

## **Responsive Industries Limited**

Registered Office: Village Betegaon, Mahagaon Road, Boisar (East) Taluka Palghar,  
Dist. Thane - 401501, Maharashtra  
Tel.: +91 22 66562821; Fax: + 91 22 66562799  
E-mail: investor@responsiveindustries.com; Website: www.responsiveindustries.com  
CIN: L99999MH1982PLC027797

### **NOTICE OF POSTAL BALLOT AND E-VOTING**

#### **NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013 (INCLUDING ANY STATUTORY MODIFICATION OR RE-ENACTMENT THEREOF FOR THE TIME BEING IN FORCE) AND REGULATION 44 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015**

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "**Act**"), read together with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "**Rules**"), including any statutory modification or re-enactment thereof for the time being in force and any other applicable provisions of the Act and the rules made thereunder, to consider and pass the resolution set out below as a Special Resolution for the Alteration of Object Clause in the Memorandum of Association of the Company, Adoption of new Set of Articles of Association as per "Table F" of the Companies Act, 2013, proposed Buyback by Responsive Industries Limited (the "**Company**") of its fully paid up equity shares each having a face value of Re. 1/- ("**Equity Shares**"), and, Grant of Employee Stock Option to the Subsidiary Company(ies) of the Company proposed to be passed by way of Postal Ballot. An Explanatory Statement pertaining to the said resolution setting out the material facts and the reasons thereof are annexed to the Notice, along with a Postal Ballot form (the "Postal Ballot Form") for your consideration.

#### **SPECIAL BUSINESS**

##### **ITEM NO.1:**

#### **ALTERATION OF OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of shareholders be and is hereby accorded, to append following sub clause(2) after sub clause(1) of clause III(A) of the Memorandum of Association of the Company which shall read as:

(2) To carry on in India or elsewhere the business to manufacture, trade, produce, process, prepare, commercialize, cut, polish, set, design, display, exchange, examine, finish, grind, grade, assort, import, export, buy, sell, resale, demonstrate, market and to act as goldsmiths, silversmiths, jewelers, gem merchants, agent, broker, indentor, liaisoner, representative, C & F agents, export house, valuer, sales promoter, supplier, provider, merchants, stockists, distributor, wholesaler, retailer in bullion, precious stones, jewelry, watches, clocks, gold or silver plates, cups, shields, electroplate, cutlery, dression bags, bronzes, articles of virtue, objects of art and such other articles and goods as the Company may consider capable of being conveniently dealt in relation to its business and to manufacture and establish factories for manufacturing goods for the above business or otherwise to deal in all shapes, sizes, varieties, description, specifications, applications & designs of rough, raw, cut, uncut, polished or processed, natural & man made precious semiprecious & natural stones such as diamonds, ruby, pearls, gemstones, blue sapphires, cat's eye stone, coral, topaz, opal, zircon, tourmaline, jade, spinel ruby, aquamarine, turquoise, peidot, agate, garnet, corundum, amethyst, malachite, citrine, alexendrite, smoky quartz, lapis lazuli, rock crystal, onyx, moon stone, jasper, blood stone, gold stone, bismuth, jet, diopside, tiger eye, sunstone, spinal, jews stone, load stoner, sardonex, touch stone, amber and their ornaments, jewelries, articles, goods, or things, made in the combination of gold, silver, platinum, or other metals, and alloys thereof and for the purpose to act as goldsmith, silversmith, jewelers, gem merchants, electroplaters, polishers, purifiers, and to do all incidental acts and things necessary for the attainment of above objects. Raw gold, (Dora), Dorabars, Gold Bricks, Coins & other such precious metal articles also including agro commodities, derivatives, future, options and other tradable contracts on exchange and also as Commission agent and broker for all the above activities. To do the business of commodity, equity, currency, forex (including Commodity derivatives), broking, trading, hedging, warehousing, refinery, processing and consumption. To carry on business as brokers and traders in all commodities, equity, currency, forex and commodity derivatives, to act as market makers, finance brokers, sub brokers, underwriters, sub-underwriters, providers of service of commodity related activities. To buy, sell, take hold, deal in, convert, modify, add value, transfer or otherwise dispose of commodities, equity, currency, forex and commodity derivatives, and to carry on the above business in India and abroad for and on behalf of the company as well as for others and to apply for and obtain registration as Commodities Broker or Member of Any Commodities Exchange anywhere in India and abroad.

**FURTHER RESOLVED THAT** the heading/title of Clause III(A) "**THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED**" of the Memorandum of Association be and is hereby replaced with the title "**THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**"

**FURTHER RESOLVED THAT** the title/heading Clause III(B) “**OBJECTS THAT ARE INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS**” of the Memorandum of Association be and is hereby replaced with the title “**MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:**”

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, any of the Directors/Company Secretary of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies and other authority.”

**ITEM NO.2:**

**ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 (the “**Act**”) read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the new set of Articles of Association of the Company as submitted to this meeting (duly initialed by the Chairman for the purpose of identification) and as available in the registered office of the Company, be and is hereby approved and adopted as the new set of Articles of Association in substitution for, and to the exclusion of, the existing Articles of Association of the Company.”

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, any of the Directors/Company Secretary of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies and other authority.”

