
| II Other income | 24 | 186.96 | 179.04 |
| III Total Income (I+II) | | 12,823.97 | 20,724.56 |
| IV Expenses: | | | |
| Cost of Materials Consumed | 25 | 10,555.33 | 17,418.37 |
| Changes in inventories of finished goods, stock in trade and work-in-progress | 26 | (184.26) | (60.52) |
| Excise Duty | | 168.21 | 484.10 |
| Employee Benefit Expenses | 27 | 138.98 | 121.98 |
| Finance Costs | 28 | 171.85 | 230.99 |
| Depreciation and Amortisation Expenses | 3, 4 | 866.52 | 1,323.26 |
| Other Expenses | 29 | 844.90 | 983.68 |
| Total expenses (IV) | | 12,561.53 | 20,501.86 |
| V Profit / (Loss) before Exceptional item and tax (III-IV) | | 262.44 | 222.70 |
| Exceptional Item | 38 | 50.80 | - |
| Profit / (Loss) before tax VI | | 211.64 | 222.70 |
| Tax Expenses | | | |
| (1) Current tax | | 47.00 | 116.42 |
| (2) Deferred tax Charge / (Credit) | 18 | 48.63 | (26.54) |
| (3) Income Tax for earlier years | | 22.45 | 56.35 |
| VII Profit after tax | | 93.56 | 76.47 |
| VIII Other Comprehensive Income (net of tax) | | | |
| A. Items that will not be reclassified to Statement of Profit or loss | | | |
| - Remeasurements of Defined Benefit Plans | | | |
| [Net of Deferred tax amounting to Rs. 1.81 million (P.Y. Rs. 0.67 million)] | 31 | 3.46 | 1.28 |
| - Foreign Exchange Currency Translation Reserve | | 0.33 | - |
| B. Items that will be reclassified to Statement of Profit or loss IX | | - | - |
| | A + B | 3.79 | 1.28 |
| Total Comprehensive Income for the year | | 97.35 | 77.75 |
| Profit attributable to: | | | |
| Owners of the company | | 107.66 | 106.77 |
| Non - controlling interests | | (14.10) | (30.30) |
| Profit for the year | | 93.56 | 76.47 |
| Other Comprehensive Income attributable to: | | | |
| Owners of the company | | 3.63 | 0.88 |
| Non - controlling interests | | 0.16 | 0.40 |
| Other Comprehensive Income for the year | | 3.79 | 1.28 |
| Total Comprehensive Income attributable to: | | | |
| Owners of the company | | 111.29 | 107.65 |
| Non - controlling interests | | (13.94) | (29.90) |
| Total Comprehensive Income for the year | | 97.35 | 77.75 |
| X Earnings per equity share (Face Value Re.1) : | | | |
| (1) Basic | 30 | 0.41 | 0.41 |
| (2) Diluted | | 0.41 | 0.41 |
| Significant Accounting Policies | 2 | | |
| Notes forming part of financial statements | 1 to 40 | | |

As per our attached report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Reg. No. : 112081W/W100184

Suresh Murarka
Partner
Membership No. : 044739

Place : Mumbai
Date : May 2, 2018

For and on behalf of the Board

Atit Agarwal **Rajesh Pandey**
Director Director
DIN 02330412 DIN 00092767

Ruchi Jaiswal
Company Secretary

Place : Mumbai
Date : May 2, 2018

RESPONSIVE INDUSTRIES LIMITED
Cash Flow Statemet for the year ended March 31, 2018

Rs in Million

| Particulars | Year ended 31-Mar-2018 | Year ended 31-Mar-2017 |
|---|---------------------------|---------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net Profit Before Tax | 262.44 | 222.70 |
| Add / (Less) : Adjustments for | | |
| Depreciation and Amortisation | 866.52 | 1,323.26 |
| Provision for Gratuity | 7.13 | 5.46 |
| Interest Income | (23.46) | (40.46) |
| Interest Expenses | 171.85 | 230.99 |
| Dividend Income | (4.87) | - |
| Impairment allowance for Doubtful Debts & Advances | 18.35 | 25.11 |
| Fair value of non-current investments measured at FVTPL | (0.01) | (0.03) |
| Fair value gain on-current mutual fund measured at FVTPL | (8.98) | (6.79) |
| Provision for Expected Credit Loss | 4.22 | - |
| Sundry balances written back | (6.58) | (0.72) |
| Sundry balances written off | - | 2.67 |
| Loss / (Profit) on Sale of Investments | (8.56) | - |
| Loss / (Profit) from foreign exchange fluctuation (net) | (59.66) | 81.88 |
| (Profit) / Loss on Sale of Property, Plant & Equipments | 2.96 | 3.67 |
| Operating Profit Before Working Capital changes | 1,221.35 | 1,847.74 |
| Add / (Less) : Adjustments for change in working capital | | |
| (Increase) / Decrease in Other Non-current financial assets | 10.00 | 0.92 |
| (Increase) / Decrease in Other Non-Current Assets | 1.06 | (27.34) |
| (Increase) / Decrease in Inventory | 83.48 | (808.25) |
| (Increase) / Decrease in trade receivables | 129.72 | 1,756.35 |
| (Increase) / Decrease in current loans | 0.45 | 0.46 |
| (Increase) / Decrease in Other Current financial assets | (92.34) | (10.97) |
| (Increase) / Decrease in Other Current Assets | 87.48 | (186.26) |
| Increase / (Decrease) in trade payables | (103.21) | (1,639.70) |
| Increase / (Decrease) in other current financial liabilities | 165.46 | 320.96 |
| Increase / (Decrease) in other current liabilities | 38.29 | 10.83 |
| Cash generated from Operations | 1,541.74 | 1,264.74 |
| Add / (Less) : Direct taxes paid | (124.71) | (191.24) |
| Net Cash Inflow / (Outflow) from Operating activities (A) | 1,417.03 | 1,073.50 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Acquisition of property, plant & equipments / Capital WIP | (573.08) | (86.36) |
| Capital Advance (given) / received | 236.19 | (29.06) |
| Proceeds from sale of property, plant & equipments | 10.82 | 11.68 |
| Interest Received | 23.46 | 40.46 |
| Dividend Received | 4.87 | - |
| Fair value of non-current investments measured at FVTPL | 0.01 | 0.03 |
| Fair Valuation (loss) / gain on current mutual fund measured at FVTPL | 8.98 | 6.79 |
| Purchase of Investments | (235.12) | (105.62) |
| Sale of Investments | 0.04 | 101.13 |
| Fixed Deposits placed with banks | 236.14 | (303.92) |
| Net Cash Inflow / (Outflow) from Investing activities (B) | (287.69) | (364.87) |

RESPONSIVE INDUSTRIES LIMITED
Cash Flow Statemet for the year ended March 31, 2018

Rs in Million

| Particulars | Year ended 31-Mar-2018 | Year ended 31-Mar-2017 |
|---|---------------------------|---------------------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Borrowings / (Repayment) in non current long term borrowings | (1,262.17) | (1,059.92) |
| Short term loans taken / (repaid) during the year | (330.36) | 715.78 |
| Interest Paid | (171.85) | (230.99) |
| Dividend paid (including Tax on Dividend) | (2.02) | - |
| Net Cash Inflow / (Outflow) from Financing activities (C) | (1,766.40) | (575.13) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | (637.06) | 133.50 |
| Add: Cash and Cash Equivalents at the beginning of year | 785.84 | 652.34 |
| Cash and Cash Equivalents at the end of year | 148.78 | 785.84 |
| Components of Cash and Cash Equivalents at the end of year | (Rs. In million) | |
| Particulars | Year ended 31-Mar-2018 | Year ended 31-Mar-2017 |
| Cash on hand | 2.24 | 6.52 |
| Balance with banks | 135.22 | 261.09 |
| Fixed deposits lien marked (as margin money) | 4.11 | - |
| Cheques on hand | - | 510.64 |
| Closing Cash & Cash Equivalent as per Financial Statements | 141.57 | 778.25 |
| Add: Unrealised Gain / (Loss) in Bank Accounts | 7.21 | 7.59 |
| Cash and Cash Equivalents (closing) | 148.78 | 785.84 |

As per our attached report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Reg. No. : 112081W/W100184

For and on behalf of the Board

Atit Agarwal

Director

DIN 02330412

Rajesh Pandey

Director

DIN 00092767

Suresh Murarka

Partner

Membership No. : 044739

Ruchi Jaiswal

Company Secretary

Place : Mumbai

Date : May 2, 2018

Place : Mumbai

Date : May 2, 2018

1. Statement of Significant Accounting Policies:

1.1 Basis of preparation of Consolidated Financial Statements:

The Consolidated Ind AS Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder. The Consolidated Ind AS Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

Authorisation of Consolidated Financial Statements: The Consolidated Ind AS Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 2nd May 2018.

The percentage of ownership interest of the Parent Company in the Subsidiary Companies is as follows:

| Subsidiary | March 31, 2018 | March 31, 2017 |
|--|----------------|----------------|
| Axiom Cordages Limited | 58.18% | 58.18% |
| Responsive Industries Limited (Hongkong) | 100% | - |

1.2 Basis of Consolidation:

Subsidiary:

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which Group attains control and are deconsolidated from the date that control ceases to exist.

The Consolidated Ind AS Financial Statements have been prepared on the following basis.

The Consolidated Ind AS Financial Statements of the Company and its Subsidiaries have been combined on a line-by-line basis by adding together the balances of items like Assets, Liabilities, Income and Expenditure after fully eliminating the intra-group balances and intra-group transactions resulting in unrealized profits or losses.

The Consolidated Ind AS Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

Non-Controlling interests in the net assets of the Subsidiary Companies that are consolidated consists of the amount of equity attributable to non-controlling shareholders at the date of acquisition and subsequent addition of their share of changes in equity.

Profit or loss and each component of OCI are attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

1.3 Changes in the proportion held by non-controlling interests

Changes in the proportion of the equity held by non-controlling interests are accounted for as equity transactions. The carrying amount of the controlling interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

1.4 Use of estimates:

The preparation of the Consolidated Financial Statements of the Group in accordance with Indian Accounting Standards (Ind-AS) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and

the accompanying disclosures along with contingent liabilities at the date of the Consolidated Financial Statements. These estimates are based upon management's best knowledge of current events and actions; however uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amounts of assets or liabilities in future periods. Appropriate revisions in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions in estimates are recognized prospectively in the Consolidated Financial Statements in the period in which the estimates are revised in any future periods affected.

1.5 Fair Value Measurement:

The Group measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non financial asset and liabilities.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Group uses valuation techniques, which are appropriate in circumstances and for which sufficient data is available considering the expected loss/ profit in case of financial assets or liabilities.

1.6 Revenue Recognition

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization and when the revenue can be reliably measured.

Revenue from sale of goods is recognized when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Revenue from the sale of goods includes excise duty and are net off returns, taxes or duties collected on behalf of the government and applicable trade discounts and rebates.

Interest income is recognized using Effective Interest Rate (EIR) method.

Revenue in respect of export sales is recognized on the basis of dispatch of goods for exports. (i.e. on the date of Bill of Lading).

Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reasonably.

Other Income is accounted for on accrual basis, when certainty of receipt is established.

1.7 Inventories

Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Stores and Spares and Packing Materials, are valued at cost or net realizable value, whichever is lower. Materials-in-transit are valued at cost-to-date. Cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on FIFO basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.8 Property, Plant and Equipment (PPE):

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment. In other cases, the spare part is inventorised on procurement and charged to the Statement of Profit and Loss on consumption.

