

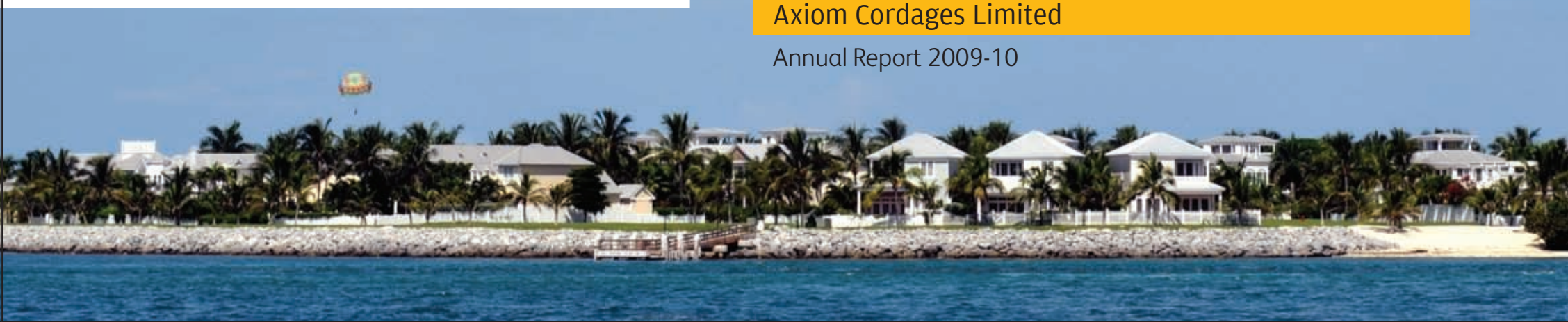


Innovative solutions for an evolving world

Responsive Industries Limited

Axiom Cordages Limited

Annual Report 2009-10



Responsive Industries Limited

Responsive Industries Limited (RIL) is one of the leading global players in PVC-based product segments. RIL manufactures wide varieties of PVC flooring, automotive upholstery solutions, pharmaceutical packaging and transparent sheeting.

RIL’s products cater to clients across diverse sectors and geographies. These include sectors such as healthcare, hospitality, transportation, retail, sports infrastructure and real estate. RIL is part of the USD 15 billion resilient flooring market globally, and is present in over 70 countries. Exports comprise more than 50 % of its total revenues.

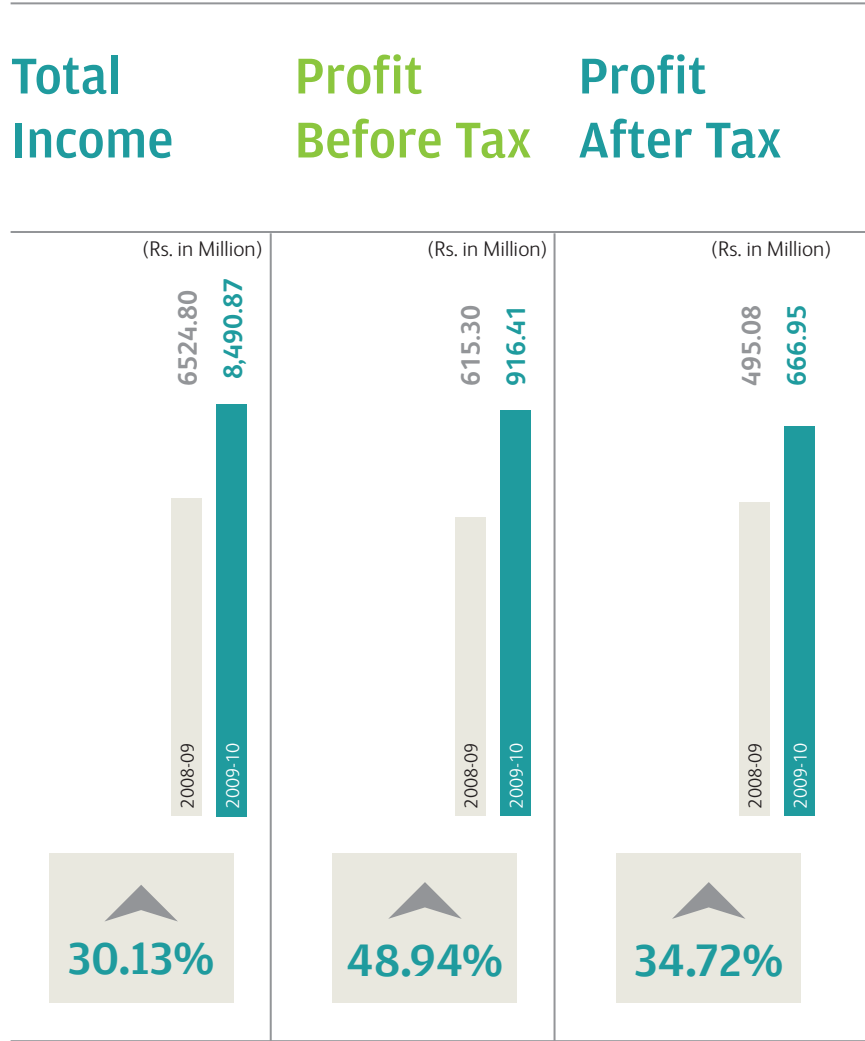
RIL received A (-) rating from Fitch, a 3/5 (fundamental grade) rating from CRISIL Research. It is listed on the Bombay Stock Exchange with a market capitalization of over Rs. 21 Billion as on 31st March, 2010.

