



RELAXO FOOTWEARS LIMITED

Corporate Identity No. L74899DL1984PLC019097

Registered Office : Aggarwal City Square Plot No. 10 Manglam Place, District Centre, Sector-3 Rohini Delhi -110085, India
Tel. No.: +91-11-46800500, 46800600 Fax No.: 91-11-46800692 E-mail: rfl@relaxofootwear.com, Website: www.relaxofootwear.com

Notice

NOTICE is hereby given that the 35th Annual General Meeting (AGM) of the members of Relaxo Footwears Limited will be held at Sri Sathya Sai International Centre, Lodhi Road Institutional Area, Pragati Vihar, New Delhi -110003 on Thursday, the 26th day of September, 2019 at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019, which includes Balance Sheet as at 31st March, 2019 and the statement of Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To declare final dividend @ 180% equivalent to ₹1.80/- per equity share of the Face Value of ₹1/- each for the Financial Year 2018-19. (If the proposed bonus issue in the ratio of 1:1 is approved by the members, dividend will be accordingly adjusted i.e. @ 90% equivalent to ₹0.90/- per equity share of face value of ₹1/- each.)
3. To re-appoint Mr. Nikhil Dua (DIN - 00157919) who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS

4. RE-APPOINTMENT OF MS DEEPA VERMA (DIN: 06944281), AS NON EXECUTIVE AND INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as Special Resolution:

NOTES:-

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to special business set out in the Notice is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF IN THE MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM HAS BEEN PROVIDED IN THE ANNUAL REPORT.**
3. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE PROXY-HOLDER SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.**

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Ms. Deepa Verma (Din: 06944281), who meets the criteria of Independence and being eligible, offers herself for re-appointment and in respect of whom the Company has received a Notice in writing from a member under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be re-appointed as Non-Executive and Independent Director of the Company, not liable to retire by rotation, to hold office for a second term with effect from 18th September, 2019 for a period of five consecutive years on such terms and conditions as set out in Explanatory Statement annexed to the Notice convening this meeting."

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By order of the Board

For **Relaxo Footwears Limited**

Vikas Kumar Tak

Company Secretary

Delhi, May 10, 2019

4. The proxy, in order to be effective, must be deposited at the Registered Office of the Company at Aggarwal City Square, Plot No. -10, Manglam Place, District Centre Sector-3 Rohini Delhi -110085 or its Registrar and Share Transfer Agent M/s. Karvy Fintech Private Limited (Karvy), Karvy Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad, Telangana – 500032, not less than forty eight hours before the commencement of the meeting.
5. In case of joint holders attending the AGM, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2019 to 25th September, 2019 (both days inclusive) in connection with the AGM and for the purpose of Dividend.

8. Final Dividend @ 180% i.e. ₹1.80/- per equity share (which will be accordingly adjusted @ 90% i.e. ₹0.90 per equity share if bonus issue is approved by the members of the Company) for the year ended 31st March, 2019 as recommended by the Board if declared at AGM will be payable to those members whose name appears on the Company's Register of Members at the close of business hours on 19th September, 2019. The Final Dividend will be paid on or before 25th October, 2019 to the eligible shareholders.
9. Members holding shares in physical mode:
- are required to submit their Permanent Account Number (PAN) and bank account details to the Company / Karvy, if not registered with the Company as mandated by SEBI;
 - are advised to register the nomination in respect of their shareholding in the Company in Nomination Form (SH-13);
 - are requested to register / update their e-mail address with the Company / Karvy for receiving all communications from the Company electronically;
 - are requested to notify the Company / Karvy, of any change in their address immediately.
10. Members holding shares in electronic mode:
- are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their de-mat accounts;
 - are advised to contact their respective DPs for registering the nomination;
 - are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically;
 - are requested to notify respective depository participant of any change in their addresses and particulars of their bank accounts immediately.
11. Non-Resident Indian members are requested to inform Karvy / respective DPs, immediately of:
- Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. A member or his proxy or authorized representative will be required to produce at the entrance of the meeting hall, the attendance slip sent herewith duly completed and signed. Torn/mutilated attendance slips will not be accepted. However, members who have received the Annual Report on e-mail can download and print the attendance slip themselves. The validity of the attendance slip will, however, be subject to the member continuing to hold equity shares as on the cut-off date.
13. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules 2017 notified by the Ministry of Corporate Affairs, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Demat Account. Adhering to various requirements set out in the Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority. The Company has also uploaded details of such members whose shares are transferred to IEPF Demat Account on its website at www.relaxofootwear.com. The shares transferred to IEPF Demat Account including all benefits accruing on such shares, if any, can be claimed by the members from IEPF Authority, after following the procedure prescribed under the Rules. Pursuant to the provisions of Sections 124 and 125 of the Act, dividends which remain unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are required to be transferred to IEPF established by the Central Government. The details of unpaid dividend are placed on the website of the Company at www.relaxofootwear.com. During FY19, the Company transferred unclaimed dividend amounts of ₹64,947.00 from the Final Dividend for the financial year 2010 - 2011 to the IEPF. Members who have not encashed their dividend warrants towards the Final Dividend for the financial year 2011-2012 or thereafter are requested to write to the Company's Registrars and Transfer Agents.
- Please note that no claim shall lie against the Company in respect of the shares so transferred to such IEPF Demat Account and dividend transferred to IEPF Account.
- Members are requested to note that the unclaimed dividends will be transferred to IEPF after the below mentioned due dates:

Financial Year	Date of Declaration	Date of Transfer to Dividend A/C	Last date of Claim	Due date of transfer to IEPF	Amount of Unclaimed Dividend as on 31.03.2019 (₹)
2011-12	17.09.12	23.10.12	22.10.19	21.11.19	89068.00*
2012-13	19.09.13	25.10.13	24.10.20	23.11.20	138262.00
2013-14	18.09.14	24.10.14	23.10.21	22.11.21	164314.00
2014-15	24.09.15	30.10.15	29.10.22	28.11.22	192926.00
2015-16	15.09.16	21.10.16	20.10.23	19.11.23	239965.80
2016-17	21.09.17	27.10.17	26.10.24	25.11.24	387398.00
2017-18	27.09.18	02.11.18	01.11.25	01.12.25	528175.50

* The unpaid dividend for the Financial Year 2011-12 represents demand draft issued to the members which are yet to be encashed.

Members who have not encashed their dividend warrants are requested to send back their warrants for revalidation or lodge their claims to our Registrar and Share Transfer Agent.

14. Pursuant to Regulation 39 and Schedule V and VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the details of unclaimed shares in its Unclaimed Demat Account are given in Directors Report.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

15. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Company or Karvy for doing the needful.
16. Notice of AGM and Annual Report 2018-19 are being sent by electronic mode to all members whose e-mail addresses are registered with the Company/

Depository Participant(s). For members who have not registered their e-mail addresses, physical copy of the aforesaid documents are being sent by the permitted mode. Members who require communication in physical form in addition to e-communication or have any other queries, may write to us at rfl@relaxofootwear.com. Notice of AGM and Annual Report 2018-19 are also available on the Company's website www.relaxofootwear.com.

17. Pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards 2 issued by Institute of Company secretaries of India (ICSI) details of Director retiring by rotation / seeking re-appointment at the ensuing meeting are provided in the "Annexure" to the Notice.
18. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the meeting. The aforesaid documents will be also available for inspection by members at the meeting. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
19. In terms of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of M/s Karvy Fintech Private Limited to provide the facility of electronic voting (e-voting) in respect of the Resolutions proposed at this AGM. The Board of Directors of the Company has appointed M/s Baldev Singh Kashtwal, Company Secretary as the Scrutinizer for this purpose.

20. GENERAL INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING:

- a) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by M/s Karvy Fintech Private Limited, on all the resolutions set forth in this Notice.
- b) The Company is also providing facility for voting through polling at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the AGM. In case of joint holders attending the AGM, the member whose name appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote.
- c) E-voting is optional. The members of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cut-off date, may cast their vote electronically. The cut-off date for eligibility for remote e-voting is 19th September, 2019 (Thursday). A person who is not a member as on cut-off date should treat this notice for information purpose only. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again
- d) The e-voting facility will be available during the following period:
 - Commencement of e-voting : 09:00 Hours (IST) on Monday, 23rd September, 2019
 - End of e-voting : 17:00 Hours (IST) on Wednesday, 25th September, 2019
- e) The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
- f) The Board of Directors has appointed Mr. Baldev Singh Kashtwal, Practicing Company Secretaries, (C.P. No. 3169) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner
- g) The detailed procedure and instruction for remote e-voting is as under:
 - A. In case of members receiving an e-mail from Karvy [for members whose e-mail addresses are registered with the Company / Depository Participant(s) unless he / she has requested for a hard copy of documents]:
 - i) Launch an internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii) Enter the login credentials (i.e. User ID and initial password) as provided in the e-mail, forwarding the Notice along with Annual Report. Your Folio No. or DP ID along with Client ID (For NSDL) / 16 digits beneficiary ID (For CDSL), will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1800 3454 001 for re-setting the password.
 - iii) After entering the above details, click on "Login".
 - iv) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will also prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v) You need to login again with the new credentials.
 - vi) On successful login, the system will prompt you to select the e-voting Event Number for Relaxo Footwears Limited.
 - vii) On the voting page, you will see resolutions description and against the same the option 'FOR/AGAINST' for voting. Enter the number of shares (which represents the number of votes) as held by member as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding
 - viii) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - ix) Voting must be done for each items of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

- xii) Corporate / Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Power of Attorney/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: bskashtwal@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the abovementioned documents should be in the naming format "Corporate Name_EVENT NO."
- B. In case a member receives physical copy of the Notice along with Annual Report by courier [for members whose e-mail addresses are not registered with the Company / Depository Participant(s) or in case of a member having requested for a hard copy of documents]:
- i) E-voting Event Number (EVEN), User ID and initial password are provided in the covering page of the Notice.
 - ii) Please follow all steps from sr. no. i) to xii) as mentioned in (A) above, to cast your vote.
- C Any member who holds shares as on cut-off date i.e 19th September, 2019, may obtain User id and password in the manner as mentioned below:
- i) If the mobile number of the member is registered against shares held in demat form, the member may send SMS: MYEPWD<space> DP ID Client ID to 9212993399
Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
 - ii) If the mobile number of the member is registered against shares held in physical form the member may send SMS: MYEPWD<space> Event no. + Folio no. to 9212993399.
Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - iii) If e-mail address of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
For member whose mobile number and email address is not registered, may call Karvy's toll free number 1800-3454-001 or may send an e-mail request at evoting@karvy.com or to the Company at rfl@relaxofootwear.com
- h) Once the vote on a resolution is cast by a member, the member shall not be allowed to modify it subsequently. The Company shall also provide facility for voting through polling at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the AGM. A member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- i) The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - j) The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being 19th September, 2019. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
 - k) The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company and Karvy's website (<https://evoting.karvy.com>).
 - l) In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) for shareholders' and 'e-voting user manual for shareholders', available at the download section of <https://evoting.karvy.com> and/or Mr. Ramesh Desai, Manager- Corporate Registry, Unit: Relaxo Footwears Limited of Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or at evoting@karvy.com or contact no. 040 - 6716 2222 or call Karvy's toll free No. 1800-3454-001 for any further clarifications. The members of the Company can also contact Mr. Vikas Kumar Tak, Company Secretary, Relaxo Footwears Limited, Aggarwal City Square, Plot No.10, Manglam Place, District Centre, Sector-3, Rohini, Delhi-110085, Contact No: 011 - 46800600 and may write an e-mail to rfl@relaxofootwear.com
 - m) The Scrutinizer shall after the conclusion of e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer's decision on the validity of the vote shall be final and binding. The Scrutinizer shall submit his / her report, to the Managing Director or any other person authorised by Board, on the voting in favour or against, if any, within a period of 48 hours from the date of conclusion of the meeting. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company www.relaxofootwear.com. The results shall simultaneously be communicated to the Stock Exchanges.
21. Route Map showing Directions to reach to the venue of the meeting is given at the end of this Notice / Annual Report.

“Annexure” to the Notice

Information Pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards 2 issued by Institute of Company secretaries of India (ICSI)

Name of Director(s)	Mr. Nikhil Dua (DIN: 00157919) (Item No-3)	Ms. Deepa Verma (DIN: 06944281) (Item No-4)
Qualifications	Mr Nikhil Dua is a Commerce graduate and has studied from International School of Modern Shoe-making, Czech Republic.	Ms Deepa Verma is a B.Sc, LL.B, M.A (Psychology), Diploma in Educational Guidance & Counselling.
Age	43 years	60 years
Nature of his Expertise in Specific functional areas	Over 23 years of experience in production and new product development and has rich knowledge of product mix in Footwear Industry	Over 31 years of experience in academic administration. Associated with University of Petroleum & Energy Studies since inception and has held various positions such as Director (NCR) region, VP (Academic Affairs)
Disclosure of relationship between Directors inter-se/ relationship with other Directors, Manager and other key managerial personnel of the company	Related to Mr. Mukand Lal Dua, Whole Time Director of the company	None
Date of First Appointment on the Board	22nd February, 1997	18th September, 2014
Name of entities in which persons hold Directorship of the Board	Nil	Nil
Shareholding in the company	46,71,837 equity shares	Nil
Terms and conditions of re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Re-appointment pursuant to Section 152 of the Companies Act, 2013. Please refer Corporate Governance Report section for past remuneration.	Re-appointment as Non-Executive and Independent Director for a consecutive period of five years. Please refer to explanatory statement for remuneration sought and Corporate Governance Report section for past remuneration.
Number of meetings of the Board attended during the Year (01.04.2018 to 31.03.2019)	Please refer Corporate Governance Report Section	Please refer Corporate Governance Report Section
Chairman / member of Committees of other Boards	Nil	Nil
Chairman / member of Committee of Relaxo Footwears Limited	Member in Audit Committee.	Member in Corporate Social Responsibility Committee and Nomination & Remuneration Committee.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4

The members at the 30th Annual General Meeting held on 18th September, 2014 approved the appointment of Ms. Deepa Verma as an Independent Director of the Company for a period of five years with effect from the said date. Ms. Deepa Verma will complete her present term on 17th September, 2019.