**ITEM NO. 3:**

**APPROVAL FOR THE BUYBACK OF ITS EQUITY SHARES BY RESPONSIVE INDUSTRIES LIMITED**

To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution:**

“**RESOLVED THAT** in accordance with Article 14 of the new set of Articles of Association of the Company and pursuant to the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”), and the Rules made thereunder, the Companies (Share Capital and Debentures) Rules, 2014 (the “**Share Capital Rules**”), the Companies (Management and Administration) Rules, 2014 (the “**Management Rules**”), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended (“**Buyback Regulations**”), and subject to such approvals, permissions and sanctions as may be necessary and subject to modifications and conditions, if any, as may be prescribed by the Securities and Exchange Board of India (“**SEBI**”), Registrar of Companies, Mumbai (“**ROC**”) and/ or other appropriate authorities which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the consent of the shareholders be and is hereby accorded to the Buyback by the Company of its fully paid-up Equity Shares of Re. 1/- each not exceeding 2,07,50,000 (Two Crores Seven Lakhs Fifty Thousand Only) fully paid-up Equity Shares (representing approximately 7.77% of the total paid-up equity share capital of the Company as on 30th September, 2018) of the face value of Re 1/- (Rupee One Only) each (hereinafter referred to as the “**Equity Shares**” or “**Shares**”) at a price of Rs 77/- (Rupees Seventy-Seven Only) per Equity Share payable in cash (“**Buyback Price**”) for an aggregate amount up to Rs. 15977.50Lakhs (Rupees One Hundred Fifty-Nine Crores Seventy-Seven Lakhs and Fifty Thousand Only) (“**Buyback Size**”), representing 24.73% of the standalone paid-up share capital and free reserves (including securities premium account), as per the unaudited accounts of the Company for the half year ended 30th September, 2018, being within the 25% limit of paid-up share capital and free reserves (including securities premium account) as per the provisions of the Act, out of the free reserves and/or the securities premium account of the Company or such other source as may be permitted by the Buyback Regulations or the Act, from the Members of the Company, as on record date to be determined by the Board (hereinafter referred to as the “**Record Date**”), on a proportionate basis through “**Tender Offer**” route as prescribed under the Buyback Regulations (the “**Buyback**”).”

**RESOLVED FURTHER THAT** the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, brokerage, applicable taxes (such as securities transaction tax, stamp duty and GST), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

**RESOLVED FURTHER THAT** as required by Regulation 6 of the Buyback Regulations, the Company shall buyback Equity Shares from its shareholders on a proportionate basis under the Tender Offer, provided 15% of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding at the Record Date, whichever is higher, shall be reserved for small shareholders, as defined in the Buyback Regulations.

**RESOLVED FURTHER THAT** all of the shareholders of the Company who hold Equity Shares as on the Record Date shall be eligible to participate in the Buyback excluding promoters, promoter group and persons in control of the Company who hold Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Company shall implement the Buyback using the “**Mechanism for acquisition of shares through Stock Exchange**” as per Regulation 9(vii) of the Buyback Regulations including any further amendments thereof.

**RESOLVED FURTHER THAT** the Buyback from non-resident shareholders, Overseas Corporate Bodies (OCB's), Foreign Institutional Investors, Foreign Portfolio Investors and shareholders of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999 ("FEMA") and rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (as amended) (the "**Listing Regulations**").

**RESOLVED FURTHER THAT** the proposed Buyback be implemented from the existing shareholders excluding the promoter(s) of the Company (as have been disclosed under the shareholding pattern filings made by the Company from time to time under the Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("**SEBI Takeover Regulations**"), from its free reserves and/or surplus and/or such other sources or by such mechanisms as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

**RESOLVED FURTHER THAT** nothing contained herein above shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board to Buyback any shares and/or impair any power of the Company or the Board to terminate any process in relation to such Buyback if so permissible by law.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to give effect to the aforesaid resolutions and may delegate all or any of the power(s) conferred herein above as it may in its absolute discretion deem fit to any Director(s) / Officer(s) / Authorised Representative(s) / Committee of the Company ("**Buyback Committee**") and each member of the Buyback Committee be and is hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buyback, including, but not limited to, the following:

1. The initiating of all necessary actions for preparation and issue of public announcement, draft letter of offer, letter of offer and related documents;
2. The preparation, finalization and filing of public announcement, draft letter of offer, letter of offer, related documents and also the certificates for declaration of solvency and other filings with the SEBI, ROC, the stock exchanges and other appropriate authority(ies), if any;
3. Finalizing the terms of Buyback such as the entitlement ratio, fixing the Record Date, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the time frame for completion of the Buyback;
4. The appointment of broker, e-voting agency, scrutinizer, depository participant, printers, advertisement agency, and other advisors, consultants or representatives and settlement of the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
5. Earmarking and making arrangement for adequate sources of funds for the purpose of the Buyback;
6. The opening, operation and closure of cash escrow account and special account in accordance with the escrow agreement to be executed by the Company in this regard;
7. The opening, operation and closure of demat escrow account in accordance with the escrow agreement to be executed by the Company with the depository participant;
8. To settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback;
9. To make all applications to the appropriate authority(ies) for their requisite approvals including for approvals as may be required from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
10. To sign the documents as may be necessary with regard to the Buyback and use the common seal of the Company on relevant documents required to be executed for the Buyback and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other appropriate authorities;
11. To deal with stock exchanges (including their clearing corporations) and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" as per Regulation 9(vii) of the Buyback Regulations including any further amendments thereof;
12. Extinguishment of share certificates and certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Board;
13. To do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper; and/or
14. Sign, execute and deliver such documents as may be necessary or desirable in connection with or incidental to the Buyback.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include the Buyback Committee and/or any other Committee constituted by the Board for this purpose) be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, including but not limited to carrying out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, extinguishment of share certificates and 'Certificate of Extinguishment' required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, BSE Limited, National Stock Exchange of India Limited, ROC, depositories and/or other authorities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**ITEM NO. 4:**

**GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF THE SUBSIDIARY COMPANY(IES) OF THE COMPANY UNDER RESPONSIVE INDUSTRIES LIMITED EMPLOYEE STOCK OPTION SCHEME 2018 (“RESPONSIVE ESOS 2018”)**

To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013, and all other applicable provisions, if any, of the Rules framed thereunder, the Memorandum and Articles of Association of the Company, the provisions of Regulation 6(3)(c) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”), the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India (“SEBI”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include the Nomination & Remuneration Committee (“NRC”) and/or any other Committee constituted by the Board for this purpose), to adopt the RESPONSIVE INDUSTRIES LIMITED - Employee Stock Option Scheme, 2018 (“RESPONSIVE ESOS 2018”) and to create, offer, issue and allot equity shares under RESPONSIVE ESOS 2018, from time to time, to the eligible employees of existing subsidiary company(ies) (viz., Axiom Cordages Limited, Responsive Industries Limited, Hong Kong and Axiom Cordages Limited, Hong Kong) and future subsidiary company(ies) of the Company whether working in India or out of India and to Directors of the subsidiary company(ies), (excluding Promoters of the Company, Independent Directors and Whole-Time Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), and to such other persons as may from time to time be allowed to be eligible for the benefits of the stock options under applicable laws and regulations prevailing from time to time (all such persons are hereinafter referred to as “Eligible Employees”) on the terms and conditions as detailed in the Explanatory Statement annexed hereto or on such other terms and conditions and at such price and in such number of tranches as may be decided by the Board in its absolute discretion.