Axiom Cordages Limited

A subsidiary of Responsive Industries Limited, Axiom Cordages manufactures specialized synthetic ropes used in shipping and cargo, oil rigs, fishing and other industrial segments. These ropes are safe, strong, reliable and are made using Polypropylene (PP), Polyethylene (PE), Nylon and Polyester.

Axiom is an export oriented unit with exports to over 65 countries globally contributing to 90 % of its sales. Axiom is among India’s largest exporters of new generation synthetic ropes, possessing outstanding technical knowhow to deliver next-generation ropes to a wide cross-section of discerning clients globally.

Consolidated Financial Highlights



Progression is...

Responsive Industries Limited Annual Report 2009-10

Part A

Corporate Identity

Differentiation	02
Ensuring Financial Stability	04
Evolved Identity	06
Embracing the World	07
Recognition and Accreditation	08
Creating a Legacy	09

Business Discussion

Thinking Aloud	10
Being in Sync with Investor Expectations	12
Our Business Model	13
Inspiring a Vibrant Life	15
Enhancing Trust	17
Keeping Good Company	18
Gearing up for the Next Frontier	20
Widening Sectoral Presence	21
Harmonizing Diverse Efficiencies	22
Delighting People	25
Matured Market Insight	36
Board of Directors	38

Governance

Directors' Report	40
Report on Corporate Governance	46
Management Discussion and Analysis	56

Financial Statements

Auditors' Report	59
Annexure to Auditors' Report	60
Balance Sheet	62
Profit and Loss Account	63
Cash Flow Statement	64
Schedules	66
Balance Sheet Abstract	82
Statement Pursuant to Section 212	83

At Responsive Industries Limited, we start
our day with a simple word-



progression.

In thoughts, applications, innovations and
our vision for the future.

Pursued as a focused and coordinated
strategy to provide creative solutions for a
constantly evolving world.

At Responsive, progression is...

...differentiation



Experience is extensive

We have a rich two-decade experience in the field of manufacture and management of polymer-based businesses.

Competition is low

Our domestic competitors are small to nil, while global competitors find it difficult to compete on pricing, product profile and quality among others.

Products are cost-effective

We have reconciled in-house customisation, in-plant integration, process layout and technical know-how to emerge as a cost-effective producer vis-à-vis peers.



Quality is a priority

We are certified by the American Standard for Testing & Materials (ASTM) product sale in the US. Similarly, our entire product range has received the 'CE' certifications for sale to the European Union (EU) including the EN standard certification. We have secured several awards, certifications and approvals from leading certifying agencies, such as DMF registration under FDA (US), ISO 14001:2004, ISO 9001:2000. These certifications offer RIL a significant advantage over prospective entrants in the lucrative European and American markets.

Visibility is high

We enjoy an 85 % market share in the Indian surface transport manufacturing industry. We control 95 % of the Indian three-wheeler upholstery and canopy market. RIL is a leading supplier to the Indian Railways, large private sector players and road transport companies for seat covers, flooring and other products.

Clientele is diverse

We have a varied list of clientele: Indian Railways, London Tube, Mercedes Benz, Volvo, Tata Motors and Bajaj Auto in the transportation segment; UAE Ministry of Health, South African Department of Health and SevenHills Hospital in health care segment; Big Bazaar and IKEA in retail segment; Olympics (Beijing) and the Commonwealth Games in sports infrastructure segment; and Bhabha Atomic Research Centre in specialised segment, amongst others.

Products are eco-friendly

We are among the few companies to offer the recyclability advantage with our products. At the time of product replacement, RIL recycles these products instead of disposal in landfills unlike other substitutes. This has led to our emergence as a preferred supplier to environmentally conscious customers, especially in Europe. RIL's products are certified by various international Green Building Councils.