The Board of Directors of the Company ('the Board') at the meeting held on 10th May, 2019, on the recommendation of the Nomination & Remuneration Committee, recommended for the approval of the members, the re-appointment of Ms. Deepa Verma as Non-Executive and Independent Director of the Company not liable to retire by rotation, to hold office for a second term with effect from 18th September, 2019 for a period of five years, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), or any amendment thereto or modification thereof.

Declaration has been received from Ms. Deepa Verma that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations. In the opinion of the Board, Ms. Deepa Verma fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations for re-appointment as Non-Executive and Independent Director and that she is independent of the management of the Company. In addition to coverage under Directors and Officers insurance and sitting fees for attending the meetings of the Board and its Committees, Ms. Deepa Verma would be entitled to remuneration by way of commission, as approved by members in the 34th Annual General Meeting of the Company.

Requisite Notice under Section 160 of the Act proposing the re-appointment of Ms. Deepa Verma has been received by the Company, and consent has been filed by Ms. Deepa Verma pursuant to Section 152 of the Act.

Details of Directors seeking re-appointment as Non-Executive and Independent Directors is proposed at Item No. 4, is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Copy of draft letter of re-appointment of Ms. Deepa Verma setting out the terms and conditions of re-appointment are available for inspection by the members at the registered office of the Company during business hours and will also be kept open at the venue of the AGM and is also uploaded on the website of the company at www.relaxofootwear.com.

Ms. Deepa Verma is interested in the resolution set out at Item No. 4 of the Notice with regard to her re-appointment. The relatives of Ms. Deepa Verma may be deemed to be interested in the respective resolutions to the extent of her shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Ms. Deepa Verma. The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

By Order of the Board
For **Relaxo Footwears Limited**

Vikas Kumar Tak
Company Secretary

Delhi, May 10, 2019

RELAXO

RELAXO FOOTWEARS LIMITED

Corporate Identity No. L74899DL1984PLC019097

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ATTENDANCE SLIP

35th Annual General Meeting – Thursday, 26th September, 2019 at 10.30 a.m.

Name and Registered Address of the sole/ first member :

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Name(s) of the Joint Member(s) if any :

Registered Folio No/ DP ID No. & Client ID No. :

Number of Shares held :

I/We certify that I/We am/are registered shareholder/proxy of the Company.

I/We hereby record my/our presence at the 35th Annual General Meeting of the Company at Sri Sathya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003 on Thursday, the 26th September, 2019 at 10.30 a.m.

Signature of First Proxy/Holder

Signature of Second Proxy/Holder

Signature of Third Proxy/ Holder

Note :

Please complete this attendance slip and hand it over at the entrance counter at entrance of the hall.

FOR IMMEDIATE ATTENTION OF THE MEMBERS

Members may please note the user id/password etc., given below for the purpose of e-voting in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Detailed instructions for e-voting are given in the AGM Notice.

Electronic Voting Particulars

EVEN (E- Voting Event Number)	USERID	PASSWORD

NOTES:-

1. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the meeting.
2. For the convenience of Members, persons other than Members/Proxies will not be allowed into the meeting.
3. No Gift/Gift Coupons will be distributed at the Annual General Meeting.





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ADDENDUM TO THE NOTICE OF THE 35TH ANNUAL GENERAL MEETING (AGM)

Subsequent to the dispatch of the Notice dated 10th May, 2019, for convening the 35th AGM of the Company to be held on Thursday, the 26th day of September, 2019 at Sri Sathya Sai International Centre, Lodhi Road Institutional Area, Pragati Vihar, New Delhi – 110003, the Board of Directors of the Company have recommended the following additional agenda item for your approval, as set forth below:

SPECIAL BUSINESS

5. APPOINTMENT OF MR. RAJEEV RUPENDRA BHADOURIA (DIN: 00376562) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Rajeev Rupendra Bhadouria (DIN: 00376562), who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent) of the Company with effect from 23rd August, 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who meets the criteria of Independence and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a first term with effect from 23rd August, 2019 for a period of five consecutive years on such terms and conditions as set out in Explanatory Statement annexed to the addendum notice.”

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

By order of the Board
For **Relaxo Footwears Limited**

Vikas Kumar Tak
Company Secretary

Delhi, August 26, 2019

NOTES:-

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business as proposed above to be transacted at the AGM is annexed hereto.
2. Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards 2 issued by Institute of Company secretaries of India (ICSI) details of Director seeking appointment at the ensuing meeting is provided in the “Annexure” to the Notice.
3. The addendum to the Notice of the AGM shall form an integral part of the Notice dated 10th May, 2019, circulated to the members of the Company.
4. Addendum to the Notice of the 35th AGM are being sent by electronic mode to all members whose e-mail addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copy of the aforesaid documents are being sent by the permitted mode. Members who require communication in physical form in addition to e-communication or have any other queries, may write to us at rfl@relaxofootwear.com. This Addendum to the Notice is also available on the website of the Company www.relaxofootwear.com.
5. The Proxy Form is provided with the Annual Report and also available on the website of the Company. The Proxy Form, in order to be effective, must be deposited at the Registered Office of the Company at Aggarwal City Square, Plot No. -10, Manglam Place, District Centre Sector-3 Rohini Delhi -110085 or its Registrar and Share Transfer Agent M/s. Karvy Fintech Private Limited (Karvy), Karvy Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad, Telangana – 500032, not less than forty eight hours before the commencement of the meeting.
6. Relevant documents referred to in this addendum to the notice of 35th AGM are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the meeting. The aforesaid documents will be also available for inspection by members at the meeting.
7. All the processes, notes and instructions relating to e-voting set out for and applicable to the ensuing 35th AGM shall mutatis-mutandis apply to the e-voting for the Resolution proposed in this Addendum to the Notice. Furthermore, Scrutinizer appointed for the ensuing 35th AGM will act as a Scrutinizer for the Resolution proposed in this Addendum to the Notice.