**RESOLVED FURTHER THAT** the maximum number of stock options to be granted to Eligible Employees under RESPONSIVE ESOS 2018 from time to time shall not exceed 10% of the issued & paid up share capital of the Company in aggregate as determined as on the date of approval of the RESPONSIVE ESOS 2018 and approved by the Members in the Annual General Meeting on 8th June 2018, and shall not be more than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company in any financial year to each such Eligible Employee.

**RESOLVED FURTHER THAT** the Board and any committee formed for this purpose be and is hereby authorised to issue and allot Equity Shares upon exercise of options by Employee from time to time in accordance with the RESPONSIVE ESOS 2018 and other applicable laws in force and such Equity shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, regarding creation, offer, issue, allotment and listing of such shares, the Board be and is hereby authorized to evolve, decide upon and bring into effect RESPONSIVE ESOS 2018 and to make any modifications, changes, variation, alteration or revisions in it or to suspend, withdraw or revive the same from time to time in accordance with applicable laws and/or as may be specified by any appropriate authority and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary, desirable, usual or proper in relation thereto with the liberty to the Board on behalf of the Company to settle any question, difficulties or doubts whatsoever may arise with regard to such creation, offer, issue and allotment of shares without requiring the Board to secure any further consent or approval of the Members of the Company.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI (Share Based Employee Benefits) Regulations, 2014 and any other applicable laws and regulations to the extent relevant and applicable to the RESPONSIVE ESOS 2018.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, restructuring or such other similar event, the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary and which are within the provisions of the applicable laws & regulations, so as to ensure that fair and equitable benefits under RESPONSIVE ESOS 2018 are passed on to the Eligible Employees.

**FURTHER RESOLVED THAT** any of the Directors of the Company or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the shares allotted under the RESPONSIVE ESOS 2018 on the Stock Exchanges, as per the provisions of SEBI LODR Regulations, SEBI (Share Based Employee Benefits) Regulations, 2014, and other applicable guidelines, rules and regulations.



**FURTHER RESOLVED THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deem necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of RESPONSIVE ESOS 2018 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard”.

Pursuant to Rule 22(5) of the Rules, the Company has appointed M/s. P.P. Shah & Co., Practising Company Secretaries, Mumbai, having Membership No. 1483 and CP No. 436 as the scrutinizer (the “**Scrutinizer**”) for conducting the Postal Ballot and voting by electronic means (“**e-voting**”) process in a fair and transparent manner. You are requested to peruse the proposed Resolutions along with the Explanatory Statement and read carefully the instructions forming part of this Notice and return the Postal Ballot Form duly filled and signed (at the places marked in the Form) along with Assent (FOR) or Dissent (AGAINST) for the said Resolution, in the attached self-addressed, business reply envelope, so as to reach the Scrutinizer before the closing of working hours (5.00 p.m. IST) on 5th December, 2018. Please note that any Postal Ballot Form(s) received after the said date and time will be strictly treated as if no reply has been received. Members may vote either by way of Postal Ballot or by way of e-voting. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited (“**CDSL**”). In case a Member has voted through e-voting facility, he/she is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his/her vote through physical Postal Ballot Form, the vote cast through e-Voting shall only be considered and the voting through physical postal ballot shall not be considered by the Scrutinizer.

The e-voting facility is available at the link <https://www.evotingindia.com>. Please refer the instructions for e-voting given below for the proposed Resolutions for the process and the manner in which e-voting is to be carried out. Upon completion of the scrutiny of postal ballot forms & votes cast through e-voting, the Scrutinizer will submit his report to the Chairman authorized by the Board of Directors, after completion of the scrutiny of the postal ballots (including e-voting). The results of the Postal Ballot (including e-voting) would be announced by Chairman authorized by the Board of Directors on or before 5.00 p.m. on Friday, 7th December, 2018. The said results along with the Scrutinizer's Report would be displayed at the Registered Office of the Company, intimated to BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”) (collectively referred to as the “**Stock Exchanges**”) where the Company's shares are listed and displayed along with the Scrutinizer's Report on the Company's website viz. [www.responsiveindustries.com](http://www.responsiveindustries.com).

The resolution, if passed by the requisite majority, shall be deemed to have been passed on Wednesday, 5th December, 2018 i.e. the last date specified for receipt of duly completed Postal Ballot Forms or e-voting.)

**Registered Office:**

Village Betegaon, Mahagaon Road,  
Boisar (East), Taluka Palghar,  
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E-mail: [investor@responsiveindustries.com](mailto:investor@responsiveindustries.com)  
Website: [www.responsiveindustries.com](http://www.responsiveindustries.com)  
CIN: L99999MH1982PLC027797  
Place: Mumbai  
Date: 17th October, 2018

By Order of the Board  
For **Responsive Industries Limited**

**Ruchi Jaiswal**  
Company Secretary

## Notes:

1. The Explanatory Statement for the proposed Special Resolutions pursuant to Section 102 read with Section 110 of the Act setting out material facts pertaining to the resolutions are annexed hereto along with the Postal Ballot Form for your consideration. It also contains all the disclosures as specified in Schedule I of the Buyback Regulations, 2018.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear on the Register of Members/List of Beneficial Owners on Friday, 19th October, 2018 as received from the depositories. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agent. For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice along with Postal Ballot Form are being sent by permitted mode along with postage prepaid self-addressed Business Reply Envelope addressed to the Scrutinizer.
3. In compliance with the provisions of Section 108 and 110 of the Act read with the Rules and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering e-voting facility to all the Members of the Company to enable them to cast their votes electronically. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility to its Members. The instructions for e-voting are annexed to this Postal Ballot Notice.
4. The voting rights of the Members shall be in proportion to their holding of Equity Shares with the paid-up equity share capital of the Company as on Friday, 19th October, 2018. A person who is not a Member on the relevant date (i.e. Friday, 19th October, 2018) should treat this notice for information purpose only.
5. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
6. The documents referred to in the Explanatory statement such as the Memorandum and Articles of Association of the Company, the Limited Review Report dated 17th October, 2018 and the unaudited financial Statements of the Company for the half-year ended 30th September, 2018, Responsive ESOS 2018 Scheme will be available for inspection at the Company's registered office from Tuesday, 6th November, 2018 between 11:00 A.M and 1:00 P.M on any working day of the Company except Friday and public holidays till Wednesday, 5th December, 2018.
7. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to investor@responsiveindustries.com. The Registrar and Transfer Agent/Company shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member.
8. Facility to exercise vote by Postal Ballot including voting through electronic means will be available during the following period:  
**Commencement of voting:** From 09:00 a.m. (IST) on Tuesday, 6th November, 2018.  
**End of voting:** At 5.00 p.m. (IST) on Wednesday, 5th December, 2018 (both days inclusive)  
  
