

Date: July 03, 2021

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001

To,
National Stock Exchange of India Limited
Exchange Plaza, C - 1, Block G,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400 051

Scrp Code: 505509

Symbol: RESPONIND

Subject : Intimation under Regulation 30 read with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Scheme of Amalgamation of Axiom Cordages Limited with Responsive Industries Limited

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform that the Board of Directors of Responsive Industries Limited ("Company") at their Meeting held on Friday, July 02, 2021 have, subject to the requisite statutory and regulatory approvals/consents including the approval of Hon'ble National Company Law Tribunal, Mumbai Bench, considered and approved the scheme of amalgamation of Axiom Cordages Limited ("Axiom"), a subsidiary of the Company with the Company ("Scheme") under the provisions of sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder.

The salient features of the proposed Scheme are under:

1. Appointed Date for the Scheme would be April 01, 2021;
2. Upon the Scheme becoming effective and upon the amalgamation of Axiom with the Company, the shares held by the Company in Axiom as on the record date shall stand cancelled and the shares held by Axiom in the Company shall also stand cancelled and the share capital of the Company shall be reduced to that extent;
3. Pursuant to the terms of the Scheme, the Company would allot 100 (One Hundred) fully paid up equity shares of the Company of face value of INR 1 each for every 128 (One Hundred and Twenty Eight) fully paid-up equity shares of face value of INR 10 each held by other shareholders in Axiom;
4. The transfer and vesting of the undertakings and business of Axiom in Company will be effective from Appointed Date.

Further, the details as required under the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are given in Annexure - A to this letter.

RESPONSIVE INDUSTRIES LIMITED

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

www.responsiveindustries.com

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F: +91 22 6656 2799

E: enquiry@responsiveindustries.com

CIN NO. L65100MH1982PLC027797





We listen. We're responsive.

The above outcome of the Board Meeting will also be uploaded on the Company's website i.e. www.responsiveindustries.com.

Kindly take the same on your record.

Thanking you,

Yours sincerely,

For **Responsive Industries Limited**

Rishika Puri
Company Secretary & Compliance Officer
Membership No.: A49818



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Disclosures under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

Sr. No.	Particulars	Description												
a	Name of the entities forming part of the amalgamation/merger, details in brief such as, size, turnover, etc.	<p>The details of Axiom Cordages Limited ("Transferor Company" or "Axiom") and Responsive Industries Limited ("Transferee Company" or "Responsive") are as under:</p> <p>As on March 31, 2021:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Axiom (Rs. in Crores)</th> <th>Responsive (Rs. in Crores)</th> </tr> </thead> <tbody> <tr> <td>Paid-up Capital</td> <td>32.88</td> <td>26.69</td> </tr> <tr> <td>Net Worth (Standalone)</td> <td>369.71</td> <td>665.16</td> </tr> <tr> <td>Turnover (Standalone)</td> <td>87.18</td> <td>373.54</td> </tr> </tbody> </table>	Particulars	Axiom (Rs. in Crores)	Responsive (Rs. in Crores)	Paid-up Capital	32.88	26.69	Net Worth (Standalone)	369.71	665.16	Turnover (Standalone)	87.18	373.54
Particulars	Axiom (Rs. in Crores)	Responsive (Rs. in Crores)												
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Turnover (Standalone)	87.18	373.54												
b	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	<p>The Transferor Company is a Subsidiary of the Transferee Company and as such both the Companies are related party to each other.</p> <p>However, the Ministry of Corporate Affairs has clarified vide its General Circular No. 30/ 2014 dated July 17, 2014 that transactions arising out of Compromise, Arrangements and Amalgamations dealt with under specific provisions of the Companies Act, 2013, will not fall within the purview of related party transaction in terms of Section 188 of the Companies Act, 2013.</p> <p>The consideration for the proposed amalgamation will be discharged at an arms' length basis. The shares to be allotted to the shareholders of the Transferor Company as consideration for the amalgamation are based on the Valuation Report issued by the Independent Valuer named Rashmi Shah, FCA. Further, a fairness opinion on the share exchange ratio as recommended by Independent Valuer has been issued by Saffron Capital Advisors Private Limited, Independent Category-I Merchant Banker. The aforesaid Valuation Report and Fairness Opinion have been duly considered, approved and recommended for Board's approval by the Audit Committee, pursuant to which the Board of Directors of the Company have also considered and accorded their approval for the same.</p>												