An item of property, plant and equipment and any significant part initially recognised separately as part of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised. The residual values and useful lives of property, plant and equipment are reviewed at regular intervals and changes, if any, are accounted in line with revisions to accounting estimates.

1.9 Capital Work in Progress

Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in progress. Expenditure during construction period is included under Capital Work in Progress & the same is allocated to the respective PPE on the completion of its construction.

1.10 Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible Assets are amortized on a systematic basis over its useful life on straight line basis and the amortization for each period will be recognized as an expense.

1.11 Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.12 Depreciation

Depreciation on Plant, Property and Equipment has been provided on the Straight - Line basis, over the estimated useful lives of assets. The Group provides pro-rata depreciation from the date of addition / upto the date of deletion made during the reporting period. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the Consolidated Financial Statements upon sale or disposal of the asset and the resultant gains or losses are recognized in the statement of Profit and Loss.

The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act, except in case of Plant & Machinery which are depreciated over a useful lives of 20 years based on the technical assessment.

1.13 Impairment of Non - financial Assets:

Non - financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is the higher of the assets or Cash Generating Units (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.14 Government Subsidy

Grants and subsidies from the Government are recognized if the following conditions are satisfied,

- There is reasonable assurance that the Group will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

1.15 Taxes on Income

a) Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

b) Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred Tax asset and liability are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled based on rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.16 Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- Debt instruments at Fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

1.15 Taxes on Income

a) Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

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Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred Tax asset and liability are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled based on rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.16 Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

- Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

- Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when.

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Accumulated gains or losses on equity instruments measured at FVTOCI are never reclassified to the Statement of Profit and Loss.

d) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial asset measured at amortised cost
- Financial asset measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

1.17 Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(i) Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

(ii) Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR"). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.18 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.19 Employee Benefits

a) Short-term employee benefit

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Post-employment obligations

The Group operates the following post – employment schemes:

1. Defined benefit plans such as gratuity, and
2. Defined contribution plans such as provident fund.

Gratuity Obligation:

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc. are charged to the Statement of Profit and Loss as incurred.

1.20 Foreign Currency Transactions:

a) Functional and Presentation Currency:

The Consolidated Financial Statements are presented in Indian rupees which is the functional currency for the Group. All amounts have been rounded off to the nearest millions, unless otherwise indicated.

a) Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term monetary items taken prior to April 1, 2016) are recognised in Statement of Profit and Loss either as Profit or Loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Group has elected to continue the policy adopted under previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 3rd March, 2016 ie. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of the asset or liability.

b) Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.21 Provisions, Contingent Liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the Consolidated Financial Statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.22 Earnings per Share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.23 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act

1.24 Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.25 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

RESPONSIVE INDUSTRIES LIMITED
Statement of Changes in Equity for the year ended March 31, 2018

A. Share Capital

| Particulars | Balance as at April 1, 2016 | Changes in equity share capital during the year | Balance as at March 31, 2017 | Changes in equity share capital during the year | Balance as at March 31, 2018 |
|------------------------|-----------------------------|---|------------------------------|---|------------------------------|
| Paid up Equity Capital | 262.50 | - | 262.50 | - | 262.50 |

B. Other Equity

| Particulars | Other Equity | | | | Attributable to Owners of the company | Attributable to NCI | Total Other Equity |
|--|-----------------|----------------------------|-----------------|-------------------|---------------------------------------|---------------------|--------------------|
| | Capital Reserve | Securities Premium Reserve | General Reserve | Retained Earnings | | | |
| Balance as at April 1, 2016 | 1.38 | 2,370.90 | 0.10 | 6,149.76 | 8,522.14 | 1,627.15 | 10,149.29 |
| Additions: | | | | | | | |
| Profit for the year | - | - | - | 106.77 | 106.77 | (30.30) | 76.47 |
| Other Comprehensive Income : | | | | | | | |
| Remeasurements of net defined benefit plans (Net of tax) | - | - | - | 0.88 | 0.88 | 0.40 | 1.28 |
| Balance as at March 31, 2017 | 1.38 | 2,370.90 | 0.10 | 6,257.40 | 8,629.79 | 1,597.25 | 10,227.04 |
| Profit for the year | - | - | - | 107.66 | 107.66 | (14.10) | 93.56 |
| Other Comprehensive Income : | | | | | | | |
| Remeasurements of net defined benefit plans (Net of tax) | - | - | - | 3.63 | 3.63 | 0.16 | 3.79 |
| Final Dividend | - | - | - | (26.94) | (26.94) | - | (26.94) |
| Tax on Final Dividend Paid | - | - | - | (5.61) | (5.61) | - | (5.61) |
| Balance as at March 31, 2018 | 1.38 | 2,370.90 | 0.10 | 6,336.14 | 8,708.53 | 1,583.31 | 10,291.84 |

As per our attached report of even date

For S G O & Co. LLP

Chartered Accountants

Firm Reg. No. : 112081W/W100184

Suresh Murarka
Partner

Membership No. : 044739

Place : Mumbai
Date : May 2, 2018

For and on behalf of the Board

Atit Agarwal

Director

DIN 02330412

Rajesh Pandey

Director

DIN 00092767

Ruchi Jaiswal

Company Secretary

Place : Mumbai

Date : May 2, 2018

RESPONSIVE INDUSTRIES LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2018

(Rs. in million)

Note 3 : Property, Plant and Equipment

| Particulars | Freehold Land | Factory Building | Plant and Machinery | Electrical Installation | Furniture and Fixtures | Office equipments | Computer | Motor Cars | Motor Trucks | Weighing Scale | Total | Capital Work in Progress |
|--|---------------|------------------|---------------------|-------------------------|------------------------|-------------------|-------------|---------------|---------------|----------------|------------------|--------------------------|
| Year Ended March 31, 2017 | | | | | | | | | | | | |
| As at April 1, 2016 | 78.10 | 162.36 | 9,896.08 | 10.47 | 2.33 | 13.09 | 3.05 | 58.83 | 30.73 | 0.20 | 10,255.24 | 71.34 |
| Additions | - | 125.15 | 5.69 | 0.99 | - | 1.78 | 1.28 | 56.30 | - | - | 191.19 | - |
| Disposals | - | - | - | - | - | - | - | (13.76) | (9.96) | - | (23.72) | (71.34) |
| Increase / (Decrease) in foreign exchange fluctuations (net) | - | - | (33.89) | - | - | - | - | - | - | - | (33.89) | - |
| Closing Gross Carrying Amount | 78.10 | 287.51 | 9,867.88 | 11.46 | 2.33 | 14.87 | 4.33 | 101.37 | 20.77 | 0.20 | 10,388.82 | - |
| Accumulated Depreciation | | | | | | | | | | | | |
| For the year | - | 7.29 | 1,692.13 | 3.81 | 0.33 | 4.86 | 1.38 | 11.60 | 6.74 | 0.02 | 1,728.16 | - |
| Reversal on account of disposals | - | 8.51 | 1,292.08 | 1.98 | 0.38 | 3.60 | 1.46 | 9.87 | 4.71 | 0.02 | 1,322.61 | - |
| Closing Accumulated Depreciation | - | 15.80 | 2,984.21 | 5.79 | 0.71 | 8.46 | 2.84 | 16.61 | (5.35) | - | (10.21) | - |
| Net Carrying Amount as at March 31, 2017 | 78.10 | 271.71 | 6,883.67 | 5.67 | 1.62 | 6.41 | 1.49 | 84.76 | 14.67 | 0.16 | 7,348.26 | - |
| Year Ended March 31, 2018 | | | | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | | | | |
| As at April 1, 2017 | 78.10 | 287.51 | 9,867.88 | 11.46 | 2.33 | 14.87 | 4.33 | 101.37 | 20.77 | 0.20 | 10,388.82 | - |
| Additions | - | 0.90 | 568.22 | - | 0.58 | 0.88 | 1.78 | - | - | - | 572.36 | - |
| Disposals | - | - | (333.73) | - | - | - | - | - | - | - | (333.73) | - |
| Increase / (Decrease) in foreign exchange fluctuations (net) | - | - | 0.67 | - | - | - | - | - | - | - | 0.67 | - |
| Closing Gross Carrying Amount | 78.10 | 288.41 | 10,103.04 | 11.46 | 2.91 | 15.75 | 6.11 | 101.37 | 20.77 | 0.20 | 10,628.12 | - |
| Accumulated Depreciation | | | | | | | | | | | | |
| Upto March 31, 2017 | - | 15.80 | 2,984.21 | 5.79 | 0.71 | 8.46 | 2.84 | 16.61 | 6.10 | 0.04 | 3,040.56 | - |
| For the year | - | 11.68 | 832.82 | 1.72 | 0.32 | 2.14 | 1.06 | 13.69 | 3.01 | 0.03 | 866.47 | - |
| Reversal on account of disposals | - | - | (269.15) | - | - | - | - | - | - | - | (269.15) | - |
| Closing Accumulated Depreciation | - | 27.48 | 3,547.88 | 7.51 | 1.03 | 10.60 | 3.90 | 30.30 | 9.11 | 0.07 | 3,637.88 | - |
| Net Carrying Amount as at March 31, 2018 | 78.10 | 260.93 | 6,555.16 | 3.95 | 1.88 | 5.15 | 2.21 | 71.07 | 11.66 | 0.13 | 6,990.24 | - |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

Note 4: Intangible Assets

| Particulars | Computer Software | Total |
|---|-------------------|-------------|
| Useful Life | 3 years | |
| Year Ended March 31, 2017 | | |
| Deemed Cost | | |
| As at April 1, 2016 | 1.85 | 1.85 |
| Additions | 0.65 | 0.65 |
| Closing Gross Carrying Amount | 2.50 | 2.50 |
| | | |
| Accumulated Amortisation | | |
| Opening Accumulated Amortisation | 1.18 | 1.18 |
| Amortisation Charge for the year | 0.65 | 0.65 |
| Closing Accumulated Amortisation | 1.83 | 1.83 |
| Closing Net Carrying Amount as at March 31, 2017 | 0.67 | 0.67 |
| | | |
| Year Ended March 31, 2017 | | |
| Gross Carrying Amount | | |
| As at April 1, 2017 | 2.50 | 2.50 |
| Additions | 0.06 | 0.06 |
| Closing Gross Carrying Amount | 2.56 | 2.56 |
| | | |
| Accumulated Amortisation | | |
| Opening Accumulated Amortisation | 1.83 | 1.83 |
| Amortisation Charge for the year | 0.05 | 0.05 |
| Closing Accumulated Amortisation | 1.88 | 1.88 |
| | | |
| Closing Net Carrying Amount as at March 31, 2018 | 0.68 | 0.68 |

NOTE:

1. During the year, the Group has revised the useful life of plant & machinery from 15 years to 20 years with effect from July 1, 2017. Accordingly, the plant and machinery have been depreciated over remaining revised useful life. Consequently, the depreciation for the year ended March 31, 2018 has reduced by Rs. 236.67 million having consequential impact on the plant and equipment and profit for the year.
2. For details of assets on lien, refer note no. 16