(The facility for voting through electronic means will be disabled for voting by CDSL upon expiry of the aforesaid voting period)
9. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decisions on the validity of Postal Ballot Form shall be final and binding.
10. Votes will be considered invalid, inter alia, on the following grounds:
  - (i) if the Member's signature does not tally;
  - (ii) if the Member has marked all his shares both in favor and also against the resolution;
  - (iii) if neither the assent nor dissent is mentioned;
  - (iv) if the Postal Ballot Form is unsigned or has not been signed by or on behalf of the Member;
  - (v) the Postal Ballot Form not being accompanied by a certified copy of the relevant specific authority, if the Postal Ballot Form is signed in a representative capacity;
  - (vi) if the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the Member or the number of votes or as to whether the votes are in favor or against or if the signature could not be checked or on one or more of the above said grounds;
  - (vii) if any other form is used;
  - (viii) if the information filled in the Postal Ballot Form is incomplete;
  - (ix) any direction given by competent authority in writing to the Company to freeze the voting rights of the Member;
  - (x) if the Member has made any amendment to the resolution or imposed any condition while exercising his vote;
  - (xi) if the envelope containing the Postal Ballot Form is received after the last date prescribed.
11. A Member cannot exercise his vote by proxy on Postal Ballot.
12. The resolution, if approved by the requisite majority of Members by means of Postal Ballot, shall be deemed to have been passed on the last date of voting, i.e. Wednesday, 5th December, 2018.
13. The Board of Directors in the Board meeting held on 17th October, 2018 has approved Business Responsibility Report for the financial year 2018 and the same has been annexed to this Notice as an addendum to the Annual Report 2018.

**A. The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Tuesday, 6th November, 2018 at 09:00 a.m. (IST) and ends on Wednesday, 5th December, 2018 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares in dematerialized form, as on the cut-off date Friday, 19th October, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form</b>	
PAN	<ul style="list-style-type: none"> <li>• Enter your 10 digits alpha-numeric PAN issued by Income Tax Department</li> <li>• <b>Members who have not updated their PAN with the Company/Depository Participant</b> are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Click on the EVSN for the relevant <Responsive Industries Limited> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xvii) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**B. In case of Members receiving physical copy of Postal Ballot Notice through permitted mode [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:**

- i. User ID and Initial password as provided along with Postal Ballot Form.
- ii. Please follow all steps from Sr. No. (i) to (xiv) as mentioned in (A) above, to cast your vote.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND 110 OF THE COMPANIES ACT, 2013**

### **ITEM No.1:**

The Board of Directors of the Company has proposed alteration in the Object Clause of the Memorandum of Association of the Company in their meeting held on 17th October, 2018.

The Company proposes to widen the scope of object of the Company to include the activities related to commodities and services in the main objects of the Company as the Company wants to utilize its available resources. Also, Company consider it prudent and desirable to make alteration in the title of the "Object Clause III(A) and Clause III(B)" of its Memorandum of Association to get aligned with the Schedule I Table A of the Companies Act, 2013.

Pursuant to the provisions of Section 13 of the Companies Act, 2013, if the Company intends to alter/amend/delete clauses of Memorandum of Association, the Company is required to pass Special Resolution. Further, as per Section 110 of the Act read with Rule 22(16)(a) of the Rules, the consent of the Members of the Company for the alteration of Main Object Clause shall be obtained by means of postal ballot. Accordingly, the Company is seeking Members consent for the aforesaid proposal as contained in the resolution (the "**Postal Ballot Resolution**").

The Board of Directors of the Company therefore recommends passing of the Special Resolution as set out in the Notice above.

A copy of the proposed new set of the Memorandum of Association of the Company would be available for inspection at the registered office of the Company situated at Betegaon, Mahagaon Road, Boisar East, Taluka Palghar, Dist. Thane MH – 401501 on all working days except Fridays and Public Holidays from Tuesday, 6th November, 2018 between 11.00 am and 1.00 pm till Wednesday, 5th December, 2018.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

### **ITEM No.2:**

The Board of Directors of the Company has proposed adoption of new set of Articles of Association in their meeting held on 17th October, 2018.

In order to implement the Buyback exercise and also in view of the new Companies Act, 2013, the Company is required to amend the existing Articles of Association of the Company to reflect certain provisions. Accordingly, in view of the new Companies Act, 2013 and also in light of the proposal to implement the Buyback of Equity Shares of the Company, and in lieu of amendments to various articles in the existing Articles of Association, it is considered prudent and desirable to adopt a new set of Articles of Association of the Company, in substitution for, and to the exclusion of the existing Articles of Association of the Company.

Pursuant to Section 14 of the Companies Act, 2013 (the "**Act**"), the consent of the Members of the Company by way of a Special Resolution is required for adoption of a new set of Articles of Association of the Company. Further, pursuant to Section 110 of the Act, the consent of the Members of the Company for adoption of new Articles of Association shall be obtained by means of postal ballot. Accordingly, the Company is seeking Members consent for the aforesaid proposal as contained in the resolution (the "**Postal Ballot Resolution**").

The Board of Directors of the Company therefore recommends passing of the Special Resolution as set out in the Notice above.

A copy of the proposed new set of the Articles of Association of the Company would be available for inspection at the registered office of the Company situated at Betegaon, Mahagaon Road, Boisar East, Taluka Palghar, Dist. Thane MH – 401501 on all working days except Fridays and Public Holidays from Tuesday, 6th November, 2018 between 11.00 am and 1.00 pm till Wednesday, 5th December, 2018

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

### **ITEM No. 3:**

The Board at its meeting held on 17th October, 2018 has approved the proposal for Buyback of Equity Shares as contained in the resolution in the Notice.