“Annexure” to the Notice

Information Pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards 2 issued by Institute of Company Secretaries of India (ICSI)

Name of Director(s)	Mr. Rajeev Rupendra Bhadauria (DIN: 00376562) (Item No-5)
Qualifications	Mr. Rajeev Rupendra Bhadauria has completed his graduation and LLB from Allahabad University.
Age	59 years
Nature of his Expertise in Specific functional areas	Over 32 years of experience as a Human Resource (HR) professional both in Public and Private sectors. He has worked with one of India's largest Public Sector (NTPC) and two major Private Sector Organization (Reliance ADAG & Jindal Steel & Power Ltd.)
Disclosure of relationship between Directors inter-se/ relationship with other Directors, Manager and other key managerial personnel of the company	None
Date of First Appointment on the Board	Appointment as Additional Director (Non-Executive Independent Director) w.e.f. 23rd August, 2019.
Name of entities in which persons hold Directorship of the Board	Nil
Shareholding in the company	Nil
Terms and conditions of appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Refer to explanatory statement
Number of meetings of the Board attended during the Year (01.04.2018 to 31.03.2019)	Not Applicable
Chairman / member of Committees of other Boards	Nil
Chairman / member of Committee of Relaxo Footwears Limited	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors vide circular resolution, appointed Mr. Rajeev Rupendra Bhadauria (DIN: 00376562) as an Additional Director (Non-Executive Independent) of the Company w.e.f. 23rd August, 2019. The appointment of Mr. Rajeev Rupendra Bhadauria, if approved by the members of the Company, shall be effective from 23rd August, 2019 for a period of five (5) consecutive years, not liable to retire by rotation, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), or any amendment thereto or modification thereof.

Mr. Rajeev Rupendra Bhadauria is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Rajeev Rupendra Bhadauria that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Listing Regulations. In the opinion of the Board, Mr. Rajeev Rupendra Bhadauria fulfils the conditions specified in the Act, the Rules framed thereunder and the Listing Regulations for appointment as Non-Executive Independent Director. Mr. Rajeev Rupendra Bhadauria is independent of the management and possesses appropriate skills, experience and knowledge.

In addition to coverage under Directors and Officers insurance policy, Mr. Rajeev Rupendra Bhadauria would be entitled to receive sitting fees for attending the meetings of the Board and its Committees (if any) and remuneration by way of commission, as approved by members in the 34th AGM of the Company.

Requisite Notice under Section 160 of the Act proposing the appointment

of Mr. Rajeev Rupendra Bhadauria has been received by the Company, and consent has been filed by Mr. Rajeev Rupendra Bhadauria pursuant to Section 152 of the Act.

Copy of draft letter of appointment of Mr. Rajeev Rupendra Bhadauria setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company during business hours and will also be kept open at the venue of the AGM and is also uploaded on the website of the company at www.relaxofootwear.com.

Mr. Rajeev Rupendra Bhadauria is interested in the resolution set out at Item No. 5 of the Addendum to the Notice of the 35th AGM with regard to his appointment. The relatives of Mr. Rajeev Rupendra Bhadauria may be deemed to be interested in the respective resolution to the extent of his shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolution.

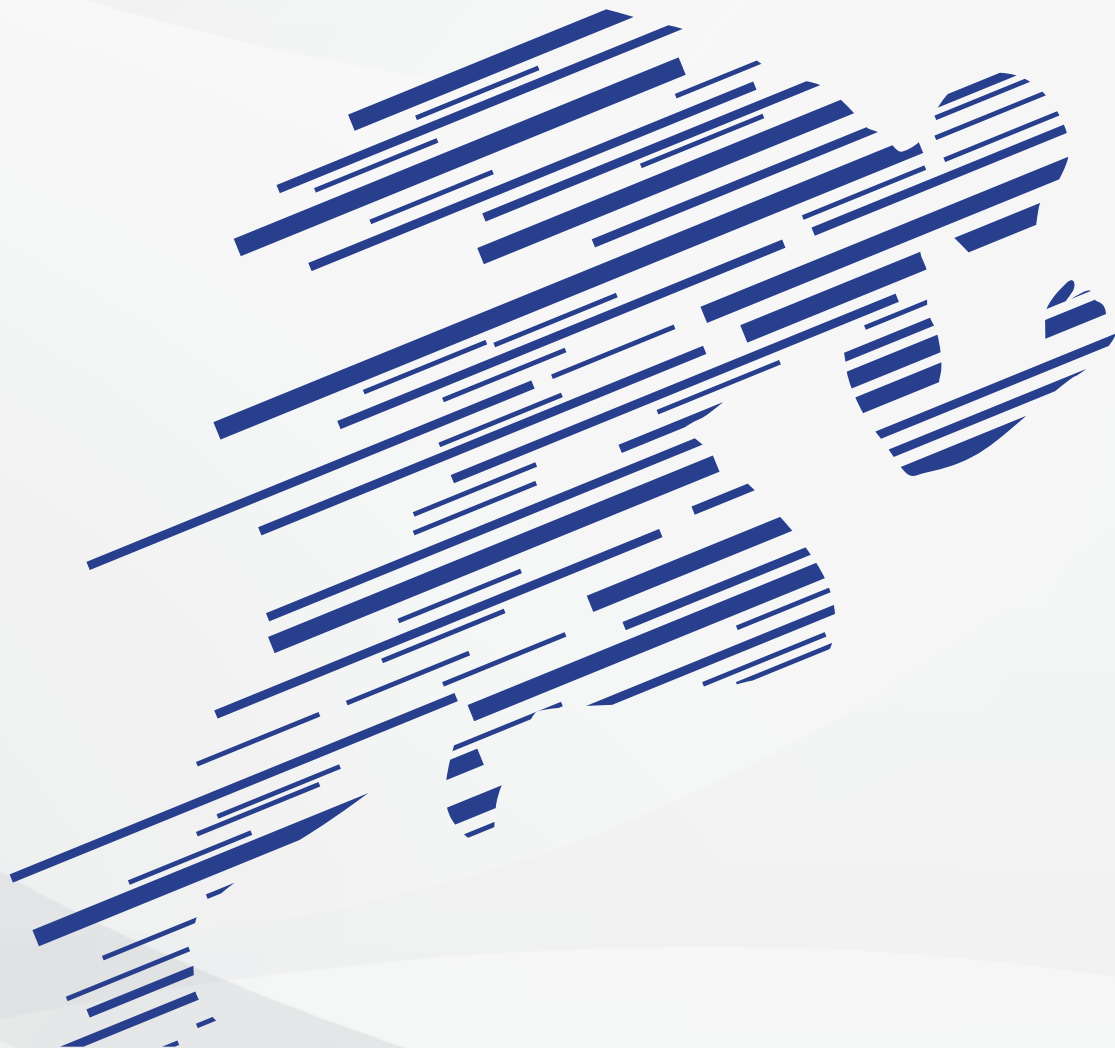
In line with the aforesaid provisions of the Act and in view of rich and diverse experience of cherished career in the Human Resource profession of Mr. Rajeev Rupendra Bhadauria, the Board recommends the Special Resolution set out at Item No. 5 of the Addendum to the Notice of the 35th AGM for the approval by the members.