RESPONSIVE INDUSTRIES LIMITED

Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Note 5 : Investments | | |
| Non Current Investments | | |
| Investments in equity instruments at Fair Value through Profit or Loss | | |
| (Quoted and fully paid up) | | |
| Mavi Industries Limited | 0.04 | 0.04 |
| Syschem India Limited | 0.11 | 0.10 |
| Total Investment In Equity Instruments | 0.15 | 0.14 |
| Investments in other instruments at cost (Unquoted) | | |
| Investment in Partnership firm | | |
| Investment In Maharashtra Holdings | - | 0.02 |
| Investment In Mangaon Holdings | - | 0.03 |
| Total Investment In Partnership Firms | - | 0.05 |
| Total Non - Current Investments | 0.15 | 0.19 |
| Details of Holdings in Non - current Investments: | | |
| No. of Shares: | | |
| Mavi Industries Limited of Rs 10 each | 36,750 | 36,750 |
| Syschem India Limited of Rs 10 each | 9,526 | 9,526 |
| Aggregate amount of | | |
| a) Aggregate amount of quoted investments as per books | 0.15 | 0.14 |
| b) Market value of Quoted investments | 0.15 | 0.14 |
| c) Aggregate amount of unquoted investments as per books | - | 0.05 |
| d) Aggregate amount of impairment in value of investment | - | - |
| Current Investments | | |
| Investments in Mutual Funds at Fair Value through Profit or Loss | | |
| Unquoted | | |
| JM Multi Strategy Fund | 5.22 | 4.80 |
| BNP Paribas Short Term Income Fund | - | 34.26 |
| ICICI Prudential Leap Fund | 31.38 | - |
| DSP Blackrock Mutual Fund | 151.13 | - |
| ICICI Prudential Savings Fund | 97.84 | - |
| Motilal Oswal Focused Multicap Opportunities Fund | 14.26 | - |
| Motilal Oswal Most Focused 35 Fund - Growth | 9.41 | 8.37 |
| Investments in Convertible Debentures at amortised cost (unquoted) | | |
| Mope Investment Advisors Private Limited (17% Convertible Debentures of Reddy Housing Private Limited) | - | 46.00 |
| Investments in Other Instruments at Cost (Unquoted) | | |
| IDFC Score Fund | 20.50 | 2.50 |
| Edelweiss Crossover Opportunities Fund | 2.76 | - |
| Reliance Financial Limited | - | 30.00 |
| E CAP Equities Limited | 20.11 | - |
| IIFL Yield Enhancer Fund | 25.20 | 25.66 |
| | 377.80 | 151.59 |
| Aggregate amount of | | |
| a) Aggregate amount of quoted investments as per books | - | - |
| b) Market value of Quoted investments | - | - |
| c) Aggregate amount of unquoted investments as per books | 377.80 | 151.59 |
| d) Aggregate amount of impairment in value of investment | - | - |
| Details of Holdings in Non - current Investments: | | |
| - No. of Mutual Funds held | | |
| JM Multi Strategy Fund of Rs. 10/- each fully paid up | 1,91,109 | 1,91,109 |
| BNP Paribas Short Term Income Fund of Rs. 10/- each fully paid up | - | 18,37,209 |
| ICICI Prudential Leap Fund of Rs 100 each fully paid up | 2,79,516 | - |
| DSP Blackrock Mutual Fund of Rs 10 each fully paid up | 1,47,15,641 | - |
| ICICI Prudential Savings Fund of Rs 10 each fully paid up | 3,75,712 | - |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Motilal Oswal Focused Multicap Opportunities Fund of Rs 10/- per unit | 13,74,968 | - |
| Motilal Oswal Most Focused 35 year Fund - Growth of Rs 10/- per unit | 3,57,301 | 3,57,301 |
| -No. of Convertible Debentures held Mope Investment Advisors Private Limited of Rs 10,00,000 each | - | 46 |
| -No of Other Instruments E CAP Equities Limited of Rs 1,00,000/- per unit | 195 | - |
| Reliance Financial Limited of Rs. 100,000/- per unit | - | 300 |
| Edelweiss Crossover Opportunities Fund of Rs 10 per unit | 2,50,000 | - |
| IDFC Score Fund of Rs. 1,000/- per unit | 20,500 | 2,500 |
| IIFL Yield Enhancer Fund of Rs 10 per unit | 60,88,878 | 24,56,037 |
| NAV of Units of Mutual Fund JM Multi Strategy Fund | 27.30 | 25.12 |
| BNP Paribas Short Term Income Fund | - | 18.65 |
| ICICI Prudential Leap Series Fund | 112.28 | - |
| DSP Blackrock Mutual Fund | 10.27 | - |
| ICICI Prudential Savings Fund | 260.41 | - |
| Motilal Oswal Focused Multicap Opportunities Fund | 10.37 | - |
| Motilal Oswal Most Focused 35 Fund - Growth | 26.33 | 23.43 |
| Note 6 : Other Financial Assets (Unsecured and considered good, unless otherwise stated) Non - Current <u>Security deposits</u> - Considered Good | 32.66 | 32.76 |
| - Considered Doubtful | 2.10 | 2.36 |
| Less: Allowance for Doubtful | (2.10) | (2.36) |
| | 32.66 | 32.76 |
| Bank Deposits - with maturity more than 12 months | - | 9.90 |
| | 32.66 | 42.66 |
| Current Interest accrued on Security Deposits - Considered Good | 6.43 | 11.48 |
| Other Security Deposits | 22.69 | 11.70 |
| Other Receivable | 86.40 | - |
| | 115.52 | 23.18 |
| For details of lien refer note 16 | | |
| Note 7 : Income Tax Asset Advance Tax & TDS (net of provisions) | 27.60 | - |
| | 27.60 | - |
| Note 8 : Other Non Current Assets (Unsecured and considered good, unless otherwise stated) <u>Capital Advances</u> - to related parties | - | 81.46 |
| - to others | - | 154.73 |
| Prepaid expenses | 0.14 | 1.13 |
| Others | - | 0.07 |
| | 0.14 | 237.39 |
| Capital Advances includes receivable from related party as follows : Firm in which the Holding Company is a partner | - | 81.46 |
| | - | 81.46 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Note 9 : Inventories (at lower of cost or net realisable value) | | |
| a) Raw Materials* | 826.49 | 1,116.69 |
| b) Finished Goods | 222.53 | - |
| c) Work in Process** | 64.90 | 103.17 |
| d) Stores & Spares | 23.77 | 18.08 |
| e) Packing Materials | 28.50 | 11.73 |
| | 1,166.19 | 1,249.67 |
| Included in inventories, goods - in - transit as follows : | | |
| Raw materials | 28.40 | 17.32 |
| | 28.40 | 17.32 |
| *PVC resin and related raw materials | | |
| **PVC related products | | |
| For details of lien refer note 16 | | |
| Note 10 : Trade receivables (Unsecured and considered good, unless otherwise stated) | | |
| <u>Dues from other trade receivables</u> | | |
| - Considered Good | 3,939.23 | 4,068.95 |
| - Considered Doubtful | - | 12.61 |
| Less : Allowance for doubtful | - | (12.61) |
| Less: Expected Credit Loss | (4.22) | - |
| | 3,935.01 | 4,068.95 |
| | 3,935.01 | 4,068.95 |
| Current Portion | 3,935.01 | 4,068.95 |
| Non - Current portion | - | - |
| | 3,935.01 | 4,068.95 |
| For details of lien refer note 16 | | |
| Note 11 : Cash and Cash Equivalents | | |
| Balance with banks - on Current Accounts | 135.22 | 261.09 |
| Cash on hand | 2.24 | 6.52 |
| Cheques on Hand | - | 510.64 |
| Fixed deposits Maturity within 3 months | 4.11 | - |
| | 141.57 | 778.25 |
| For details of lien refer note 16 | | |
| Note 12 : Bank Balances Other than Cash and Cash Equivalents | | |
| Fixed Deposits with Bank held as Margin Money | | |
| - maturity beyond 3 months and less than 12 months | 180.75 | 416.89 |
| | 180.75 | 416.89 |
| * Out of the above, Fixed Deposits amounting to Rs. 131.09 million (P.Y. Rs. 136.79) is on Lien against facilities taken from bank. | | |
| Note 13 : Loans | | |
| Current | | |
| Loans and advances to staff | 1.82 | 2.27 |
| | 1.82 | 2.27 |
| Note 14 : Other Current Assets | | |
| Advances recoverable in cash or kind or for value to be received | 1.39 | 4.20 |
| Advances for Purchases | | |
| Considered Good | 86.67 | 360.37 |
| Considered Doubtful | - | 40.74 |
| Less: Provision for Doubtful advances | - | (40.74) |
| Less: Provision for Expected Credit Loss | - | (50.00) |
| Prepaid expenses | 7.40 | 12.17 |
| Advance to Staff | 0.09 | - |
| Recoverable from Customs. Excise, GST, etc. | 181.10 | 37.39 |
| | 276.65 | 364.13 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Note 15 : Equity Share Capital & Other Equity | | |
| Equity Share Capital | | |
| Authorised | | |
| 42,00,00,000 (PY 42,00,00,000) Equity shares of Re.1/- each | 420.00 | 420.00 |
| | 420.00 | 420.00 |
| Issued, Subscribed and Fully Paid up | | |
| 26,69,12,700 (PY 26,69,12,700,) Equity shares of Re.1/- each fully paid up | 262.50 | 262.50 |
| | 262.50 | 262.50 |
| a. Reconciliation of shares outstanding at the beginning and at the end of the year | | |
| Opening balance of shares | 26,24,95,370 | 26,24,95,370 |
| Closing balance of shares | 26,24,95,370 | 26,24,95,370 |
| b. Shares held by holding entity and subsidiary company | | |
| Holding Entity - [Wellknown Business Ventures LLP] | 13,59,25,340 | 14,84,25,340 |
| Subsidiary Company - [Axiom Cordages Limited] | 44,18,330 | 44,18,330 |
| c. Details of shareholders holding more than 5% shares in the company | | |
| 1) Wellknown Business Ventures LLP | | |
| - Number of share held | 13,59,25,340 | 14,84,25,340 |
| - % of total equity share capital | 50.93% | 55.61% |
| 2) Fossbridge Limited | | |
| - Number of share held | 3,29,01,800 | 3,29,01,800 |
| - % of total equity share capital | 12.33% | 12.33% |
| 3) Xatis International Limited | | |
| - Number of share held | 3,27,05,720 | 3,27,05,720 |
| - % of total equity share capital | 12.25% | 12.25% |
| 4) Brenzett Limited | | |
| - Number of share held | 1,53,67,708 | 1,57,58,708 |
| - % of total equity share capital | 5.76% | 5.90% |
| d. There are no bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date. | | |
| e. Rights / Preferences and restrictions attached to equity shares. | | |
| Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting, right to receive annual report and other quarterly / half yearly / annual publications and right to get new shares proportionately in case of issuance of additional shares by the Company. | | |
| In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders | | |
| Other Equity | | |
| Capital Reserve | 1.38 | (616.53) |
| Securities Premium Reserve | 2,370.90 | 2,370.90 |
| General Reserve | 0.10 | 0.10 |
| Retained Earnings | 6,336.14 | 6,875.36 |
| | 8,708.53 | 8,629.83 |
| (i) Capital reserves | | |
| Opening balance | 1.38 | 1.38 |
| Add: Capital Subsidy received during the year | - | - |
| | 1.38 | 1.38 |
| (ii) Securities Premium Reserve | | |
| Opening balance | 2,370.90 | 2,370.90 |
| Closing Balance | 2,370.90 | 2,370.90 |
| (iii) General reserves | | |
| Opening balance | 0.10 | 0.10 |
| Closing Balance | 0.10 | 0.10 |
| (iv) Retained Earnings | | |
| Opening balance | 6,257.40 | 6,149.76 |
| Add: | | |
| - Profit for the year as per Statement of Profit and Loss | 93.56 | 76.47 |
| - Remeasurements of net defined benefit plans (Net of tax) | 3.79 | 1.28 |
| Less: Appropriation | | |
| - Final dividend Paid | | |
| - on Equity Shares | 26.94 | - |
| - Tax on Final Dividend | 5.61 | - |
| - NCI | (13.94) | (29.90) |
| | 6,336.14 | 6,257.40 |
| Total | 8,708.53 | 8,629.79 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at March 31, 2018 | As at March 31, 2017 | |
|--|------------------------------|-------------------------|---------------------------|
| Nature and Purpose of Reserves | | | |
| Capital Reserve Capital Reserve is created on account of forfeiture of shares. | | | |
| Securities Premium Reserve Securities Premium Reserve is used to record the premium on issue of shared. The reserve is utilised in accordance with the provisions of the Act. | | | |
| General Reserve General Reserve represents appropriation of retained earnings and are available for distribution to shareholders. | | | |
| Retained Earnings Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders. | | | |
| Note 16 : Borrowings | | | |
| Non Current Borrowings | | | |
| <u>Secured - From Banks</u> | | | |
| Vehicle Loans (Refer Note i below) | 16.39 | 42.06 | |
| External Commercial Borrowing (Refer Note i below) | 658.73 | 1,894.56 | |
| Gross Non Current Borrowings | 675.12 | 1,936.62 | |
| Less: Current Maturities | (672.29) | (1,264.61) | |
| | 2.83 | 672.01 | |
| Note i: The loans are repayable in equal instalments and the interest rate on above is ranging between 8.50% to 10.60%. They are secured by way of hypothecation of specific vehicles acquired under the arrangements. | | | |
| Note ii: External Commercial Borrowings are secured by way of first pari passu charge on all fixed assets of the company and second ranking pari passu charge on all current assets of the Company. | | | |
| The External Commercial Borrowings are repayable in 24 quarterly instalments commencing from December 2012. Interest rate on ECB are 6 months USD LIBOR + 456 basis points. | | | |
| Terms of Facility of Long Term Borrowings as at March 31, 2018 | | | |
| Non - Current | Interest Rate | Rs. in million | Repayment Schedule |
| Vehicle Loans | 8.50% to 10.60% | 2.83 | April, 2019 to March 2020 |
| Current | Interest Rate | Rs. in million | Repayment Schedule |
| Vehicle Loans | 8.50% to 10.60% | 13.57 | F.Y. 2018 - 19 |
| External Commercial Borrowing | USD LIBOR + 456 basis points | 658.73 | F.Y. 2018 - 19 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| | | |
|--|-----------------|-----------------|
| Current Borrowings | | |
| <u>Secured - From Banks</u> | | |
| Packing Credit Foreign Currency Loans (Refer Note i below) | 853.99 | 1,022.61 |
| EBRD (Post Shipment) Loan (Refer Note ii below) | 309.60 | 160.47 |
| Buyer's Credit (Refer Note iii below) | 393.31 | 704.18 |
| | 1,556.90 | 1,887.26 |

