

February 06, 2026

BSE Limited Corporate Relationship Manager, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 505509	National Stock Exchange of India Limited Exchange Plaza, C - 1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Stock Symbol: RESPONIND
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Sub: Intimation of revision / upgrade in Credit Rating under Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations 2015")

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI LODR Regulations 2015 please find below the detail of the revision / upgrade in credit rating issued by Infomeric Valuation and Rating Pvt. Ltd:

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings
Long term Bank facilities	125.47 (Reduced from Rs. 130.57 crore)	IVR A/ Stable (IVR Single A with Stable Outlook)	IVR A/ Stable (IVR Single A with Stable Outlook)
Short Term Bank Facilities	64.80	IVR A1 [IVR A One]	IVR A1 (IVR A One)
Long Term/ Short Term Bank Facilities	240.00	IVR A/ Stable/ IVR A1 (IVR Single A with Stable Outlook/ IVR A One)	IVR A/ Stable/ IVR A1 (IVR Single A with Stable Outlook/ IVR A One)
Total	430.27 (Rupees Four hundred thirty crore and twenty-seven lakh only)		

The press release from the credit rating agency dated February 05, 2026 is enclosed.

Kindly take the same on record and acknowledge receipt.

For **Responsive Industries Limited**



Mohini Sharma
Company Secretary & Compliance Officer

Encl: as above

RESPONSIVE INDUSTRIES LIMITED

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Press Release

Responsive Industries Limited

February 05, 2026

Ratings

Instrument/ Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	125.47 (Reduced from Rs. 130.57 crore)	IVR A/ Stable (IVR Single A with Stable Outlook)	IVR A/ Stable (IVR Single A with Stable Outlook)	Rating Reaffirmed	Simple
Short Term Bank Facilities	64.80	IVR A1 (IVR A One)	IVR A1 (IVR A One)	Rating Reaffirmed	Simple
Long Term/ Short Term Bank Facilities	240.00	IVR A/ Stable/ IVR A1 (IVR Single A with Stable Outlook/ IVR A One)	IVR A/ Stable/ IVR A1 (IVR Single A with Stable Outlook/ IVR A One)	Rating Reaffirmed	Simple
Total	430.27 (Rupees Four hundred thirty crore and twenty-seven lakh only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has reaffirmed its rating at IVR A/ Stable/ IVR A1 for the bank facilities of Responsive Industries Limited (RIL). The rating continues to factor in the experience of promoters, diversified product portfolio, strong market position, healthy scale of operations, comfortable leverage, and debt protection metrics. The rating strengths are partially offset by elongated operating cycle, susceptibility to volatility in raw material prices, and foreign exchange rates.

The stable outlook reflects expectations of sustained operating performance supported by the promoters' long track record, diversified product portfolio, and healthy financial risk profile.

Key Rating Sensitivities:

Upward Factors

- Significant increase in the company's scale of operations and/or profitability while maintaining comfortable leverage and strong debt protection metrics on a sustained basis.



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- Sustained improvement in the working capital cycle, supported by timely realization of receivables.

Downward Factors

- Any significant decline in scale of operations and/or profitability, leading to weakening of debt protection metrics and cash accruals.
- Elongation of working capital cycle, resulting in pressure on liquidity and cash flow position.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Experienced promoters

RIL is promoted by Mr. Rishabh Agarwal, Chairman, with an extensive experience in the PVC (polyvinyl chloride) flooring products and shipping ropes industry. The promoters have around four decades of experience in the vitrified tiles and Indian flooring market. Over the years, the promoters have witnessed and adapted to the rapid evolution of the flooring industry, wherein consumer preferences have transitioned from hardwood to ceramic, then to laminate flooring, and more recently from laminate to resilient or vinyl flooring. Long-standing industry presence and understanding of shifting market dynamics support RIL's positioning and product development initiatives.

Diversified Product Portfolio and Strong Market Position

The company has a diversified product portfolio comprising Vinyl Flooring, Synthetic Leather, and Luxury Vinyl Tiles (LVT) across more than 30 product categories, catering to over 25 end-user industries. Supported by a strong domestic and international distribution network spanning over 50 cities in India and more than 70 countries globally, the company benefits from wide market reach and scalability. The company enjoys an established market position as one of the leading Indian manufacturers of PVC flooring and synthetic leather. Further, its reputed B2B clientele across healthcare, hospitality, transportation, education, sports, infrastructure, and real estate, underpins healthy growth visibility.

Healthy Scale of Operations

The company demonstrated healthy scale and growth, with total operating income (TOI) increasing by ~30% to Rs. 1,417.91 crore in FY25 (FY refers to the period April 1 to March 31) from Rs. 1,086.97 crore in FY24, driven primarily by strong export performance. Exports



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accounted for Rs. 246.68 crore (~17%), while domestic sales stood at Rs. 1,171.23 crore (~83%) in FY25. Absolute EBITDA and PAT improved to Rs. 295.01 crore and Rs. 198.86 crore respectively in FY25 from Rs. 242.82 crore and Rs. 161.27 crore, respectively, in FY24. However, EBITDA and PAT margins moderated to 20.81% and 13.94% in FY25 from 22.34% and 14.59% in FY24, mainly due to increase in trade purchases. In H1 FY26 (Unaudited), the company reported TOI of Rs. 652.46 crore, with EBITDA and PAT margins of 23.65% and 15.81%, respectively.