By order of the Board
For **Relaxo Footwears Limited**
Vikas Kumar Tak
Company Secretary

Delhi, August 26, 2019

RELAXO

MOVING FORWARD. GAINING MOMENTUM.



ANNUAL REPORT 2018-19

RELAXO FOOTWEARS LIMITED

The image features several abstract, overlapping orange geometric shapes on the left side, including lines, rectangles, and triangles, some of which are slightly blurred or layered to create a sense of depth and movement. These shapes are positioned to the left of the main text.

ADVANCING TOWARDS TOMORROW, TODAY.

As business landscapes transform, successful organizations in the future will likely be those that can move faster, adapt more quickly, learn more rapidly and embrace dynamic demands more fluidly. Relaxo has advanced making a distinctive identity, expanding its network of knowledge and skills and yet resting on its guiding principles of Purpose, Philosophy, Priorities, Practices and Projections. Today, flying high, yet rooted to the ground, the company is geared up to redefine the next level of performance.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ramesh Kumar Dua	Managing Director
Mukand Lal Dua	Whole time Director
Nikhil Dua	Whole time Director
Deval Ganguly	Whole time Director
Vivek Kumar	Independent Director
Pankaj Shrimali	Independent Director
Deepa Verma	Independent Director

CHIEF FINANCIAL OFFICER

Sushil Batra

COMPANY SECRETARY

Vikas Kumar Tak

AUDITORS

B R Maheswari & Co. LLP.
Chartered Accountants
M-118, Connaught Circus, New Delhi - 110001

BANKERS

State Bank of India
HDFC Bank
Standard Chartered Bank
Kotak Mahindra Bank
HSBC Bank

SHARE TRANSFER AGENTS

M/s Karvy Fintech Private Limited
Karvy Selenium Tower-B, Plot No. 31-32,
Gachibowli Financial District,
Hyderabad, Telangana - 500 032

REGISTERED OFFICE

Aggarwal City Square, Plot No. 10,
Manglam Place, District Centre, Sector 3,
Rohini, Delhi - 110 085
CIN: L74899DL1984PLCO19097

WORKS

RFL-I & II	326-327, MIE, Bahadurgarh, Haryana
RFL-III	A-1130 & 1130 (A), RIICO Industrial Area, Phase-III, Bhiwadi, Rajasthan
RFL-IV	30/3/2, Mooja Hasanpur, Tikri Border, Bahadurgarh, Haryana
RFL-V	83-92, SIDCUL Industrial Area BHEL, Haridwar, Uttarakhand
RFL-VI	342-343, Footwear Park, Industrial Estate, Sector 17, Bahadurgarh, Haryana
RFL-VII	328-329, MIE, Bahadurgarh, Haryana
RFL-VIII	37, Sector 4B, Bahadurgarh, Haryana
RFL-IX	Plot No. SP-6 & 7 Kaharani, Bhiwadi Extn., Rajasthan

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FROM THE MANAGING DIRECTOR'S DESK



Dear Stakeholders,

It gives me great pleasure to announce yet another year of healthy growth. FY19 was a crucial year for us, as we continued to focus on the growth agenda. We closed the fiscal year with increase in revenue by 17.63%, EBITDA by 7.36% and PAT by 8.92%. Your Company has shown strong growth in the top line during FY19, despite the uncertain market scenario and increasing competition.

During the year, your Company commenced commercial production at its new manufacturing plant at Bhiwadi for manufacturing flip flops, to cater to the growing demand. The Company continued to harness its past initiatives as MOST (Maynard Operation Sequence Technique), lean manufacturing and yield improvement along with positive financial advantage and people engagement. During the year, your Company has accorded special emphasis on occupational safety initiatives for its workforce and assets. In line with its environmental policy, your Company has switched over to green fuel in major manufacturing facilities.

Your Company has continued its effort to adapt its product portfolio with evolving consumer needs and trends enabling an impressive growth in top line in FY19. Our focus on in-season launches with an optimal product portfolio has helped us to keep abreast of consumer expectations. New products are the key to sustain any growth story and our in-house design team has maintained a refreshed product portfolio over the years.

Your Company continued its strategic initiative to strengthen the distribution network – especially in under penetrated markets. The field force was equipped with a mobile based solution for prompt on ground information enabling strategic decision making. During the year, Company focused on digital and on ground marketing initiatives while continuing its conventional branding activities.

We believe modern trade and e-commerce will continue to be the growth engines of the future and we are well placed to capitalise on it. In keeping with this reality, your Company strengthened its presence on major e-commerce portals and launched significant branding initiatives for drawing traffic.

During the year, the Company re-strategized its export presence from an opportunistic geographic footprint to a more focused international presence with nation-specific product portfolio and a dedicated on ground sales team.

The Company continued to expand its retail chain through COCO (Company owned Company operated) stores. The asset-light, FOFO model (Franchisee owned Franchise operated) has given a positive response encouraging your Company to venture into newer territories. As of the year end, your Company has clocked 343 Exclusive Brand Outlets and is planning to continue the expansion.

Your Company continued to extend its technology frontiers by adopting cutting-edge IT solutions. It launched mobile-enabled solutions for the field force and transferred the operating platform for the Retail division to SAP HANA streamlining its business processes. It also aligned its operations to the ISO 27001 standards by securing this certification in the current year.

Post GST, the Indian economy has witnessed a transition from an informal setup to a formal one. Indian footwear industry is also experiencing this transition which has created a level playing field for the organized sector.

We value our employees and have continued to strengthen our bond with them through various initiatives such as reward & recognition, trainings and ESOP plans.