Note i: PCFC Loan of Rs. 853.99 million (P.Y. Rs.1,022.61 million) are secured by first ranking pari passu hypothecation charge on entire current assets of the Holding Company both present and future.

Note ii: EBRD (Post Shipment) loan of Rs. 309.60 million (P.Y. Rs.160.47 million) are secured by first ranking pari passu hypothecation charge on entire current assets of the Holding Company both present and future.

Note iii: Buyer's Credit of Rs.393.31million (P.Y. 704.18 million) are secured by goods purchased under Letter of credit.

Terms of Facility of Short Term Borrowings as at March 31, 2018

| Current | Interest Rate | Rs. in million | Repayment Schedule |
|---------------------------------------|----------------------|----------------|--------------------|
| Packing Credit Foreign Currency Loans | 2.5% + LIBOR | 853.99 | F.Y. 2018 - 19 |
| EBRD (Post Shipment) Loan | 2.5% + LIBOR | 309.60 | F.Y. 2018 - 19 |
| Buyer's Credit | 2.0% to 2.1% + LIBOR | 393.31 | F.Y. 2018 - 19 |

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| Note 17 : Provisions | | |
| Non - Current | | |
| Provision for Employee benefits (Refer note 32 below) | 35.38 | 35.35 |
| | 35.38 | 35.35 |
| Current | | |
| Provision for Employee benefits (Refer note 32 below) | 1.86 | 1.66 |
| | 1.86 | 1.66 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Note 18 : Tax Expense

(a) Amount recognised in Statement of Profit and Loss

Rs in Million

| Particulars | 2017-18 | 2016-17 |
|---|---------------|---------------|
| Current Tax expense (A) | | |
| Current year | 47.00 | 116.42 |
| Short / (Excess) provision of earlier year | 22.45 | 56.35 |
| | 69.45 | 172.77 |
| Deferred tax expense (B) | | |
| Origination and reversal of temporary differences | 48.63 | (26.54) |
| Tax expense recognised in the income statement (A+B) | 118.08 | 146.23 |

(b) Amount recognised in other comprehensive income

| Particulars | 2017-18 | | | 2016-17 | | |
|--|------------|------------------------|------------|------------|------------------------|------------|
| | Before tax | Tax (expense)/ benefit | Net of tax | Before tax | Tax (expense)/ benefit | Net of tax |
| Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurement of the defined benefit plans | 5.27 | (1.81) | 3.46 | 1.95 | (0.67) | 1.28 |
| | 5.27 | (1.81) | 3.46 | 1.95 | -0.67 | 1.28 |

(c) Reconciliation of effective tax rate

| Particulars | 2017-18 | 2016-17 |
|--|---------------|---------------|
| Profit before tax | 211.64 | 222.70 |
| Tax using the company domestic tax rate (Current year 34.608% and Previous Year 34.608%) | 73.24 | 77.07 |
| Tax effect of: | | |
| Tax effect on non deductible expenses | 39.13 | 104.25 |
| Others | (16.32) | 1.46 |
| Exempt Income | (0.42) | - |
| Tax Credit of earlier year | - | (92.90) |
| Adjustment recognised in current year in relation to the current tax of prior years | 22.45 | 56.35 |
| | | |
| Tax expense as per Statement of the Profit and loss | 118.08 | 146.23 |
| Effective tax rate | 55.79% | 65.66% |

(d) Movement in deferred tax balances

| Particulars | Net balance as at April 1, 2017 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Deferred tax liability | Deferred tax asset | Net Balance as at March 31, 2018 |
|---|---------------------------------|------------------------------|-------------------|-------------------------------|------------------------|--------------------|----------------------------------|
| Deferred tax (Asset)/Liabilities | | | | | | | |
| Property, plant and equipment & Intangible assets | 287.56 | 12.71 | - | - | 300.25 | - | 300.25 |
| Indexed cost of Land | (19.51) | 17.84 | - | - | - | (1.67) | (1.67) |
| Investments | 7.47 | 3.02 | - | - | 10.49 | - | 10.49 |
| Fair Valuation of Non-current Assets | (0.03) | 0.01 | - | - | - | (0.02) | (0.02) |
| Employee benefits | (13.12) | (3.64) | 1.81 | - | - | (14.95) | (14.95) |
| Provisions | (19.98) | 17.10 | - | - | - | (2.88) | (2.88) |
| Other Items | (2.51) | - | - | - | - | (2.51) | (2.51) |
| Deferred tax (Asset)/Liabilities | 239.88 | 47.04 | 1.81 | - | 310.74 | (22.03) | 288.71 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Note 19 : Trade payables | | |
| Amount due to Micro, Small and Medium Enterprises (Refer note below) | 6.02 | 57.48 |
| Others | 191.14 | 249.47 |
| | 197.16 | 306.95 |
| Details of dues to Micro, Small and Medium Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006 | | |
| Amount Due and Payable at the year end | | |
| - Principal amount | 6.02 | 57.48 |
| - Interest on above principals | - | - |
| Payment made during the year after the due date | | |
| - Principal | - | - |
| - Interest | - | - |
| Interest due and payable for Principal already paid | - | - |
| Total Interest accrued and remained unpaid at year end | - | - |
| * Interest has been waived off by the respective parties | | |
| Note 20 : Other financial liabilities | | |
| Current Maturities of Long Term Debt [Refer Note 16 above] | 672.29 | 1,264.61 |
| Interest accrued but not due on borrowings | 0.02 | 0.04 |
| Book Overdraft | 468.16 | 295.95 |
| Other payables (includes provision for expenses and dues to employees) | 45.07 | 51.80 |
| | 1,185.54 | 1,612.41 |
| Note 21 : Other Current Liabilities | | |
| Advance received from Customers | 61.41 | 30.35 |
| Statutory Liabilities | 23.92 | 16.69 |
| | 85.33 | 47.04 |
| Note 22 : Current Tax Liabilities (Net) | | |
| Current Tax Liabilities (Net of taxes paid) | - | 53.27 |
| | - | 53.27 |