Comfortable leverage and debt protection metrics

The company's financial risk profile remains comfortable, supported by a healthy tangible net worth of Rs. 1,345.39 crore as on March 31, 2025 (PY: Rs. 1137.07 crore). Total debt increased moderately to Rs. 256.24 crore as on March 31, 2025, from Rs. 214.68 crore as on March 31, 2024, comprising term loans, lease liabilities, and working capital borrowings. Despite the increase in debt, leverage indicators remained comfortable, with overall gearing stable at 0.19x as on March 31, 2024, and March 31, 2025. Total indebtedness, as reflected by TOL/TNW, improved to 0.29x as on March 31, 2025, from 0.36x as on March 31, 2024, primarily on account of a reduction in sundry creditors.

Debt protection metrics remained strong, with interest coverage improving to 12.31x in FY25 from 10.60x in FY24, while Debt Service Coverage Ratio remained comfortable at 8.85x in FY25 and at 8.20x in FY24. Further, total debt to EBITDA remained stable at 0.87x for FY25 and 0.88x for FY24. Overall, company's leverage and coverage indicators are expected to remain comfortable over the medium term.

Key Rating Weaknesses

Elongated Operating cycle

The company's operating cycle remained elongated, albeit with improvement, to 157 days in FY25 from 174 days in FY24. The elongation is primarily driven by high receivable days, which stood at 147 days in FY25 and 150 days in FY24. Inventory holding improved significantly to 51 days in FY25 from 74 days in FY24. Further improvement in receivable days remains a key rating monitorable.

Susceptibility to Volatility in Raw Material Prices and Foreign Exchange Rates

The company's profitability remains exposed to volatility in key raw material prices, including limestone, glass fibre, and vinyl, which are subject to fluctuations in demand–supply dynamics



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and can impact operating margins. However, this risk is partly mitigated by established pricing arrangements with suppliers, regular monitoring of input cost movements, and internal raw material cost-saving targets linked to market trends. In addition, the company is exposed to foreign exchange risk given its geographically diversified customer base. Movements in currency exchange rates may have a favourable or adverse impact on profitability. The extent of unhedged foreign currency exposure for the quarter ended December 31, 2025, stood at Rs. 35.77 crore.

Analytical Approach: Consolidated

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria for assigning Rating outlook](#)

[Criteria on Consolidation of Companies](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity –Adequate

The company's liquidity position is adequate, supported by sufficient cushion in expected average cash accruals vis-à-vis debt repayment obligations during FY26–FY28. Working capital utilisation remained low, with average fund-based limit utilisation at ~33% during the 12 months ended November 2025, indicating adequate liquidity headroom. Further, the current ratio stood comfortable at 3.48x as on March 31, 2025. As on January 01, 2026, the company had free cash and cash equivalents of Rs. 28.23 crore.

About the Company

Responsive Industries Limited was incorporated on July 13, 1982. It is a Public Limited Company - listed on NSE & BSE and domiciled in Mumbai. RIL is a leading manufacturer of PVC products with three product verticals - Vinyl Flooring, Synthetic Leather & Luxury Vinyl Tile. The factory is located at Boisar in Palghar district in Thane and has 15 manufacturing lines. The company has two wholly owned foreign subsidiaries - Responsive Industries Limited (Hong Kong), Responsive Industries Limited LLC USA and one foreign step-down subsidiary - Axiom Cordages Limited (Hong Kong). It has presence in shipping ropes business through



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its subsidiary Axiom Cordages Limited while the other overseas subsidiaries are in similar line of business as RIL.

Financials (Consolidated):

(Rs. Crore)

For the year ended/ As on*	31-03-2024 (Audited)	31-03-2025 (Audited)
Total Operating Income	1086.97	1417.91
EBITDA	242.82	295.01
PAT	161.27	198.86
Total Debt	214.68	256.24
Tangible Net Worth	1137.07	1345.39
EBITDA Margin (%)	22.34	20.81
PAT Margin (%)	14.59	13.94
Overall Gearing Ratio (x)	0.19	0.19
Interest Coverage (x)	10.60	12.31

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr.	Name of Security/ Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Jan 29, 2025	Dec 04, 2023	Sep 15, 2022
1.	Term Loan	Long Term	125.47 (Reduced from Rs. 130.57 crore)	IVR A/ Stable	IVR A/ Stable	IVR A-/ Stable	--
2.	Cash Credit/ WCL	Long Term/ Short Term	240.00	IVR A/ Stable/ IVR A1	IVR A/ Stable/ IVR A1	IVR A-/ Stable/ IVR A2+	IVR A-/ Negative/ IVR A2+
3.	Letter of Credit	Short Term	60.00	IVR A1	IVR A1	IVR A2+	IVR A2+
4.	Credit Exposure Limit (CEL)	Short Term	4.80	IVR A1	IVR A1	IVR A2+	--

Analytical Contacts:

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) (formerly known as Infomerics Valuation and Rating Pvt Ltd) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI). Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks. Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations. Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Instrument/Facility Details



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Name of Facilities	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	--	--	--	March 2026	5.47	IVR A/ Stable
Corporate Loan	--	--	--	September	120.00	IVR A/ Stable
Cash Credit/ WCL	--	--	--	--	240.00	IVR A/ Stable/ IVR A1
Letter of Credit	--	--	--	--	60.00	IVR A1
CEL	--	--	--	--	4.80	IVR A1

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/len_responsive_feb26_c94a9ce427.pdf

Annexure 3: Detailed explanation of covenants of the rated Security: Not Applicable

Annexure 4: List of companies considered for consolidated analysis:

Particulars	Extent of Consolidation
Responsive Industries Limited, Hong Kong	Full
Responsive Industries LLC, USA	Full
Axiom Cordages Limited, Hong Kong	Full

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.