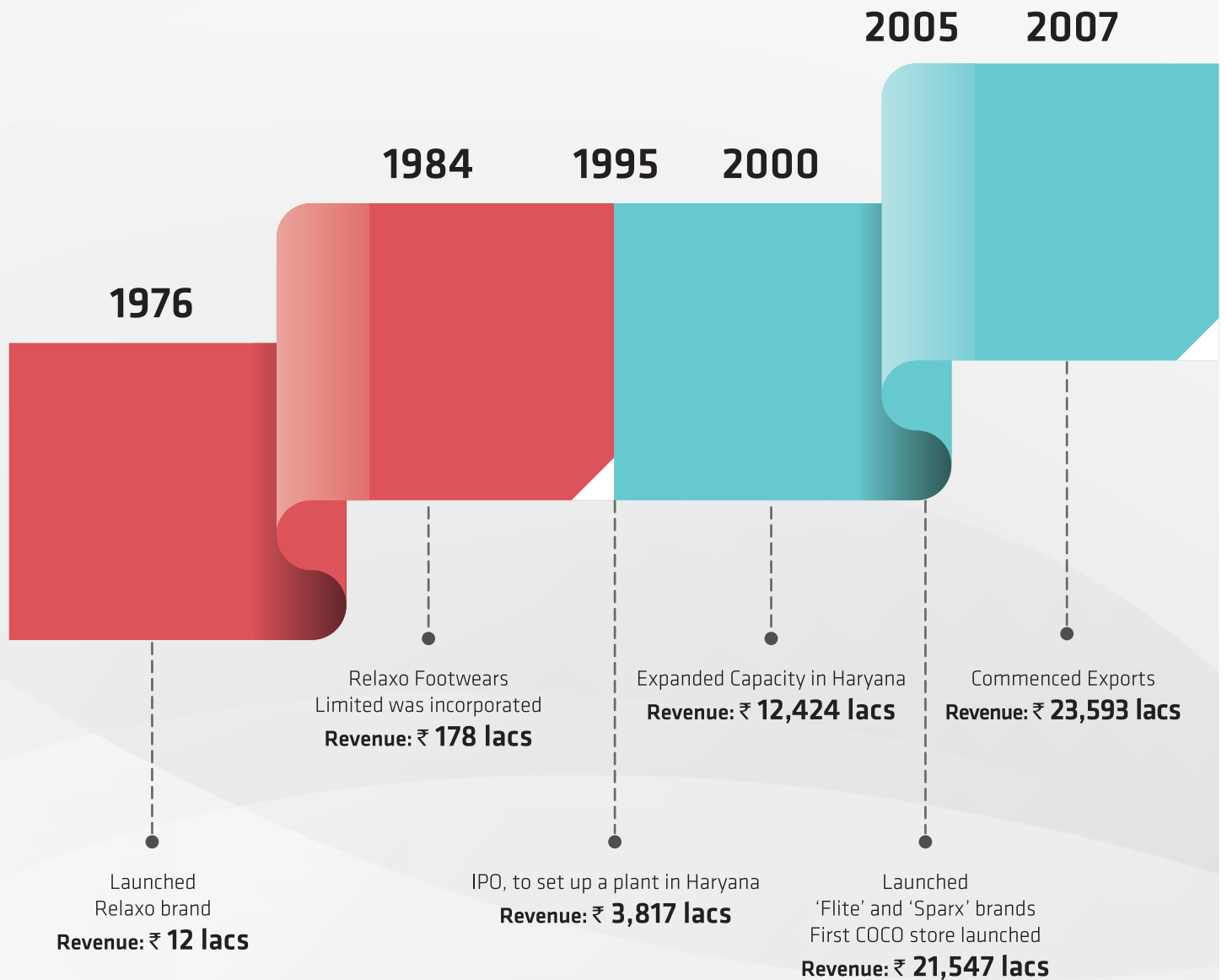
I would like to thank all our stakeholders, customers, business partners, board of directors, bankers and employees for their valuable support and belief in the Company.

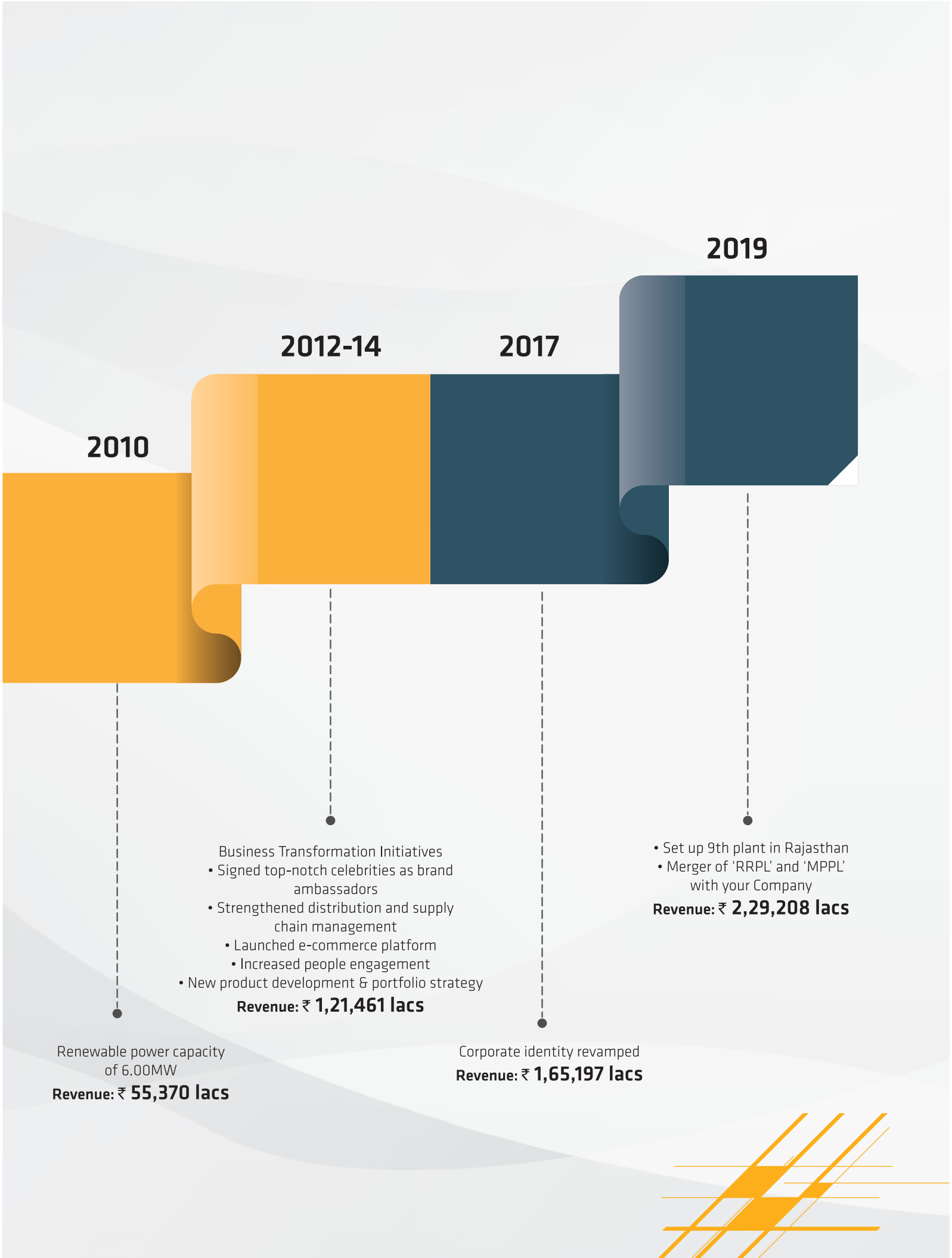
With Best Regards,

Ramesh Kumar Dua
Managing Director

THE POWER OF PERFORMANCE

As change proves to be the only constant, Relaxo has emerged as India's pride brand, taking fresh leaps towards exciting avenues, repositioning its sub brands and strengthening performance.