...ensuring financial stability*

Rs. 5,543 Million

Total income
in 2009-10

Rs. 816 Million

EBIDTA generated
in 2009-10

Rs. 381 Million

Post tax profit registered
in 2009-10

**Total
Income**

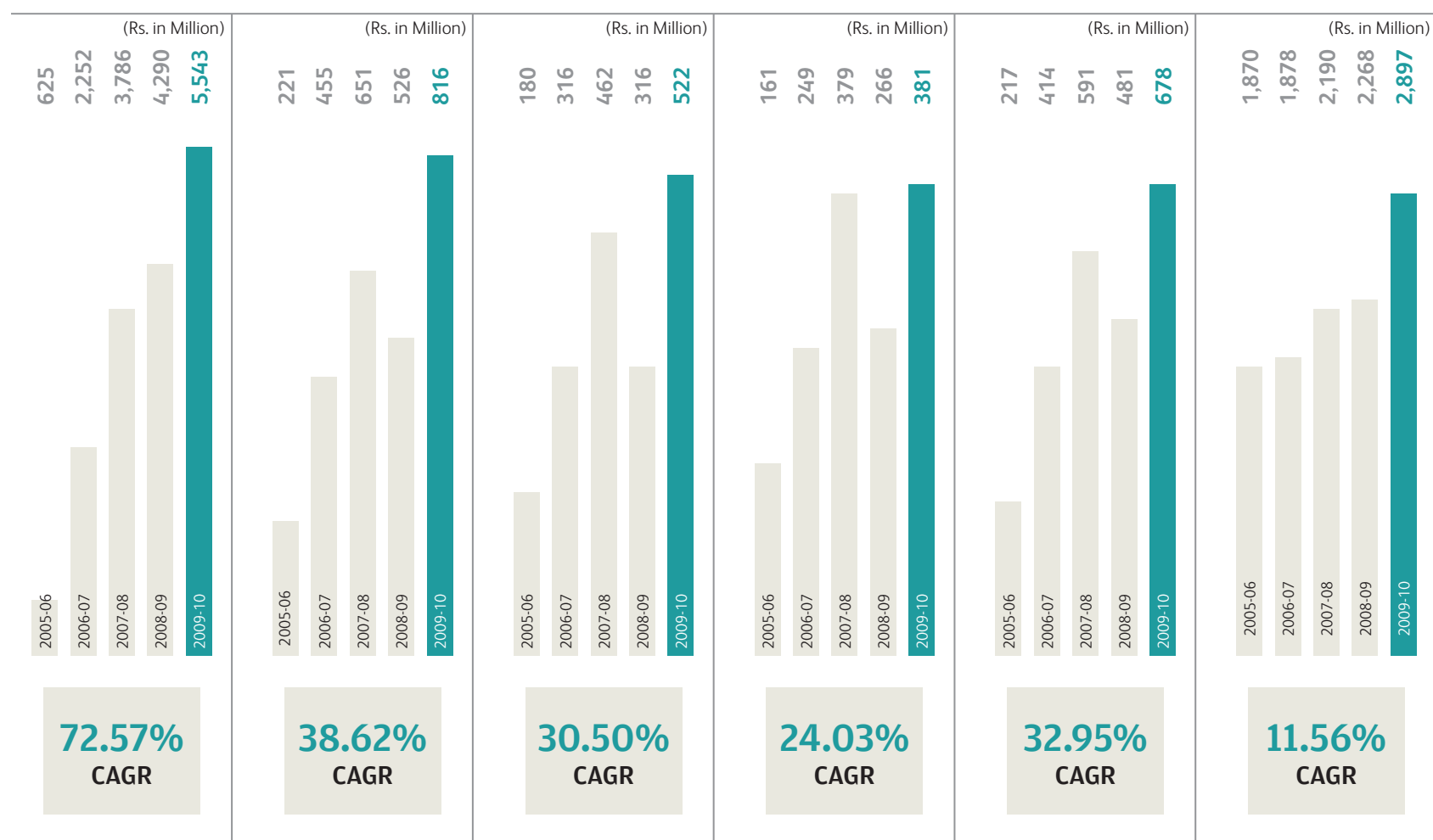
EBIDTA

**Pre-Tax
Profit**

**Post-Tax
Profit**

Cash Profit

Gross Block



*Standalone Results

Rs. 678 Million

Cash profit registered
in 2009-10

Rs. 15

Earnings per share posted
in 2009-10

6.98%

Net Profit margin reported
in 2009-10

**Net-Profit
Margin**

**EBIDTA
Margin**

**Earnings
per Share
(Basic)**

**Debt-
equity
ratio**

**Book Value
per Share**

**Dividend
Payout**



*Standalone Results

Responsive Industries Limited (RIL) is one of the leading global players in PVC-based product segments.

Manufactures wide varieties of PVC flooring, automotive upholstery solutions, pharmaceutical packaging and transparent sheeting; caters to clients across diverse sectors and geographies.

Products cater to sectors like healthcare, hospitality, transportation, retail, sports infrastructure and real estate.

RIL is part of the USD 15 Billion global resilient flooring market, present in over 70 countries and having well-established overseas presence with exports comprising more than 50% of its total revenues

Received A (-) rating from Fitch
3/5 (fundamental grade) rating from CRISIL Research.

Listed on the Bombay Stock Exchange with a market capitalisation of over Rs. 21 Billion as on 31st March, 2010

RIL's subsidiary, Axiom Cordages Ltd. (Axiom), manufactures specialised synthetic ropes used in shipping and cargo, oil rigs, fishing and other industrial segments. This subsidiary contributes 40% to the consolidated revenue. Axiom is an export oriented unit with exports contributing to 90% of its sales

...evolved identity