Since the Buyback is more than 10% of the total paid up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the Members of the Company, for the Buyback, by way of a Special Resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the Members of the Company is required for the Buyback to be obtained by means of postal ballot. Accordingly, the Company is seeking Members consent for the aforesaid proposal as contained in the resolution (the "**Postal Ballot Resolution**").

As per the relevant provisions of the Act and Regulation 5(iv)(b) of the Buyback Regulations, the Explanatory Statement contains relevant and material information to enable the Members holding Equity Shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's Equity Shares. Requisite details relating to the Buyback are given below:



**a) Objective of the Buyback**

The Board at its meeting held on October 17, 2018 considered the accumulated free reserves as well as the cash liquidity reflected in the unaudited accounts for the half year ended 30th September, 2018 and considering these, the Board decided to allocate a sum of Rs. 15977.50 Lakhs (Rupees One Hundred Fifty-Nine Crores Seventy-Seven Lakhs and Fifty Thousand Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., for returning to the Members holding Equity Shares of the Company through the Buyback. After considering several factors and benefits to the Members holding Equity Shares of the Company, the Board decided to recommend Buyback of not exceeding 2,07,50,000 (Two Crores Seven Lakhs Fifty Thousand only) Equity Shares (representing approximately 7.77% of the total paid-up equity share capital of the Company as on 30th September, 2018) at a price of Rs. 77/- per Equity Share for an aggregate consideration of up to Rs. 15977.50 Lakhs (Rupees One Hundred Fifty-Nine Crores Seventy-Seven Lakhs and Fifty Thousand Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

**The Objective of Buyback are;**

- i. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholders";
- ii. The Buyback may help in improving return on equity, by reduction in the equity base, which may consequentially lead to a long-term increase in shareholders' value;
- iii. The Buyback gives an option to the Members holding Equity Shares of the Company, who can choose to surrender their shares by participating in the Buyback and get cash in lieu of surrendered Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment; and
- iv. The Buyback would result in the optimization of the capital structure of the Company.

**b) Method to be adopted for the Buyback**

The Buyback shall be on a proportionate basis (subject to the reservation for small shareholders), from all the Members holding Equity Shares of the Company through the "Tender Offer" route, as prescribed under the Buyback Regulations and the mechanism as per Regulation 9(vii) of the Buyback Regulations, including any amendments thereof. The Buyback will be implemented in accordance with the Act and the Rules to the extent applicable and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date (the "Record Date") for determining the names of the Members holding Equity Shares of the Company who will be eligible to participate in the Buyback.

In due course, upon the passing of this resolution, each Member as on the Record Date, will receive a Letter of Offer along with an intimation indicating the entitlement of the Member for participating in the Buyback.

The Equity Shares to be bought back as a part of the Buyback is divided in two categories:

- (a) Reserved category for small shareholders; and
- (b) General category for all other Members.

As defined in the Buyback Regulations, a "small shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price on the recognized stock exchange in which highest trading volume in respect of Equity Shares as on Record Date, of not more than Rs. 2,00,000/- (Rupees Two Lakhs Only) ("Small Shareholder"). In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback. The Company believes that this reservation of 15% for Small Shareholders would benefit a large number of public shareholders, who would get classified as Small Shareholders.

On the basis of the holding on the Record Date, the Company will determine the entitlement of each Member to tender their Equity Shares in the Buyback. This entitlement for each Member will be calculated based on the number of Equity Shares held by the respective Member as on the Record Date and the ratio of Buyback applicable in the category to which such Member belongs.

Members holding Equity Shares of the Company may also accept a part of their entitlement. Members holding Equity Shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participating in the shortfall, if any, created due to non-participation of some other Members. The maximum tender under the Buyback by any Member cannot exceed the number of Equity Shares held by the Member as on the Record Date.

The Equity Shares tendered as per the entitlement by Members holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in the Buyback Regulations. The settlement of the tenders under the Buyback is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" as per Regulation 9(vii) of Buyback Regulations, including any amendments thereof.

Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Members holding Equity Shares of the Company as on the Record Date.

**c) Maximum amount required under the Buyback and its percentage of the total paid up capital and free reserves**

The maximum amount required under the Buyback will not exceed Rs. 15977.50 Lakhs (Rupees One Hundred Fifty-Nine Crores Seventy-Seven Lakhs and Fifty Thousand Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, service tax, stamp duty, etc., representing 24.73% respectively of the aggregate of the standalone paid-up share capital and free reserves (including securities premium account), as per the unaudited accounts of the Company for the half year ended 30th September, 2018, which is within the limit of 25% as per the provisions of the Act.

The Buyback would be financed out of free reserves or the securities premium account of the Company. The Company shall transfer from its free reserves and/or securities premium account a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet.

The Company will fund the Buyback from the retained earnings and no funds will be borrowed from Banks and Financial Institutions for the Buyback.

The Company confirms that as required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up share capital and free reserves as on 30th September, 2018 after the Buyback.

**d) Buyback Price and the basis of arriving at the Buyback Price**

The Equity Shares of the Company are proposed to be bought back at a price of Rs. 77/- (Rupees Seventy-Seven only) per Equity Share (the “**Buyback Price**”). The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the market prices of the Equity Shares on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

The Buyback Offer Price of Rs. 77/- (Rupees Seventy-Seven only) per Equity Share represents a premium of 7.02% and 11.51% over the closing price of the Equity Shares on the BSE and on the NSE (collectively referred to as the “Stock Exchanges”), respectively, as on Tuesday, 9th October, 2018, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered.

**e) Maximum number of shares that the Company proposes to Buyback and the time limit for completing the Buyback**

The Company proposes to Buyback up to 2,07,50,000 (Two Crores Seven Lakhs Fifty Thousand only) Equity Shares of face value of Re. 1/- each of the Company. The Buyback is proposed to be completed within 12 months from the date of Special Resolution approving the proposed Buyback.