2010

Renewable power capacity
of 6.00MW
Revenue: ₹ 55,370 lacs

2012-14

- Business Transformation Initiatives
 - Signed top-notch celebrities as brand ambassadors
 - Strengthened distribution and supply chain management
 - Launched e-commerce platform
 - Increased people engagement
 - New product development & portfolio strategy
- Revenue: ₹ 1,21,461 lacs**

2017

Corporate identity revamped
Revenue: ₹ 1,65,197 lacs

2019

- Set up 9th plant in Rajasthan
 - Merger of 'RRPL' and 'MPPL' with your Company
- Revenue: ₹ 2,29,208 lacs**



THE BRANDATHON COLLECTIVE

Relaxo brand portfolio comprises a collection of footwear, from the classic brand synonymous with comfort and value to young and exciting brands that combine style and ease of performance. There is a solution for everyone be it value for money or making heads turn. With a differentiated positioning for each brand targeting towards a spectrum of consumers, Relaxo has become the preferred choice in footwear in a market landscape where options galore.

RELAXO

With quality, comfort and value, Relaxo Hawaii slippers stand testimony to a loyal consumer base even after four decades. Today, Relaxo is a household name with a pan-India presence across socio-economic strata.

FLITE

Take flight with Flite. Encompassing style, comfort and durability for the hard working Indian looking for everyday semi-formal footwear, Relaxo Flite offers a new expression for pursuing dreams. With one of Bollywood's biggest youth icons Ranveer Singh, the new brand communication aptly sums up the spirit of India-India Lega Flite.

Bahamas

An immensely popular brand in the world of casual footwear, Relaxo Bahamas is a unisex brand that offers a range of exciting, vibrant designs which bring out the fun quotient and freedom of spirit.

SPARX GO FOR IT

Ambition. Passion. Performance. The three tenets that drive the adrenaline surge can be best exemplified by Sparx. The brand offers a range of sports and casual footwear catering to the demands of young sportsmen, fitness enthusiasts and the restless youth. With Sparx, pushing the limits and reaching for excellence is a natural reaction.



School is the foundation for life's lessons. In order to gear up for this first journey of life, Schoolmate school shoes offer the right footwear. Schoolmate offers comfort that helps children to jump, play and run, from the first to the last school bell.



A brand that brings out a distinct persona with a range of durable and comfortable men's footwear honed to perfection and crafted for comfort.



A woman's wardrobe is a fashion mélange. Ensuring a woman's shoe shelf never falls short of variety, the Mary Jane collection offers a range of footwear, that are the perfect match for a range of dressing styles.



Childhood is not spent entirely in school shoes. That's why, whether they are crawling, tottering, stomping or running, Kids Fun offers a whole world of children's footwear that can keep pace with their spirit.



To help people glide through élan and stride with the times, Casualz offers style, comfort and the promise of quality.



Financial Highlights

(₹ in Crore)

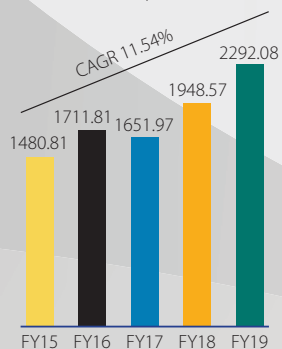
Particulars	FY 19	FY 18	FY 17	FY 16	FY 15
No. of Pairs sold (in Crore)	18.39	15.74	13.46	13.55	12.28
Revenue from Operations	2292.08	1948.57	1651.97	1711.81	1480.81
EBITDA	324.31	302.09	230.91	239.88	200.64
Finance Costs	6.90	8.59	15.03	22.89	18.48
Depreciation and Amortisation Expense	62.41	54.34	51.46	47.12	39.90
Tax Expense	92.54	82.55	58.08	57.31	39.60
Net Profit before OCI	175.44	161.07	119.95	120.28	103.05
Equity Share Capital	12.40	12.03	12.01	12.00	6.00
Net Worth	1105.07	761.21	606.37	479.98	367.82
Net Fixed Assets (Tangible and Intangible)	859.54	662.44	603.44	558.76	473.82
Capital Employed	1191.99	886.56	738.20	682.58	578.80
Capital Expenditure ^	258.91	112.85	96.31	129.56	120.09
Revenue Growth (%)	17.63	17.95	*1.64	15.60	22.15
EBITDA (%)	14.15	15.50	13.98	14.01	13.55
Face Value per Share (in ₹)	1.00	1.00	1.00	1.00	1.00
EPS - Basic (in ₹)	14.15	13.40	9.99	10.02	17.17
EPS - Diluted (in ₹)	14.13	13.38	9.98	10.00	17.15
Dividend (%)	180	150	100	60	50
Book Value per share (in ₹)	89.08	63.25	50.48	39.99	61.30
ROCE (%)	26.45	31.05	27.18	31.79	31.65
Market Capitalisation (As on March 31)	9561.22	7727.91	5992.10	4369.45	3876.39

FY 15 and FY 16 are based on IGAAP.

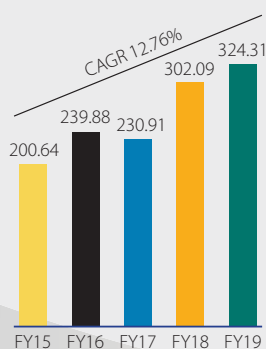
* Growth in sales as per IGAAP

^ Includes addition due to amalgamation ₹ 153.23 crores.

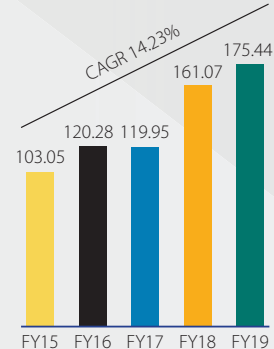
Revenue from Operations (₹ in Crore)



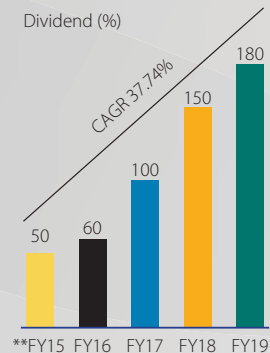
EBITDA (₹ in Crore)



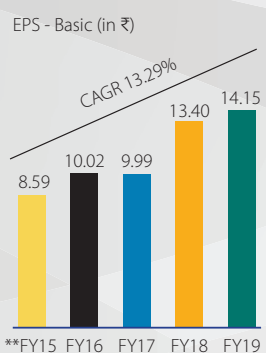
Net Profit (₹ in Crore)



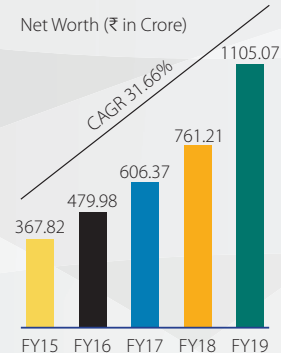
Dividend (%)



EPS - Basic (in ₹)



Net Worth (₹ in Crore)



**FY15 FY16

** Post Bonus

Directors' Report

Dear Members,

The Board of Directors of your Company have pleasure in presenting 35th Annual Report on the Company's business and operations together with the audited financial statements for the Financial Year 2018-19.

