

Date: October 25, 2017

The Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range,
Kolkata - 700001

Dear Sirs,

Subject: Interview by the Director Finance and Chief Financial Officer on 'ET Now'
Re: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In continuation with our previous communication dated October 18, 2017 on the captioned subject, we are enclosing a transcript of the interview of Mr. Ram Kumar Gupta, Director Finance and Chief Financial Officer of Bata India Limited which was aired by 'ET Now', on Wednesday, October 18, 2017.

The aforesaid transcript of the interview has also been made available on the website of the Company, viz., www.bata.in.

We request you to take the same on your records.

Thanking you.

Yours faithfully,
For BATA INDIA LIMITED



MALOY KUMAR GUPTA
Company Secretary

Encl: As above

- Copy to:
- (1) The Manager
Corporate Relationship Department
BSE Limited
1st Floor, New Trading Wing, Rotunda Building
P J Towers, Dalal Street, Fort,
Mumbai - 400001
 - (2) The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400051

BATA INDIA LIMITED

CIN : L19201WB1931PLC007261

Registered Office : 27B, Camac Street, 1st Floor, Kolkata-700016 || Tel : (033) 3980 2001 || Fax : (033) 2289 5748
Share Dept. Tel : (033) 2289 5796 / 3980 2021 || E-mail : share.dept@bata.co.in || Website : www.bata.in

Transcript of interview of Mr. Ram Kumar Gupta,
Director Finance and Chief Financial Officer of Bata India Limited
which was aired by 'ET Now' on Wednesday, October 18, 2017

The festive season is now upon us. What do you see on ground? Is there usual buoyancy in consumer sentiment especially post demonetisation and GST or are things different this Diwali ?

if we see our retail stores, sentiments are positive. We have introduced a lot of new collections, almost 100 plus and we are expecting good numbers during the festive season.

Are you having to resort to more intense discounts, promotions to lure your customers this time around? What has been the experience in terms of the demand trend ?

Every year, we give some festive offers. These are not new to us. Every year we give some new schemes to our customers. This year also, we are doing so.

What has been the on ground impact of GST? Have you seen any change in demand or shift in consumer preferences?

Yes, as a company for us, GST is neutral but in wholesale business that is non-retail business, impact is there. Some of our dealers they are not GST compliance. They are still waiting to get themselves registered and that business itself is impacting. But that business is not very great for us. Bata has 85 plus businesses in retail and rest is in non-retail. That is why impact is not visible but GST impact is there on some of the dealers.

What has been the change in your market share? What is the strategy with regards to garnering more market share given the competition that you are witnessing right now?

There is no major impact but in the long run, we are expecting to get additional share from unorganised sector to organised sector since we are one of the major organised player in footwear industry. Due to non-retail, wholesale business is a little bit sluggish. That is why overall impact is not visible but yes in the long run we will get some benefit definitely. As far as GST is impact is there, it is neutral to our company up till now.

Your gradual shift towards premiumisation is quite visible in the rise in average realisations as well in FY17. Do you sense that this trend is going to continue?

Yes, we are working towards that. In fact, what we produce, what we introduce to our stores is as per customer demands. Nowadays, customers are demanding premium merchandise and that is why premiumisation is a must. We are working towards that and going forward definitely it will improve from the current level. At present, almost 30% of our products are premiumised and going forward maybe in next six months, another 15-20% will be premiumised.



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How much have the premium products added to your overall revenues? What is the sales mix likely to look like in the coming few years?

As I told you about 30% at present contribution is from premiumisation product. Going forward maybe by end of this financial year, it will increase to 45% to 50% of total revenue.

What do you have mind when it comes to retail expansion because you have been focussing on expansion via the franchise route. What is the exact game plan here?

We have already opened around 50 franchises this year and we are looking for good partners. In next two-three years, we are planning to open around 300 new franchises. Plus, we are expanding our retail base also, means this year we are planning to open 100 plus new Bata stores.

Are you looking to expand in tier II, tier III cities as well?

There is no specific target but mainly this franchise route will be followed in tier II and tier III cities. In addition to that, our known retail business, wholesale business mainly for tier II and tier III will be followed. I am sure in next two-three years, we will open around 300 new franchise and most of them will be in tier II, tier III only.

So let us talk about the same-store sales growth. We understand that July and August has been weak. Has there been a sharp recovery in September and what will the same-store sales growth be like for FY18 then?

There was growth in September but just wait for some time. Very soon we are going to publish our Q2 result. In that, you will see all the numbers. You know very well we cannot discuss all these numbers now when we have not declared our result for last quarter.

But at least can you tell us-even though you cannot talk numbers-about your volume growth. Will you beat your same-store sales growth trend in the quarter?

Yes definitely efforts are on. As we discussed premiumisation is on. With this premiumisation, with these new stores and retail sentiments are also improving, we are sure that we will achieve at least that growth if not better but efforts are towards get a better growth than last year.



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