**f) Compliance with Section 68(2)(c) of the Act**

The aggregate paid-up share capital and free reserves as on 30th September, 2018 (the unaudited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs. 64616.35 Lakhs on a standalone basis. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. Rs. 16154.09 Lakhs on Standalone basis. The maximum amount proposed to be utilized for the Buyback, is Rs. 15977.50 Lakhs (Rupees One Hundred Fifty-Nine Crores Seventy-Seven Lakhs and Fifty Thousand Only) and is therefore within the limit of 25% of the Company's total paid-up share capital and free reserves as per the unaudited accounts for the half year ended 30th September, 2018. Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 6,67,28,175. Since the Company proposes to Buyback up to 2,07,50,000 Equity Shares, the same is within the aforesaid 25% limit.

**g) The aggregate shareholding of the Promoters and Promoter Group and of the directors of the members of the Promoter Group, where such member is a company and persons who are in control of the Company as on the date of this Notice is as follows:**

**1. The aggregate shareholding of the Promoters and Promoter Group as on 17th October, 2018:**

Sr. No.	Name of Shareholder	No. of Equity Shares held	Percentage (%)
1	Wellknown Business Ventures LLP	123425340	46.24
2	Axiom Cordages Limited	4418330	1.65
3	Efficient Builders LLP	1592000	0.60
4	Mavi Business Ventures LLP	778687	0.29
5	Saudamini Abhishek Agarwal	1489000	0.56
6	Swati Atit Agarwal	1300010	0.49
7	Atit Omprakash Agarwal	773330	0.29
8	Rishab Rajkumar Agarwal	37830	0.01
	<b>Total</b>	<b>133814527</b>	<b>50.13</b>

**2. The aggregate shareholding of the directors of companies, which are part of the Promoters and Promoter Group as on 17 October, 2018:**

Sr. No.	Name of the director of Promoter Group	Name of the Promoter/ Promoter Group Company	No. of Equity Shares held	Percentage (%)
1	Vidhushree Agarwal	Efficient Builders LLP	500	0.00
		Mavi Business Ventures LLP		

**3. Details of shareholding of the Directors of the Company as on 17 October, 2018:**

Sr. No.	Name of directors	Designation	No. of Equity Shares held	Percentage (%)
1	Rishab Rajkumar Agarwal	Managing Director	37830	0.01
2	Rajesh Pandey	Executive Director	NIL	NIL
3	Rohini Agarwal	Non-Executive Director	NIL	NIL
4	Shobha Singh Thakur	Independent Director	NIL	NIL
5	Rajiv Kumar Bakshi	Additional Director (Independent)	NIL	NIL
6	Jyoti Rai	Independent Director	NIL	NIL

**4. No. of Equity Shares of the Company have been purchased/sold by any of the Promoters and Promoter Group, directors of the Promoters and Promoter Group, and persons who are in control of the Company as on the date of this Notice, during the period from six months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of this Notice, except for the following transactions:**

Name of Promoter / Director	No. of Equity Shares Purchased / Sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
Abhishek Omprakash Agarwal	552000	Transfer by way of Gift (on 29.06.2018)	-	-	-	-

**5. In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter Group have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group have expressed their intention vide their letters, dated 17th October, 2018 to not participate in the Buyback offer.**

**h) Confirmations from the Board**

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- That immediately following the date of Board meeting held on 17th October, 2018 and the date on which the special resolution approving the Buyback is passed, there will be no grounds on which the Company can be found unable to pay its debts.
- That as regards the Company's prospects for the year immediately following the date of the Board meeting held on 17th October, 2018 as well as for the year immediately following the date on which the Special Resolution approving the Buyback is passed, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting and within a period of one year from the date on which the special resolution approving the Buyback is passed.
- In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act, 2013, the Act, and the Insolvency and Bankruptcy Code, 2016.

**i) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:**

The text of the report dated 17th October, 2018, of the Statutory Auditors of the Company, addressed to the Board is reproduced below:

**The Board of Directors**  
**Responsive Industries Limited**  
 Betegaon, Mahagaon Road,  
 Boisar East Taluka Palghar,  
 Dist. Thane Betegaon MH 401501.

Dear Sirs,

**Auditor's Report on the matters specified in clause (xi) of Schedule I (Regulation 5 (iv) (b) of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations") for proposed buyback of equity shares of the Company.**

1. This report is issued in accordance with the terms of our engagement letter dated 17th October, 2018.
2. We, S G C O & Co. LLP, Chartered Accountants (Firm Registration Number 112081W/W100184), the Statutory Auditors of Responsive Industries Limited ("Company"), have been informed by the Management of the Company that the Board of Directors of the Company has approved a proposed buy-back of equity shares of the Company at its meeting held on 17th October, 2018, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 (the "Act") and the SEBI Buyback Regulations.
3. The responsibility for preparing the accompanying Statement of permissible capital payment ("Annexure A") as at 30th September 2018 (hereinafter referred together as the "Statement") is prepared by the Management of the Company, and same is initialed by us for identification purposes only.

**MANAGEMENT'S RESPONSIBILITY FOR THE STATEMENT**

4. The Management of the Company is responsible for the preparation of the Statement in accordance with Section 68 (2)(c) of the Companies Act, 2013 and to comply with the SEBI Buyback Regulations, including the computation of the amount of the permissible capital payment, preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating and validating data and designing implementing and monitoring of internal controls suitable for ensuring compliance with all applicable guidelines issued in connection with the proposed buy back of equity shares of the Company.
5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of meeting at which the proposal for buy-back was approved by the Board of Directors of the Company.

**AUDITOR'S RESPONSIBILITY FOR THE STATEMENT**

6. Pursuant to the requirements of SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance on:
  - a) Whether we have inquired into the state of affairs of the Company in relation to the unaudited standalone financial statements as at and for the half year ended 30th September 2018;
  - b) the amounts used for computing the permissible capital payment as stated in Annexure A, have been accurately extracted from the unaudited standalone financial statements for the half year ended 30th September 2018 and whether the computation of is in accordance with Section 68(2)(c) of the Act; and
  - c) Whether Board of Directors of the Company in their meeting dated 17th October, 2018 have formed the opinion as specified in clause (xi) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing of Board meeting resolution dated 17th October, 2018.
7. The unaudited standalone financial statements for the half year ended 30th September, 2018 referred to in paragraph 6 above, have been Limited Review by us on which we have issued an unmodified opinion vide our report dated 17th October, 2018.