c	Area of business of the entities	<p>The Transferor Company is engaged in the business of articles made out of plastic/ polymers including production and supply of synthetic ropes, which are used in the shipping industry, construction industry etc.</p> <p>The Transferee Company is engaged in the business of manufacturing, production, processing, trading, dealing in all varieties, characteristics, descriptions, strength, applications, colours and uses of plastic goods / PVC products and materials including lumps, powders, pipes, films, tubes, fibers, twines, laminates, granules sheets, blocks, chips, flakes, bars, flooring, sheets rigid their compounds, by products, co-products, formulation, intermediaries, ingredients, residues, mixtures and blends made of PVC, polymers, nylons, HDPE, PP, LDPE, Polystyrene, monomers, elastomers, resins and polyesters. The Transferee Company is also engaged in processing, producing and manufacturing synthetic cables, ropes and products.</p>
d	Rationale for amalgamation/ merger	<p>The Transferor Company is a subsidiary of the Transferee Company with common management, practices and is engaged in similar business activities. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that it shall be advantageous to consolidate the Indian operations and simplify the group structure in order to efficiently and economically manage the Transferee Company and Transferor Company as a single entity.</p> <p>A consolidation of the Transferor Company and the Transferee Company by way of amalgamation would lead to a more efficient utilization of capital and cashflow, enhanced goodwill, integration of business functions and manpower which would lead to synergies in operation arising from consolidation of various projects and products leading to efficient utilization of resources including benefits arising out of economies of large scale, enhanced bargaining power, enhanced research and development capabilities and lower operating costs.</p> <p>Consolidation of business in one single entity will provide several benefits including streamlining of structure by reducing the duplicity of administrative functions, multiplicity of legal and regulatory compliances and rationalization of costs.</p> <p>Upon amalgamation, the rights and interests of the shareholders or other stakeholders of the Transferee Company shall not be affected and the</p>



		<p>Scheme shall not be prejudicial to the interest of the shareholders or the stakeholders of the Transferor Company. The shareholders would consolidate their holdings and leverage the share value consequent in higher profitability.</p> <p>The proposed arrangement will provide greater integration and flexibility to the Transferee Company and strengthen its position in the industry, in terms of assets, base, revenue, product and service range.</p> <p>The creditors of the Transferor Company will not be affected by the Scheme since the assets of the Transferor and Transferee Companies (taken together) are more than the liabilities of the Transferor and Transferee Companies (taken together). Further even the creditors of the Transferee Company will not be affected by the Scheme since the assets of the Transferor Company are more than the liabilities of the Transferor Company. Further post the amalgamation, the assets of the Transferee Company shall be greater than its liabilities.</p> <p>The amalgamation shall result in transfer of capital assets from the Transferor Company to the Transferee Company and such transfer shall be tax neutral under the provisions of Income-tax Act, 1961.</p> <p>The proposed Scheme will be beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of both the Companies involved.</p>
e	In case of cash consideration - amount or otherwise share exchange ratio	<p>Upon the Scheme becoming effective, the shares held by the Company in Axiom as on the record date shall stand cancelled. Further, shares held by Axiom in the Company shall also stand cancelled and the share capital of the Company shall be reduced to that extent.</p> <p>Furthermore, pursuant to the terms of the Scheme, Company would allot 100 (One Hundred) fully paid-up equity shares of the Company of face value of INR 1 each for every 128 (One Hundred and Twenty Eight) fully paid-up equity shares of face value of INR 10 each held by other shareholders in Axiom.</p>
f	Brief details of change in shareholding pattern (if any) of listed entity	<p>There will be a change in the shareholding pattern of the Transferee Company pursuant to Scheme in accordance with the share exchange Ratio. The brief details of shareholding of the Transferor Company and Transferee Company, pre and post amalgamation is as follows:</p>



Transferee Company:

Category	Pre-Amalgamation		Post-Amalgamation	
	No. of Shares	% of Total	No. of Shares	% of Total
Promoters & Promoter Group	132325527	49.58	129975137	49.03
Public	134587173	50.42	135122734	50.97

Transferor Company:

Category	Pre-Amalgamation		Post-Amalgamation	
	No. of Shares	% of Total	No. of Shares	% of Total
Responsive (Promoter)	29550725	89.87	Not applicable as the Transferor Company will stand dissolved.	
Wellknown Business Ventures LLP (Promoter)	2624000	7.98		
Public	708477	2.15		