RESPONSIVE INDUSTRIES LIMITED

Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | March 31, 2018 | March 31, 2017 |
|---|-----------------------|-----------------------|
| Note 23 : Revenue from Operations | | |
| <u>Revenue from Sale of Products (Including excise duty)*</u> | | |
| - Domestic Sales | 6,812.45 | 12,358.56 |
| - Export Sales | 5,698.68 | 7,960.53 |
| Less : Sales Return | (4.16) | (8.22) |
| Less : Trade, other discounts and allowance | (28.60) | (20.11) |
| | 12,478.37 | 20,290.75 |
| Other Operating Revenue | | |
| Incentive and assistance | 157.07 | 249.22 |
| Other Operating Income | 1.57 | 5.55 |
| | 12,637.01 | 20,545.52 |
| * PVC related products | | |
| Incentive and assistance includes export incentive in the nature of promotion of export & refund of taxes on export of goods. | | |
| Note 24 : Other Income | | |
| <u>Dividend Income</u> | | |
| - from Other companies | 4.87 | - |
| <u>Interest Income</u> | | |
| - on Fixed Deposits | 23.45 | 33.19 |
| - on non current Instruments measured at FVTPL | 0.01 | 7.27 |
| Gain on Foreign Exchange fluctuation (net) | 132.85 | 127.81 |
| Profit on sale of Property, Plant and Equipment (net) | - | 1.84 |
| Fair Value of non - current investments (net) | 0.01 | 0.03 |
| Sundry balance written off / back (net) | 0.37 | - |
| Profit on sale of current Investments (net) | 8.56 | - |
| Fair valuation gain on Mutual Funds measured at FVTPL | 8.98 | 6.79 |
| Sundry Balance written off / back (net) | 6.58 | 0.72 |
| Other Income | 1.28 | 1.39 |
| | 186.96 | 179.04 |
| Note 25 : Cost of Materials Consumed | | |
| Opening Stock | 1,118.08 | 382.83 |
| Add: Purchases | 10,263.73 | 18,153.62 |
| | 11,381.81 | 18,536.45 |
| Less: Closing Stock | 826.48 | 1,118.08 |
| | 10,555.33 | 17,418.37 |
| *PVC resin and related raw materials | | |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | March 31, 2018 | March 31, 2017 |
|--|-----------------|----------------|
| Note 26 : Changes in inventories of finished goods, stock in trade and work-in-progress Closing Stocks: | | |
| Finished Goods | 222.53 | - |
| Stock in process | 64.90 | 103.18 |
| | 287.43 | 103.18 |
| Less: Opening Stocks | | |
| Finished Goods | - | - |
| Stock in process | 103.17 | 42.66 |
| | 103.17 | 42.66 |
| | (184.26) | (60.52) |
| Note 27 : Employee Benefit Expenses | | |
| Salaries and Wages | 113.65 | 101.94 |
| Provision for Gratuity (Refer Note 32) | 7.13 | 5.46 |
| Contribution to Provident and Other Funds (Refer Note 32) | 3.97 | 3.76 |
| Staff Welfare Expenses | 14.23 | 10.82 |
| | 138.98 | 121.98 |
| Note 28 : Finance Costs | | |
| Interest expenses | 154.46 | 207.68 |
| Other Borrowing Costs | 17.39 | 23.31 |
| | 171.85 | 230.99 |
| Note 29 : Other Expenses | | |
| Power and Fuel | 291.25 | 367.63 |
| Stores and Spares consumed | 50.68 | 78.66 |
| Repairs and Maintenance (Plant and Equipment) | 9.23 | 6.35 |
| Repairs and Maintenance (Buildings) | 1.11 | 0.21 |
| Freight and Forwarding Charges | 159.98 | 145.71 |
| Auditor's Remuneration (Refer note below) | 4.90 | 3.05 |
| Insurance charges | 10.00 | 9.04 |
| Legal and Professional Expenses | 48.90 | 38.24 |
| Impairment Allowance for Doubtful Debts and Advances (net) | 18.35 | 25.11 |
| Rates and Taxes | 6.81 | 14.85 |
| Rent Expenses (Refer Note 31) | 4.69 | 7.48 |
| Provision for Expected Credit Loss (ECL) | 4.22 | - |
| Loss on Sale of Property, Plant and Equipment (Net) | 2.96 | 3.67 |
| Loss on Foreign Exchange Fluctuation (Net) | - | 13.27 |
| CSR Expenditure (Refer Note 33) | 0.07 | 11.54 |
| Miscellaneous expenses | 231.75 | 258.87 |
| | 844.90 | 983.68 |
| Auditors' remuneration includes: (excluding Service Tax) | | |
| Audit Fees | 3.05 | 3.00 |
| Others | 1.85 | 0.05 |
| | 4.90 | 3.05 |
| Note 30 : Earnings per share : | | |
| Profit attributable to equity shareholders for basic and diluted earnings per share(Rs.) | 107.66 | 106.77 |
| Weighted average number of equity shares for Basic EPS | 26,25,00,000 | 26,25,00,000 |
| Weighted average number of equity shares for Diluted EPS | 26,25,00,000 | 26,25,00,000 |
| Nominal value of Equity Share (Re.) | 1 | 1 |
| Basic Earnings Per Share (Re.) | 0.41 | 0.41 |
| Diluted Earnings Per Share (Re.) | 0.41 | 0.41 |
| Note 31 : Leases | | |
| The Group has entered into lease agreements with various parties with maturity period ranging from one year to five years and are cancellable in nature. | | |
| A. Leases as lessee | | |
| Assets taken on Operating Lease | | |
| Lease Payments recognised during the year in the Statement of Profit and Loss | 4.69 | 7.48 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

Note 32 : Employee benefit expenses Post

Employment Benefit Plans: Defined Contribution

Plans

| Amount recognised in the Statement of Profit and Loss | 2017-18 | 2016-17 |
|---|---------|---------|
| Contribution to Provident fund | 3.97 | 3.76 |

Defined Benefit Plans

The Group has the following Defined Benefit Plans:

Gratuity: In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date. The following are the details of defined benefit plans:

Movement in net defined benefit (asset)/ liability

| a) Reconciliation of balances of Defined Benefit Obligations. | 2017-18 | 2016-17 |
|--|--------------|--------------|
| Defined Obligations at the beginning of the year Interest Cost | 37.00 | 34.02 |
| Current Service Cost | 2.61 | 2.59 |
| Past service cost | 2.81 | 2.87 |
| Benefits paid | 1.72 | - |
| Actuarial (Gains)/ Losses on obligations | (1.63) | (0.54) |
| -Changes in financial Assumptions | (2.00) | 2.60 |
| -Changes in demographic assumption | (1.47) | - |
| -Experience adjustments | (1.80) | (4.54) |
| Defined Obligations at the end of the year | 37.24 | 37.01 |
| Net (Asset) / Liability recognised in the balance sheet | 37.24 | 37.01 |

| b) Amount recognised in Statement of Profit and Loss | 2017-18 | 2016-17 |
|--|-------------|-------------|
| Current Service Cost | 3.00 | 2.87 |
| Past Service Cost and loss / (gain) on curtailments and settlement Interest Cost | 1.53 | - |
| Expenses for the year | 2.61 | 2.59 |
| | 7.13 | 5.46 |

c) Amount recognised in Other Comprehensive Income - Remeasurements :

| Actuarial (Gains)/ Losses | 2017-18 | 2016-17 |
|------------------------------------|---------------|---------------|
| -Changes in financial assumptions | (2.00) | 2.60 |
| -Changes in demographic assumption | (1.47) | - |
| -Experience adjustments | (1.80) | (4.54) |
| Total | (5.27) | (1.95) |

| d) Major Actuarial Assumptions | 2017-18 | 2016-17 |
|----------------------------------|--|----------------|
| Discount Rate (%) | 7.65% | 7.20% to 7.25% |
| Salary Escalation/ Inflation (%) | 10.00% | 10% to 11% |
| Withdrawal rates | 10% at younger ages reducing to 2% at older ages | 3% at all ages |

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors

Sensitivity analysis

Sensitivity analysis for each significant actuarial assumption as stated above, showing how the defined benefit obligation would be affected, considering increase/decrease as at 31.03.2018 and 31.03.2017 is as below:

| Particulars | Gratuity - Unfunded | Gratuity - Unfunded |
|---|------------------------|------------------------|
| | 2018 | 2017 |
| Discounting rate varied by 0.5% | | |
| + 0.5% | 35.46 | 35.09 |
| - 0.5% | 39.15 | 39.07 |
| Salary growth rate varied by 0.5%+ 0.5% | | |
| - 0.5% | 38.84 | 38.89 |
| Withdrawal rate (W.R.) varied by 10%W.R. * 110% | 35.56 | 35.11 |
| W.R. * 90% | 36.92 | 36.69 |
| | 37.57 | 36.94 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

The expected future cash flows based on past service liability as at 31st March 2018 were as follows:

| Expected contribution | Gratuity Unfunded | - |
|--|--------------------------|----------|
| Projected benefits payable in future years from the date of reporting | | |
| 1st following year | | 1.86 |
| 2nd following year | | 2.01 |
| 3rd following year | | 1.75 |
| 4th following year | | 2.71 |
| 5th following year | | 1.88 |
| Years 6 to 10 | | 15.63 |

Other details as at 31.03.2018

| Particulars | Gratuity Funded | - |
|---------------------------------------|------------------------|----------|
| Prescribed contribution for next year | | 2.99 |

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Particulars | As at March 31, 2018 | As at March 31, 2017 | | |
|--|--|--|-----------------------|-----------------------|
| Note 33 : Disclosures on Related party transactions | | | | |
| i) Nature and Relationship of Related Parties | | | | |
| a) Holding Entity | | | | |
| 1) Wellknown Business Ventures LLP | | | | |
| b) Directors & Key Management Personnel | | | | |
| 1) Mr. Atit Agarwal | Director | | | |
| 2) Mr. Rajesh Pandey | Director | | | |
| 3) Ms. Alpa Ramani | Company Secretary (Upto 30th May, 2017) | | | |
| 4) Ms. Ruchi Jaiswal | Company Secretary (From 30th May, 2017) | | | |
| 5) Ms. Neesha Nalla | Company Secretary (Upto 30th June, 2017) | | | |
| 6) Ms. Karuna Naik | Company Secretary (From 30th June, 2017 upto 14th Nov, 2017) | | | |
| c) Relatives of Key Management Personnel | | | | |
| 1) Mr. Abhishek Agarwal | | | | |
| 2) Mrs. Saudamini Agarwal | | | | |
| d) Entities where Directors / Key Management Personnel have Significant Influence | | | | |
| 1) Onesource Trading Company LLP | | | | |
| 2) Fairpoint Tradecom LLP | | | | |
| ii) Transactions with Related Parties during the year | | | | |
| Relationship | | | | |
| a) Holding Entity | | | | |
| Dividend Paid | 14.84 | - | | |
| b) Investment in Partnership Firm | | | | |
| Capital Advance | - | 7.70 | | |
| c) Directors & Key Management Personnel | | | | |
| Remuneration to Director | 1.20 | 1.85 | | |
| Salary to Company Secretary | 0.90 | 0.86 | | |
| Dividend Paid | 0.08 | - | | |
| c) Relatives of Key Management Personnel | | | | |
| Dividend Paid | 0.28 | - | | |
| d) Entities where Directors / Key Management Personnel have Significant Influence | | | | |
| Particulars | Expenses | March 31, 2018 | March 31, 2017 | |
| Onesource Trading Co LLP | Rent Expenses | 0.53 | 1.49 | |
| Onesource Trading Co. LLP | Advance Given | 4.70 | 0.07 | |
| Onesource Trading Co. LLP | Interest Income | - | 0.93 | |
| Onesource Trading Co. LLP | Deposit received back | 11.70 | - | |
| Onesource Enterprises LLP | Trade Advances received back | 4.70 | - | |
| iii) Closing Outstanding Balances of Related Parties | | | | |
| Name of Entities | Nature | Relationship | March 31, 2018 | March 31, 2017 |
| | Director Remuneration | | | |
| Mr. Rajesh Pandey | payable | Key Management Personnel | 0.08 | 0.08 |
| Alpa Ramani | Salary Payable | Key Management Personnel | - | 0.05 |
| Ruchi Jaiswal | Salary Payable | Key Management Personnel | 0.04 | - |
| Neesha Nalla | Salary Payable | Key Management Personnel | - | 0.04 |
| Maharashtra Holdings | Capital Advance | Investment in Partnership Firm | - | 81.46 |
| One Source Trading Company LLP | Security Deposit | Entities where key management have significant influence | - | 13.91 |
| Fairpoint Tradecom LLP | Deposit Receivable | Entities where key management have significant influence | 22.50 | 22.50 |
| Fairpoint Tradecom LLP | Trade Payable | Entities where key management have significant influence | 22.76 | - |
| Note 1: Related Parties as disclosed by Management and relied upon by auditors. | | | | |
| Note 2: No amount pertaining to related parties have been provided for as doubtful debts. Also, no amount has been written off / back which was due from / to related parties. | | | | |

Note 34 : Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

(Rs. in million)

| Particulars | 2017-18 | 2016-17 |
|--|---------|---------|
| a) Amount required to be spent by the Group during the year. | 13.34 | 13.68 |
| b) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the Group) # | 0.10 | 11.54 |
| c) Provision created for balance amount | - | - |

The above expenditure includes contribution to funds, expenses through registered trusts / registered society or company established under section 8 of the Act and direct expenses by the Group.