The un-audited standalone financial statement referred to above for the half year ended 30th September, 2018 has been prepared in accordance with applicable Accounting Standards i.e Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013. Our Limited Review of the standalone financial statement for the half year ended 30th September, 2018 was conducted in accordance with the Standards on Standard on Review Engagement (SRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountant of India.

8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**CRITERIA AND SCOPE**

10. The criteria against which the information contained in the Statement is evaluated are following:
  - a) Un-Audited standalone financial statements of the Company for the half year ended 30th September, 2018;
  - b) Letter of Announcement of Buyback submitted by the Company's Board of Directors to Stock exchange as per Regulation 30 of Listing obligations and disclosure requirements of Securities and Exchange Board of India;



- c) Board Resolution passed at the Board Meeting held on 17th October, 2018;
- d) Articles of Association of the Company; and
- e) Books of accounts and other records and written representation obtained from the Management of the Company.

#### OPINION

11. Based on our examination, as stated above and according to the information, explanations and written representations provided to us by the Management of the Company, we report that:
- a) We have inquired into the state of affairs of the Company in relation to its un-audited standalone financial statements for the half year ended 30th September, 2018;
  - b) The amount of permissible capital payment towards the proposed buy back of equity shares as stated in Annexure A is in accordance with Section 68(2) (c) of the Act and the amounts of share capital and free reserves used in computation of permissible capital payment have been accurately extracted from the un-audited standalone financial statements of the Company for the half year ended 30th September, 2018; and
  - c) The Board of Directors of the Company, in their meeting held on 17th October, 2018 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 17th October, 2018.

#### RESTRICTION ON USE

12. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the SEBI Buyback Regulations solely to enable the Board of Directors of the Company to include it in postal ballot notice, public announcement and in the letter of offer to be circulated to the Members of the Company and filed with various regulatory authorities, in connection with the Buyback, in pursuance of the provisions of sections 68, 69 and 70 of the Act and the SEBI Buyback Regulations, and should not be used for any other purpose or by any other person.

#### For S G C O & Co. LLP

Chartered Accountants  
Firm Reg. No. 112081W/W100184

Suresh Murarka  
Partner  
Mem. No.: 044739

Place: Mumbai  
Date: 17 October, 2018

#### Annexure A

Statement of computation of permissible capital payment for the proposed Buyback of the Equity Shares of the Company in accordance with Section 68(2) (c) of the Act, based on un-audited financial statements for the half year ended 30th September, 2018:

Particulars		Amount (Rs. in crore)
<b>Paid-up equity share capital as at 30<sup>th</sup> September, 2018</b>	<b>(A)</b>	<b>26.69</b>
<b>Free Reserves as at 30<sup>th</sup> September, 2018*</b>		
i. Securities Premium account		143.86
ii. General Reserves		0.01
iii. Retained Earnings (net of unrealised gain amounting to Nil on investment in Equity Shares/Preference Shares/Bonds))		475.60
<b>Total Free Reserves</b>	<b>(B)</b>	<b>619.47</b>
<b>Total Paid- up equity share capital and Free Reserves as at 30<sup>th</sup> September, 2018</b>	<b>C=(A+B)</b>	<b>646.16</b>
<b>Permissible capital payment in accordance with the provisions of Section 68 of the Act</b>	<b>D=(C*25%)</b>	<b>161.54</b>
<b>(25% of the total paid up equity share capital and Free Reserves as at 30<sup>th</sup> September, 2018)</b>		
<b>Amount proposed by Board Resolution dated 17<sup>th</sup> October, 2018 approving the Buyback, subject to shareholders approval by special resolution, based on the un-audited financial statements for the half year ended 30<sup>th</sup> September, 2018</b>		<b>159.78</b>

\*Free Reserves are computed in accordance with the provisions of section 2(43) of Companies Act, 2013 read along with the Explanation II provided in Section 68 of the Act.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding equity shares of the Company. The Directors, therefore, recommend the Special Resolution as set out in the accompanying Notice for approval by the Members.

Directors and Key Managerial Personnel of your Company and their relatives are interested in this Resolution to the extent of their respective shareholdings/Stock Options in 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: 17th October, 2018

**j) General obligations of the Company as per the provisions of the Buy-back Regulations and the Act: -**

- i. The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- ii. The Company shall not raise further capital for a period of one year from the closure of Buyback offer except in discharge of its subsisting obligations;  
The Special Resolution approving the Buyback will be valid maximum for a period of one year from the date of passing of the said special resolution (or such extended period as may be permitted under the Act or the Buy-back Regulations or by the appropriate authorities). The exact time table for the Buyback shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- iii. The Equity Shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- iv. The Company shall not withdraw the Buyback after the public announcement of the offer to Buyback is made or the draft letter of offer is filed with SEBI;
- v. The Company shall not Buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable; and
- vi. The Company confirms that there are no defaults subsisting in the repayment of deposit or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- vii. For any queries, clarifications or grievances related to the postal ballot process, electronic voting process or Buyback process, Members holding Equity Shares of the Company may contact the following:  
Ruchi Jaiswal, Company Secretary  
Tel: +91 22 66562821; Fax +91 22 66562799;  
Email: investor@responsiveindustries.com

All the material documents relevant to the Board resolution for the Buyback, the Limited Review Report dated 17th October, 2018 of the Auditors and the unaudited accounts for the half yearly period from 1st April, 2018 to 30th September, 2018, New set of Articles of Association are available for inspection by the Members of the Company at its Registered Office on any working day except Fridays and Public Holidays from Tuesday, 6th November, 2018 between 11.00 am and 1.00 pm till Wednesday, 5th December, 2018

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding Equity Shares of the Company. The Directors, therefore, recommend passing of the Special Resolution as set out in the accompanying Notice.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

**ITEM No. 4:**

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 subsidiaries 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 motivate them to contribute to the overall corporate growth and profitability.

The Securities and Exchange Board of India had issued the SEBI (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”) with effect from October 28, 2014 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 implement and extend the applicability of the '**RESPONSIVE ESOS 2018**' approved by the shareholders in the Annual General Meeting of the Members held on 8th June 2018 for the purposes of granting options to the Eligible Employees/Directors of the existing subsidiary company(ies) (viz., Axiom Cordages Limited, Responsive Industries Limited, Hong Kong and Axiom Cordages Limited, Hong Kong) and future subsidiary company(ies) of the Company.

Pursuant to Regulation 6(3)(c) of Securities and Exchange Board of India (Share Based Employee Benefits Regulations, 2014), the resolutions contained at Item Nos.04 seek to obtain the Members' approval to authorise the Board of Directors (hereinafter referred to as the "Board", which term shall include the Nomination & Remuneration Committee ("NRC") and/or any other Committee constituted by the Board for this purpose), of the Company to create, issue, offer and allot equity shares, from time to time, to employees/Directors of the Company's existing and future subsidiary company(ies) under this Scheme.

A copy of the proposed **RESPONSIVE ESOS 2018** will also be available for inspection at the Registered Office of the Company from Tuesday, 6th November, 2018 between 11:00 A.M and 1:00 P.M on any working day of the Company except Friday and Public holidays till Wednesday, 5th December, 2018.

**As per Regulation 6 and Regulation 14 of the SEBI SBEB Regulations, the key details of the aforesaid Scheme are set out below:**

**a. Brief description of the Scheme**

The objective of **RESPONSIVE ESOS 2018** is to reward the Employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to attract and reward talent and performance in the organization. The Company views employee stock options as instruments that would enable the Employees to share the value they would create and contribute for the Company in the years to come.

**b. Total number of options to be granted**

Each Option would entitle an employee to acquire one equity share of the Company. The Nomination & Remuneration Committee ("NRC") shall determine the Options to be granted to the eligible employees of the Company and its subsidiaries, as applicable, under **RESPONSIVE ESOS 2018**. However, allotment of such number of equity shares pursuant to exercise of the Options by eligible employees, shall not exceed in aggregate 10% of the issued and paid up capital of the Company from time to time.

**c. Identification of classes of employees entitled to participate and be beneficiaries in the Scheme**

All the employees and Directors, as defined under the SEBI SBEB Regulations 2014, of the Company and its subsidiary companies, as applicable, whether working in India or outside India, will be entitled to participate in **RESPONSIVE ESOS 2018**, subject to fulfillment of such eligibility criteria(s) as may be specified in the SEBI SBEB Regulations 2014 and/or as may be determined by NRC from time to time.

**d. Requirements of vesting and period of vesting**

The vesting of an option would also be subject to the terms and conditions as may be stipulated by the NRC from time to time including but not limited to satisfactory performance of the employees, their continued employment with the Company/its subsidiaries, as applicable. The vesting period shall commence any time after the expiry of one year from the date of the grant of the options to the employee and shall end over a maximum period of 5 years from the date of the grant of the options. The options could vest in tranches. The number of stock options and terms of the same made available to employees (including the vesting period) could vary at the discretion of the NRC.

**e. Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options shall be vested**

Five years from the date of the grant.

**f. Exercise price or pricing formula**

Exercise Price shall be as decided by the NRC, subject to a minimum of the face value per share.

**g. Exercise period and process of exercise**

**Exercise period** - Upto 5 Years from the date of Vesting of Options

**Process of Exercise** - The Option Grantee may, at any time during the Exercise Period, and subject to fulfillment of conditions of Vesting, Exercise the Options by submitting Exercise Application to the Company accompanied by payment of an amount equivalent to the Exercise Price and applicable tax amount, in respect of such Shares. The Exercise Application shall be in such form as may be prescribed in this regard and the NRC may determine the procedure for Exercise from time to time.

**h. The appraisal process for determining the eligibility of employees for the Scheme**

The specific Employees to whom the Options would be Granted and their eligibility criteria (including but not limited to performance, merit, grade, conduct and length of service of the Employee) would be determined by the NRC, at its absolute discretion. This power of NRC can be delegated by NRC to any official of the Company.

**i. Maximum number of options to be issued per employee and in aggregate**

The maximum number of stock options to be granted to Eligible Employees under **RESPONSIVE ESOS 2018** shall not exceed 10% of the issued & paid up share capital of the Company from time to time, in aggregate under the **RESPONSIVE ESOS 2018** and shall be not more than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company in any financial year.

**j. Maximum quantum of benefits to be provided per employee under a Scheme**

As per applicable SEBI SBEB Regulations, 2014.

**k. Whether the Scheme is to be implemented and administered directly by the Company or through a trust**

Scheme is to be implemented and administered directly by the Company.

**l. Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the trust or both**

Scheme involves new issue of shares by the Company.

**m. The amount of loan to be provided for implementation of the Scheme by the company to the trust, its tenure, utilization, repayment terms, etc.**

Nil

**n. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Scheme**

Not Applicable

**o. A statement to the effect that the Company shall conform to the accounting policies specified in Regulation 15**

The Company shall comply with the accounting policies specified in the requirements on the guidance note on accounting for employees share based payments ('Guidance Note') or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including disclosure requirements prescribed therein.

**p. The method which the Company shall use to value its options**

The Company shall follow the intrinsic value method for computing the compensation cost for the Options Granted. The difference between the compensation cost so calculated and the compensation cost that would have been recognized if the Company had used fair value method and its impact on the profits and earnings per share shall be disclosed as per Applicable Laws, wherever required.

**q. The following statement, if applicable;**

In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share of the company shall also be disclosed in the Directors' report.'

Will be disclosed in the Boards' Report, when applicable.

**r. Listing of shares**

Subject to the approval of the Stock Exchanges the relevant equity shares on exercise of the Options shall be listed on the Stock Exchanges on which the securities of the Company are listed.

The Board of Directors accordingly recommend passing of the Special Resolution as contained in the Notice.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

**Registered Office:**

Village Betegaon, Mahagaon Road,  
Boisar (East) Taluka Palghar,  
Dist. Thane - 401501  
Maharashtra  
Tel.: +91 22 66562821; Fax: + 91 226562799  
E-mail: investor@responsiveindustries.com;  
Website: www.responsiveindustries.com  
CIN: L99999MH1982PLC027797  
Place: Mumbai  
Date: 17th October, 2018

By Order of the Board  
For **Responsive Industries Limited**

**Ruchi Jaiswal**  
Company Secretary