Note 35 : Segment Reporting

The Group is primarily engaged in the business of producer and supplier of 'Articles made out of Plastics / Polymers'. As such, the Company operates in a single segment and there are no separate reportable segments as defined in Ind AS 108 - 'Operating Segments'. The same is consistent with the information reviewed by the Chief Operating Decision Maker (CODM).

Geographical Information:

The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical areas. The following is the distribution of the Company's Revenues by geographical markets :

Revenues

| | | |
|--------|------------------|------------------|
| India | 6,966.93 | 12,605.10 |
| Export | 5,670.08 | 7,940.42 |
| | 12,637.01 | 20,545.52 |

The following is the carrying amount of segment assets by geographical area in which the assets are located

Non - Current Assets (other than financial instruments and deferred tax assets)

| | | |
|---------------|-----------------|-----------------|
| India | 7,679.93 | 8,247.59 |
| Outside India | - | - |
| | 7,679.93 | 8,247.59 |

RESPONSIVE INDUSTRIES LIMITED

Notes to consolidated financial statements for the year ended March 31, 2018

Note 36 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. in million)

| 31st March 2018 | Carrying amount | | | | Fair value | | | |
|--|----------------------|-----------------------------|-----------------|-----------------|---------------|--------------|----------|---------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Investments in Equity Instruments | 0.15 | - | - | 0.15 | 0.15 | - | - | 0.15 |
| Investments in Mutual Funds | 309.24 | - | - | 309.24 | 309.24 | - | - | 309.24 |
| Other Investments | 68.56 | - | - | 68.56 | - | - | - | - |
| Other Financial Assets | 32.66 | - | 115.52 | 148.18 | - | 32.66 | - | 32.66 |
| Trade receivables | - | - | 3,935.01 | 3,935.01 | - | - | - | - |
| Cash and cash equivalents | - | - | 141.57 | 141.57 | - | - | - | - |
| Bank Balances other than Cash and cash equivalents | - | - | 180.75 | 180.75 | - | - | - | - |
| Loans | - | - | 1.82 | 1.82 | - | - | - | - |
| | 410.61 | - | 4,374.67 | 4,785.28 | 309.39 | 32.66 | - | 342.05 |

| | | | | | | | | |
|------------------------------|----------|----------|-----------------|-----------------|----------|----------|----------|----------|
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | 1,559.73 | 1,559.73 | - | - | - | - |
| Trade Payables | - | - | 197.16 | 197.16 | - | - | - | - |
| Other Financial Liabilities | - | - | 1,185.54 | 1,185.54 | - | - | - | - |
| | - | - | 2,942.43 | 2,942.43 | - | - | - | - |

| 31st March 2017 | Carrying amount | | | | Fair value | | | |
|--|----------------------|-----------------------------|-----------------|-----------------|--------------|--------------|----------|--------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Investments in Equity Instruments | 0.15 | - | - | 0.15 | 0.15 | - | - | 0.15 |
| Investments in Mutual Funds | 47.43 | - | - | 47.43 | 47.43 | - | - | 47.43 |
| Other Investments | - | - | 104.21 | 104.21 | - | - | - | - |
| Other Financial Assets | 32.75 | - | 33.08 | 65.83 | - | 32.75 | - | 32.75 |
| Trade receivables | - | - | 4,068.96 | 4,068.96 | - | - | - | - |
| Cash and cash equivalents | - | - | 778.24 | 778.24 | - | - | - | - |
| Bank Balances other than Cash and cash equivalents | - | - | 416.89 | 416.89 | - | - | - | - |
| Loans | - | - | 2.27 | 2.27 | - | - | - | - |
| | 80.33 | - | 5,403.65 | 5,483.98 | 47.58 | 32.75 | - | 80.33 |

| | | | | | | | | |
|------------------------------|----------|----------|-----------------|-----------------|----------|----------|----------|----------|
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | 2,559.27 | 2,559.27 | - | - | - | - |
| Trade Payables | - | - | 306.95 | 306.95 | - | - | - | - |
| Other Financial Liabilities | - | - | 1,612.41 | 1,612.41 | - | - | - | - |
| | - | - | 4,478.63 | 4,478.63 | - | - | - | - |

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

| Type | Valuation Technique | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|--|---------------------------------|---|
| Non current financial assets and liabilities measured at amortised cost | Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. | Not applicable | Not applicable |

Note 36 : Financial instruments – Fair values and risk management (continued)

C. Financial Risk Management

C.i. Risk management framework

A wide range of risks may affect the Group's business and operational / financial performance. The risks that could have significant influence on the Group are market risk, credit risk and liquidity risk. The Holding Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

C.ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Group periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding looking information such as:

- i) Actual or expected significant adverse changes in business.
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation.
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. When loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. When recoverables are made, these are recognised as income in the Statement of Profit and Loss.

The Group measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Ageing of Accounts receivables:

Rs in Million

| Particulars | As at 31-03-2018 | As at 31-03-2017 |
|------------------|------------------|------------------|
| Not Due | 2,558.45 | 3,348.36 |
| 0 - 6 months | 1,079.00 | 720.59 |
| 6 - 12 months | 102.08 | 3.19 |
| Beyond 12 months | 199.69 | 9.42 |
| Total | 3,939.23 | 4,081.56 |

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

Movements in provision of doubtful debts

Rs in Million

| Particulars | As at 31-03-2018 | As at 31-03-2017 |
|---------------------------------------|------------------|------------------|
| Opening provision | 12.61 | 14.42 |
| Add : Additional provision made | - | - |
| Less : Provision written off | - | - |
| Less : Provision reversed | (12.61) | (1.81) |
| Add : Provision for Expected | 4.22 | - |
| Credit Loss Closing provisions | 4.22 | 12.61 |

(b) Cash and cash equivalents and Other Bank Balances

The Group held cash and cash equivalents and other bank balances of Rs. 322.32 million at 31st March 2018 (P.Y, 1,195.14 million). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing. Also, Group invests its short term surplus funds in bank fixed deposit, which carry no / low mark to market risks for short duration therefore does not expose the Group to credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Group through effective fund management. The Group has obtained fund and non-fund based working capital lines from banks. Furthermore, the Group has access to funds through foreign currency borrowings.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Maturity Analysis of Significant Financial Liabilities

Rs in Million

| Particulars | As at 31-03-2018 | Contractual Cash Flows | | |
|---|------------------|------------------------|-----------|-------------------|
| | | Upto 1 year | 1-5 years | More than 5 years |
| Non current borrowings (including current maturities) | | | | |
| Vehicle Loans | 16.39 | 13.56 | 2.83 | |
| External Commercial Borrowing | 658.73 | 658.73 | - | - |
| Current borrowings- | | | - | - |
| Packing Credit Foreign Currency Loan | 853.99 | 853.99 | - | - |
| EBRD (Post Shipment) Loan | 309.60 | 309.60 | - | - |
| Buyer's Credit | 393.31 | 393.31 | - | - |
| Trade and other payables | 197.16 | 197.16 | - | - |
| Other current liabilities | 1,185.54 | 1,185.54 | - | - |

Rs in Million

| Particulars | As at 31-03-2018 | Contractual Cash Flows | | |
|---|------------------|------------------------|-----------|-------------------|
| | | Upto 1 year | 1-5 years | More than 5 years |
| Non current borrowings (including current maturities) | | | | |
| Vehicle Loans | 42.06 | 25.30 | 16.76 | |
| External Commercial Borrowing | 1,894.56 | 1,239.11 | 655.44 | - |
| Current borrowings- | | | - | - |
| Packing Credit Foreign Currency Loan | 1,022.61 | 1,022.61 | - | - |
| EBRD (Post Shipment) Loan | 160.47 | 160.47 | - | - |
| Buyer's Credit | 704.18 | 704.18 | - | - |
| Trade and other payables | 306.95 | 306.95 | - | - |
| Other current liabilities | 1,612.41 | 1,612.41 | - | - |

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

C.iv.a Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2018, March 31, 2017 are as below:

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| 31st March, 2018 | USD |
|--|--------------|
| Financial assets | |
| Bank Balances other than Cash and Cash Equivalents | 0.25 |
| Trade receivables | 53.12 |
| Net exposure for assets | 53.38 |
| | |
| Financial liabilities | |
| Foreign Currency Borrowings (Including Current Maturities) | 10.11 |
| Short Term Borrowings | 23.89 |
| Trade and other payables | 3.10 |
| Net exposure for liabilities | 37.10 |
| Net exposure (Assets - Liabilities) | 16.28 |

Rs in Million

| 31st March, 2017 | USD |
|--|--------------|
| Financial assets | |
| Bank Balances other than Cash and Cash Equivalents | 2.18 |
| Trade receivables | 57.59 |
| Net exposure for assets | 59.77 |
| | |
| Financial liabilities | |
| Foreign Currency Borrowings (Including Current Maturities) | 29.21 |
| Short Term Borrowings | 29.10 |
| Trade and other payables | 0.60 |
| Net exposure for liabilities | 58.91 |
| Net Exposure (Assets- Liabilities) | 0.86 |

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Impact of movement on Profit or (loss) and Equity :

Rs in Million

| Effect in INR (before tax) | Profit or (Loss) and Equity | |
|---|-----------------------------|-----------|
| | Strengthening | Weakening |
| For the year ended 31st March, 2018 1% movement | | |
| USD | (10.93) | (10.93) |
| | (10.93) | (10.93) |
| Effect in INR (before tax) | Profit or (loss) and Equity | |
| | Strengthening | Weakening |
| For the year ended 31st March, 2018 1% movement | | |
| USD | (0.56) | (0.56) |
| | (0.56) | (0.56) |

C.iv.b Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimise the Group's position with regards to interest income and interest expenses and to manage the interest rate risk the management balances the portfolio of fixed rate and floating rate financial instrument in its total portfolio.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of reasonably possible change in interest rates.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interestbearing financial instruments is as follows.

Rs in Million

| Particulars | As at 31/03/2018 | As at 31/03/2017 |
|--|------------------|------------------|
| External Commercial Borrowing bearing variable interest rate | 658.73 | 1,894.56 |
| Packing Credit Foreign Currency Loans | 853.99 | 1,022.61 |
| EBRD (Post Shipment) Loan | 309.60 | 160.47 |
| Buyer's Credit | 393.31 | 704.18 |
| Total of Variable Rate Financial Liabilities | 2,215.63 | 3,781.82 |

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets.

RESPONSIVE INDUSTRIES LIMITED
Notes to consolidated financial statements for the year ended March 31, 2018

Rs in Million

| Cash flow sensitivity (net) | Profit or (Loss) and Equity | |
|------------------------------------|-----------------------------|----------------|
| | 50 bp increase | 50 bp decrease |
| INR | | |
| 31st March 2018 | | |
| Variable-rate loan instruments | (11.08) | 11.08 |
| Cash flow sensitivity (net) | (11.08) | 11.08 |
| | | |
| 31st March 2017 | | |
| Variable-rate loan instruments | (18.91) | 18.91 |
| Cash flow sensitivity (net) | (18.91) | 18.91 |

The group invests its surplus funds in various Equity and debt instruments. These comprise of mainly liquid schemes of mutual funds (liquid investments). Equity shares, debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

Note 37 : Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's debt to equity ratio at 31st March, 2018 was 0.36 (PY. 0.63)

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

Note 38 : Exceptional item includes in Loss of sale of property Plant and Equipments amounting to Rs. 50.80 Million (P.Y RS. Nil)

Note 39 : Prior Period Items

a) As per the requirement of Ind AS 12- "Income Taxes" deferred tax asset of Rs 175.31 lakhs on freehold land was not recognised in the opening balance sheet of 01-04-2015 during the time of transition of financial statements from IGAAP to Ind AS and consequently it was also not recognised in the financial year 2015-16 amounting to Rs 19.79 lakhs and Rs 15.27 lakhs for the FY 2016-17. This has been rectified by restating the comparative figures of the respective financial years in the balance sheet; statement of Profit & Loss and opening retained earnings by giving effect to each affected financial line items.

b) Under Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" material prior period error shall be corrected by retrospective restatement. Hire Charges expenses of Rs 22.00 million which pertains to the FY 2016-17 were omitted to be included in the financials of previous year. Now the same has been included in the financial statements of 2016-17 by restating the required figures with corresponding effect on taxes and other affected line items of those financial statements.

RESPONSIVE INDUSTRIES LIMITED

Notes to consolidated financial statements for the year ended March 31, 2018

Following are the financial items affected due to restatement in the comparative financial results presented hereunder for the matters stated above for the FY 2016-17:

| Extract from balance sheet | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2017 (Restated) |
|--|----------------------------|----------------------------|---------------------------------------|
| In Statement of assets & liabilities as on March 31, 2017 | | | |
| Increase / (Decrease) in Trade Payables | 197.16 | 275.98 | 306.95 |
| Increase / (Decrease) Recoverable from Customs. Excise, GST, | 181.10 | 33.61 | 37.39 |
| Increase / (Decrease) Statutory Liabilities | 23.92 | 15.89 | 16.69 |
| Increase / (Decrease) Advance Tax & TDS (net of Provisions) | 27.60 | 55.34 | 53.27 |
| Increase / (Decrease) Provision for taxation (net of advance tax) | 47.00 | 118.50 | 116.42 |

| Extract from statement of profit and loss | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2017 (Restated) |
|---|----------------------------|----------------------------|---------------------------------------|
| Increase / (Decrease) Freight & Forwarding Charges | 159.98 | 117.71 | 145.71 |

| Extract from statement of changes in equity | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2017 (Restated) |
|--|----------------------------|----------------------------|---------------------------------------|
| Increase / (Decrease) Opening retained earnings | 6257.40 | 5562.33 | 6149.76 |
| Increase / (Decrease) Current year net profit | 78.74 | 301.40 | 107.65 |
| Increase / (Decrease) Closing retained earnings | 6336.14 | 5863.73 | 6257.40 |

Note 40: Figures of previous year have been regrouped, reclassified and/or rearranged wherever necessary to confirm with current year's presentation.

**As per our attached report of even date
For SGC& Co. LLP**
Chartered Accountants
Firm Reg. No. 112081W/W100184

Suresh Murarka
Partner
Mem No: 044739
Place : Mumbai
Date : 2nd May 2018

For and on behalf of the Board

| | |
|---|--|
| Atit Agarwal Director DIN 02330412 | Rajesh Pandey Director DIN 00092767 |
|---|--|

Ruchi Jaiswal
Company Secretary
Place : Mumbai
Date : May 02, 2018

RESPONSIVE INDUSTRIES LIMITED

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures Part "A" Subsidiaries

| Sr. No | Particulars | (Rs. in Million) | (In HK \$) | (In HK \$) |
|--------|---|------------------------|--|--|
| 1 | Name of the Subsidiary | Axiom Cordages Limited | Axiom Cordages Limited, Hong Kong | Responsive Industries Limited, Hong Kong |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA | 02.06.2017 to 31.03.2018 | 02.06.2017 to 31.03.2018 |
| 3 | Reporting Currency and Exchange rates on the last date of the relevant Financial year in case of foreign subsidiaries | NA | Reporting Currency: HK\$ Currency Rate: 8.29/HK\$ | Reporting Currency: HK\$ Currency Rate: 8.29/HK\$ |
| 4 | Share Capital | 328.83 | 77500.00 | 77,500.00 |
| 5 | Reserves & Surplus | 3751.69 | - | - |
| 6 | Total Assets | 4238.78 | 851,438.00 | 851,671.00 |
| 7 | Total Liabilities | 132.34 | 795,633.00 | 795,966.00 |
| 8 | Investments | 123.19 | - | - |
| 9 | Turnover (net of excise duty) | 1983.01 | (20,920.00) | - |
| 10 | Profit/(Loss) before Taxation(A) | (45.47) | (21,695.00) | (21,795.00) |
| 11 | Provision for Taxation (B) | 10.15 | - | - |
| 12 | Profit/(Loss) after Taxation(A) - (B) | (35.32) | (21,695.00) | (21,795.00) |
| 13 | Proposed Dividend | 1.64 | - | - |
| 14 | % of shareholding | 58.18% | 58.18% | 100% |

Notes:

- Names of subsidiaries which are yet to commence operation-Responsive International Ltd.
- Names of Subsidiaries which have been liquidated or sold during the year- Nil
- Since the Company does not have any Associates or Joint Venture, information pertaining to Part "B" to this form relating to Associates and Joint Venture is not given.

For and on behalf of the Board

Atit Agarwal

Director
DIN 02330412

Rajesh Pandey

Director
DIN 00092767

Ruchi Jaiswal

Company Secretary
Place : Mumbai
Date : May 02, 2018

PROXY FORM

RESPONSIVE INDUSTRIES LIMITED

CIN: L99999MH1982PLC027797

Email: investor@responsiveindustries.com, Website: www.responsiveindustries.com

Tel No: 022-66562821 Fax No.: 022-66562798

Regd. Office: Betegaon, Boisar (East), Mahagaon Road, Taluka Palghar, Dist. Thane - 401 501

| | | | |
|---------------------|--|---|--|
| Name of Member(s): | | Email Id: DP Id*: Client Id*: Regd. Folio No.: | |
| Registered Address: | | | |

*Applicable if shares are held in electronic form.

I/We being the Member(s) of _____ Shares of RESPONSIVE INDUSTRIES LIMITED, hereby appoint:
1) _____ of _____ having e-mail id _____ or falling him/her

2) _____ of _____ having e-mail id _____ or falling him/her

3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our Proxy to attend and vote for me/us and on my/our behalf at the 36TH ANNUAL GENERAL MEETING of the Company to be held on Friday, 08th June, 2018 at 10.00 a.m. at Hotel Silver Avenue, Ostwal Empire, Next to Big Bazar, Boisar (West), Thane-401 501 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution Number | Resolutions | Optional** | |
|-------------------|---|------------|---------|
| Ordinary Business | | For | Against |
| 1. | To receive, Consider and adopt: (a) the Audited Financial Statements together with the Reports of the Board of Directors and the Auditors thereon. (b) the Audited Consolidated Financial Statements, together with the Report of the Auditors thereon. | | |
| 2. | To confirm the payment of Dividend on Equity Shares as Final Dividend. | | |
| 3. | Re-appointment of Mr. Rajesh Pandey (DIN: 00092767) who retires by rotation and, being eligible, offers himself for re-appointment. | | |
| 4. | Ratification of the Appointment of Statutory Auditors. | | |
| Special Business | | | |
| 5. | Approval of the remuneration of the Cost Auditors. | | |
| 6. | Appointment of Rishab Agarwal as Managing Director of the Company | | |
| 7. | Appointment of Mr. Jagannadham Thunuguntla as an Independent Director | | |
| 8. | Appointment of Ms. Jyoti Rai as an Independent Director | | |
| 9. | Appointment of Mrs. Rohini Agarwal as a Director of the Company | | |
| 10. | To consider and approve the Scheme of Employee Stock Option Scheme | | |

Signed this Day of 2018.

| | | |
|--------------|---------------------|-----------------------------------|
| _____ | Signature of the | Affix Re.1 Revenue Stamp |
| member(s) | | |
| _____ | Signature of first | |
| Proxy holder | | |
| _____ | Signature of second | |
| Proxy holder | | |
| _____ | Signature of third | |
| Proxy holder | | |

NOTE:

1) This Form is to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.

2) A Proxy need not be a member of the Company.

****3)** This is only optional. Please put '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

4) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.



RESPONSIVE

If undelivered, please return to below address

RESPONSIVE INDUSTRIES LIMITED.

REGISTERED OFFICE

Village Betegaon, Mahagaon Road,

Boisar (E), Tal. Palghar,

Dist. Thane- 401 501

Date: 17 October, 2018

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

Scrip Code: 505509

Dear Sirs/Madam,

Sub: Submission of Business Responsibility Report 2018.

We would like to inform you that the Board has approved Business Responsibility Report for the financial year 2017-2018 in the Board meeting held on 17 October, 2018 as addendum to the Annual Report 2018.

Kindly acknowledge the receipt and take the same on record.

Thanking you,

Yours faithfully,
For **Responsive Industries Limited**

Ruchi Jaiswal

Ruchi Jaiswal
Company Secretary & Compliance Officer
Encl: As above



BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

| | | |
|----|---|--|
| 1 | Corporate Identity Number (CIN) of the Company | L99999MH1982PLC027797 |
| 2 | Name of the Company | Responsive Industries Limited |
| 3 | Registered Address | Betegaon, Mahagaon Road, Boisar (East), Taluka Palghar, Dist. Thane-401501 |
| 4 | Website | www.responsiveindustries.com |
| 5 | E-mail id | investor@responsiveindustries.com |
| 6 | Financial year reported: | 01 st April, 2017 to 31 st March, 2018 |
| 7 | Sector(s) that the Company is engaged in (industrial activity code-wise) As per National Industrial Classification-Ministry of Statistics and Programme Implementation | 3130-PVC Products |
| 8 | List three key products/services that the Company manufactures/provides (as in balance sheet) | Vinyl flooring PVC Leather Cloth/Coated Cotton Fabric PVC Sheeting |
| 9 | Total number of locations where business activity is undertaken by the Company | |
| | a) Number of International Locations (Provide details of major 5) | Nil |
| | b) Number of National Locations | 1 plant- Boisar, Maharashtra |
| 10 | Markets served by the Company- Local/State/National/International | Company serves customers in both national and international locations |

SECTION B: FINANCIAL DETAILS OF THE COMPANY

| | | |
|---|---|---|
| 1 | Paid up Capital (INR) | 26,69,12,700.00 |
| 2 | Total Turnover (INR) | 10,978,370,000.00 |
| 3 | Total profit after taxes (INR) | 13,07,50,000.00 |
| 4 | Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | The Company has spent Rs.1,03,975/- of its average net profits of the previous three financial years towards CSR activities. Appropriate disclosures as prescribed under the Companies Act, 2013 have been made in the Annual Report for the year ended March 31, 2018. |



| | | |
|---|--|---|
| 5 | List of activities in which expenditure in 4 above has been incurred | i) Promoting Health & Medical Care ii) Promoting Art & Culture |
|---|--|---|

SECTION C: OTHER DETAILS

| | | |
|---|--|--|
| 1 | Does the Company have any Subsidiary Company/Companies? | Yes |
| 2 | Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s) | The Company encourages its subsidiaries to carry out Business Responsibility initiatives. The subsidiary companies share several features of our best practices in workplace sustainability. |
| 3 | Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] | The Company makes its efforts to encourage other entities such as its suppliers, clients etc. to adhere to the Company's BR policies to the extent possible. |

SECTION D : BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director\Directors responsible for implementation of the BR policy/policies

DIN:00092767

Name: Mr. Rajesh Pandey

Designation: Executive Director

b) Details of the BR head:

1. DIN Number (if applicable): 00092767

2. Name : Mr. Rajesh Pandey

3. Designation : Executive Director

4. Telephone Number: 022 6656 2833

5. E-mail ID: investor@responsiveindustries.com

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 : Business should conduct and govern themselves with Ethics, Transparency and Accountability.



P2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 : Businesses should promote the wellbeing of all employees.

P4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 : Businesses should respect and promote human rights.

P6 : Businesses should respect, protect and make efforts to restore the environment.

P7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 : Businesses should support inclusive growth and equitable development.

P9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of compliance (Reply in Y/N)

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|---|---|--------|--------|--------|--------|--------|---------------------------|--------|---------------------------|
| 1 | Do you have a policy/policies for | Y | Y | Y | Y | Y | Y | R ef er no te | Y | R ef er no te |
| 2 | Has the policy being formulated in consultation with the relevant stakeholders? | Yes | | | | | | | | |
| 3 | Does the policy conform to any national/international standards? If yes, specify? (50 words) | The policies are broadly based on the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs, Government of India. | | | | | | | | |
| 4 | Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director? | The policies which are statutorily required to be adopted by the Board have been approved by them, while the other policies are formulated and implemented by the Human resources department of the Company. | | | | | | | | |
| 5 | Does the Company have a specified committee of the Board/Director/Official to oversee the implantation of the policy? | The Company is having CSR Committee; Stakeholder Relationship Committee. The Company has put in place adequate process and resources for implementation of its policies. | | | | | | | | |
| 6 | Indicate the link for the policy to be viewed online? | All the statutorily required policies are available in public domain at www.responsiveindustries.com/policies.aspx . And other internal policies are restricted to company employees. | | | | | | | | |



| | | |
|----|--|--|
| 7 | Has the policy been formally communicated to all relevant internal and external stakeholders? | Yes, the policies have been communicated to key internal stakeholders. The Communication is an ongoing process to covers all the key internal and external stakeholders. |
| 8 | Does the Company have in-house structure to implement the policy/policies. | Yes |
| 9 | Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies? | Yes, Company is having Stakeholder Relationship Committee to address stakeholder's grievances. |
| 10 | Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency? | Internal Auditor reviews the policies on a timely basis. |

Note: The replies to the questions at serial no.2 to 10 as mentioned above are applicable to all the Principles except the Principles 7 and 9.

- b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)
- The Company has not understood the Principles:
 - The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.
 - The Company does not have financial or manpower resources available for the task
 - It is planned to be done within next 6 months
 - It is planned to be done within the next 1 year
 - Any other reason (please specify)

Note: With respect to the Principle 7, a specific policy for the same has not been adopted. With respect to the Principle 9, the Company fulfills customer needs satisfactory and provides value to them in a responsible manner.

3. Governance related to BR :

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.
 - The Business Responsibility performance of the Company is assessed periodically.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
 - This is the second year Company is publishing BRR. It is available on the website of the Company <http://www.responsiveindustries.com/report.aspx>.



SECTION E : PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company?
Yes/No.
Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
 - Code of Conduct for Board Members & Senior Management Personnel covers all the Directors and Senior Management Personnel of the Company.
 - Insider Trading Code is applicable to designated employee of the Company.
 - Related Party Transaction Policy is framed intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties at arm's length.
 - The objective of Whistle Blower Policy is to build and strengthen a culture of transparency and trust in the organization and to provide employees with a framework / procedure for responsible and secure reporting of improper activities (whistle blowing) within the Company and to protect employees wishing to raise a concern about improper activity irregularities within the Company.
 - The Policy for determination of materiality of events or information for disclosure was framed in terms of Regulation 30 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 SEBI (LODR).
 - The Policy on maintenance & preservation of documents was framed in pursuance to Regulation 9 of the SEBI (LODR).
 - The Policy for Determining Material Subsidiaries was framed in accordance with the requirement stated under the Listing Agreement.
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
 - During the year under review, the Company has not received any complaints.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

All products manufactured by the Company are safe and contribute to the sustainability throughout their lifecycle.

To name a few of them are as under:

- Vinyl flooring
- PVC Leather Cloth/Coated Cotton Fabric
- PVC Sheeting



2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
 - (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
 - (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company has adopted the following methods to conserve the resources:

- Reuse of cut pieces after slitting for reducing waste generation and commercial viability also.
 - Replacement CFL bulbs with LED due to lower energy consumption and elimination of risk of toxic substances and UV radiation, CLL bulbs were replaced by LED lights. This not only resulted in higher elimination but we also reduced energy consumption, this is equivalent to abatement of water.
 - The abatement of cutting trees by substituting printed correspondence with e-correspondence, while taking a step towards reducing deforestation.
3. Does the Company have procedures in place for sustainable sourcing (including transportation)?
 - a) If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.
 - Yes, procurement practices by the Company are focused on protection of environment, and cost effective procurement seeking resource efficiency, improving the quality of products and ultimately optimizing the cost.
 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
 - a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
 - The manufacturing unit is located at the remote place away from the city. The Company makes specific efforts to improve employability of the local community. Further, it also ensures that it engages small businesses around its plant in variety of productive employment. The Company's long term association with the small vendors/suppliers has helped such vendors to grow along with the Company.
 5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
 - Yes, the Company has in place a mechanism for recycling products and waste. The waste generation of the Company is less than 5% and further the same can be reused. The Company recycles its waste as below:
 - i) Plastics waste is recycled
 - ii) Empty raw material bags are reused for in-process packing, reprocessed and reused.
 - iii) Water consumption is monitored



Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees.
➤ 264
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.
➤ 71
3. Please indicate the Number of permanent women employees.
➤ 04
4. Please indicate the Number of permanent employees with disabilities.
➤ Nil
5. Do you have an employee association that is recognized by management.
➤ Bhartiya Kamgar Mahasangh.
6. What percentage of your permanent employees is members of this recognized employee association.
➤ 60%
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.
➤ The Company has not received any complaints relating to child labour, forced labour, involuntary labour, sexual harassment.

| No. | Category | No. of complaints filed during the financial year | No. of complaints pending as on end of the financial year |
|------|---|---|---|
| i) | Child labour/forced Labour/involuntary labour | Nil | N.A. |
| ii) | Sexual harassment | Nil | N.A. |
| iii) | Discriminatory employment | Nil | N.A. |

8. What percentage of your under mentioned employees were given safety & skill up gradation training in the last year?
 - a) Permanent Employees
 - b) Permanent Women Employees
 - c) Casual/Temporary/Contractual Employees
 - d) Employees with Disabilities
- All employees undergo the required safety trainings on an ongoing basis.



Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders? Yes/No

- Yes, The Company has identified its stakeholders and takes steps to engage with them through various formal and informal processes

The major stakeholders have been identified and classified as:

- Employees
- Customers
- Shareholders/Investors / Depositors
- Communities
- Business Partners/Contractors/Vendors
- Government Bodies
- Lender (s)
- Insurance Companies
- Supplier
- Contract workers.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

- Yes, the Company ensures that all stakeholder concerns, including the disadvantaged and vulnerable, are well incorporated into the Company's strategic thinking and decision-making. The Company takes all practical steps to ensure that all communication with stakeholders is clear, transparent, timely and complete, and respects their right to be informed, so that everyone can make decisions and act with full knowledge. While the management has the accountability for stakeholder, the Company believes that every employee in the Company also has a responsibility towards ensuring satisfactory stakeholder relationships.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

- Yes. The Company puts efforts to engage with such stakeholders, identify their needs/concerns and address them. Some of the initiatives and channels used in the process of engaging with stakeholders include face-to-face meetings, both individual and group (including the shareholders' meetings); media and stock exchange announcements; investor presentations; grievance mechanisms; financial reports; circulars ; regular customer, business partner and supplier meetings; formal consultations and audit processes; and updates on the RIL website – www.responsiveindustries.com



Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others.
 - The Company does not hire child labour, forced labour or involuntary labour. The Company has always been committed to developing an organizational culture that supports recognized human rights, as well as the human rights enumerated in the Constitution. The Company takes steps to ensure that human rights principles are upheld within its workplaces. The said Policy is extends to its subsidiary Companies.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management.
 - Not complaint received.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.
 - The Company's policy on Environment is applicable to all. The Company believes that harmony between man and his environment is the essence of healthy life and living. Company strives for efficient and optimum utilization of available resources minimization of waste.
2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.
 - The Company has addressed environment and climate issues with clear goals and targets. Following are the objectives of the Company to address environment issues are:
 - Efficient & optimum utilization of available resources
 - Minimization of waste
 - Maximization of waste materials' utilization
3. Does the Company identify and assess potential environmental risks? Y/N
 - Yes, the Company has a mechanism to identify and assess potential environmental risks in its plant.
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also if Yes, whether any environmental compliance report is filed.
 - The Company does not have any projects related to Clean Development Mechanism.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.
 - GREEN INITIATIVE IN CORPORATE GOVERNANCE:
The Company fully supports the Ministry of Corporate Affairs' initiative to minimize the use of paper for 'all official communication'. In line with this, the Company sends all



notices and documents, including the Annual Report, to shareholders who have registered for the same, by e-mail. This has led to a significant reduction in paper consumption annually.

6. Are the Emissions/Waste generated by the company/within the permissible limits given by CPCB/SPCB for the financial year being reported?
➤ Yes
7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.
➤ Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with :
➤ The Company is a member of various industry bodies and associations. Some of these are:
 - Confederation of Indian Industry (CII)
 - The Associated Chamber of Commerce and Industry (ASSOCHAM)
 - Bombay Chamber of Commerce and Industry
 - Entrepreneur Organization, Mumbai
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No;
If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)
➤ The Company is active member in various industry bodies and associations (either directly or through its subsidiary) and actively takes part in the discussion relating to policy development and advocates policies which promotes social and economic growth. The Company engages with industry bodies and association to influence public and regulatory policy in a responsible manner. Only the authorized representative of the company makes interaction with these bodies with honesty and integrity and in compliance with the applicable law.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives project in pursuit of the policy related to Principle 8? If yes details thereof.
➤ Yes. The Company has a CSR policy in place and it carried out activities majorly Educational/Vocational Training, Health & Medical Care, Promoting Art and Culture.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?
➤ The Company's CSR activities are carried out through implementing agencies.



3. Have you done any impact assessment of your initiative?
 - The Company is in its initial stage of implementing the CSR activities. It shall undertake to carry out impact assessment at later stage.
4. What is your Company's direct contribution to community development projects. Amount in INR and the details of the project undertaken.
 - Kindly refer the Report on CSR activities for details.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.
 - The Company has contributed its funds to institutions furthering the benefit to the needy section of the society and the same has been acknowledged by them.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.
 - As on March 31, 2018 about 0% of the customer complaints received during the year was pending.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. Remarks (additional information)
 - The Company follows all legal statutes with respect to product labeling and displaying of product information, wherever required.
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.
 - Nil
4. Did your Company carry out any consumer survey/consumer satisfaction trends?
 - Yes

Place: Mumbai
Date: 17 October, 2018

Sd/-
Rajesh Pandey
Director