1. Company Overview

The Company is a Public Limited Company incorporated in India and its shares are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company has 9 'state of art' manufacturing facilities at Bahadurgarh, Bhiwadi & Haridwar.

Relaxo Footwears Limited is the largest footwear manufacturing company in India. Products include rubber/EVA slippers, canvas shoes, sport shoes, sandals, school shoes and other types of footwear. It has a portfolio of 10 brands including major brands like Relaxo, Sparx, Flite and Bahamas. The

company sells its products through retailers served through distributors, retail outlets, exports and e-commerce/modern trade. It has 9 state of the art manufacturing facilities, six in Bahadurgarh (Haryana), two in Bhiwadi (Rajasthan) and one in Haridwar (Uttarakhand). The company's business process is managed through SAP & SAP HANA.

During the year the Company commenced commercial production at its new plant at Bhiwadi for manufacturing flip flops (Hawaii range of footwear).

The Company received order from NCLT Delhi for merger of Relaxo Rubber Private Limited and Marvel Polymers Private Limited (Transferor Companies) with your Company and subsequently allotted 36,18,453 fully paid up equity shares of ₹ 1/- each to the shareholders of transferor Companies during the year.

2. Financial Results

In compliance with the provisions of the Companies Act, 2013 ('Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulation'), the Company has prepared its financial statements as per the Indian Accounting Standards (IND AS) for the Financial Year 2018-19. The financial highlights of the Company's operations are as follows:

(₹ in Crore)

Particulars	2018-19	2017-18
Revenue from Operations	2292.08	1948.57
EBITDA	324.31	302.09
Other Income	12.98	4.46
Less : Finance Costs	6.90	8.59
Less : Depreciation and Amortisation Expense	62.41	54.34
Profit before Tax	267.98	243.62
Less : Tax Expense	92.54	82.55
Profit after Tax	175.44	161.07
Other Comprehensive Income	0.06	(0.40)
Balance brought forward from Previous year	34.02	12.81
Retained earnings under Scheme of Amalgamation	3.54	-
Amount available for Appropriation	213.06	173.48
Appropriation :		
• Final Dividend*	18.05	12.01
• Tax on Final Dividend*	3.71	2.45
• Transfer to General Reserve	150.00	125.00
Balance carried to Balance Sheet	41.30	34.02
EPS-Basic (in ₹)	14.15	13.40
EPS-Diluted (in ₹)	14.13	13.38

*Dividend Distributed during the year.

3. Business Performance

a) Financial

The key highlights of the Company's financial performance during the Financial Year 2018-19 are given below:

- Revenue from operations increased by 17.63% to ₹ 2292.08 Crore from ₹ 1948.57 Crore in the last financial year.
- EBITDA increased by 7.36% to ₹ 324.31 Crore from ₹ 302.09 Crore in last financial year.
- Net profit increased by 8.92% to ₹ 175.44 Crore from ₹ 161.07 Crore in the last financial year.

- Net profit margins is 7.65 %.
- Total retail outlets increased from 302 to 343 during the financial year.

Your Company has shown growth on the key financial metrics for the year, despite the market scenario being uncertain and increasing competition in the year. Management believes that your Company will continue its journey of profitable growth driven by the strong fundamentals of operating model, continued focus on long term business plan and an overwhelming desire to serve customers.

Revenue ₹ 2292.08 Cr.
Growth 17.63%



- Sharp focus on consumer needs and quality.
- Getting capable channel partners with volume growth in specific segments.
- Increased presence in new / emerging channels (modern trade, e-commerce).
- Aggressive expansion in new/ under penetrated geographies.
- Continued expansion of retail footprint through franchise and Company owned stores.

EBITDA ₹ 324.31 Cr.
Growth 7.36%
Margin 14.15%



- Robust cost control initiatives
- Manufacturing excellence and quality improvement
- Volume led growth
- Regular disposal of aged inventory
- Control over administrative and operative expenses

PAT ₹ 175.44 Cr.
Growth 8.92%
Margin 7.65%

b) Non-Financials

Product Development

Innovation has been the cornerstone of Relaxo's success and sustenance, its continued focus on structured market research and on-ground market sensing activities have enabled it to develop products that match customer tastes and preference. Fiscal 2018-19 was a great year as its new products in the shoe category gained healthy customer acceptance.

Procurement

With increase in its manufacturing capacities the Company has expanded its vendor base to secure efficiencies in supply chain management. Continued emphasis on developing alternative materials for certain key inputs and process automation has helped to enhance efficiencies in the entire procurement process.

Manufacturing

The Company continued to harness its past initiatives as MOST (Maynard Operation Sequence Technique), lean manufacturing and yield improvement along with positive financial advantage and people engagement.

During the year your Company has accorded special emphasis on occupational safety initiatives for its workforce and assets.

As a good corporate responsibility on environmental front your Company has switched over to green fuel in major manufacturing facilities.

Sales and Marketing

With a sharp eye on the consumer your Company continued to strengthen its distribution network particularly in underrepresented markets. The field force was equipped with a mobile based solution for prompt on ground Information enabling strategic decision making.

A barcoding mechanism was adopted for better inventory management facilitating and audit trail for better customer service. Warehouse consolidation and use of CNG-fuelled vehicles helped to reduce overall logistic costs while complying with Company's environmental objectives.

During the year, Company focused on digital and on ground marketing initiatives while continuing its conventional branding activities.

E-commerce

Increasing availability and affordability, the government's impetus on Digital India, and the declining rates of mobile services have transformed smart phones from a luxury to a necessity for the average Indian. Moreover, the convenience provided by e-commerce in an era when every individual is racing against time, has multiplied its acceptance pan India. In keeping with this reality, the Company strengthened its presence on major e-commerce portals and launched significant branding initiatives for drawing traffic.

Export

During the year your Company re-strategized its export presence from an opportunistic geographic footprint to a more focused international presence with nation-specific product portfolio and dedicated on ground sales team.

Retail

Your Company continued to expand its retail chain through COCO (Company owned Company operated) stores. The asset-light, FOFO model (Franchisee owned Franchise operated) has given a positive response encouraging the Company to venture into newer territories.

Technology

Your Company continued to extend its technology frontiers by adopting cutting-edge IT solutions. It launched mobile-enabled solutions for the field force and transferred the operating platform for the Retail division to SAP HANA streamlining its business processes. It also aligned its operations to the ISO 27001 standards by securing this certification in the current year.

Human resource

During the year a structured training calendar was pursued for employees as well as contract workers. HR systems and processes were digitized to a large extent giving access to policies and processes at the click of a button.

In keeping with the Company's growth aspirations, a bench strength of front end sales force is being maintained. Further, increased interaction with business schools and connect through social media platforms has supported the cause of employer branding.

4. Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, a detailed Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report.

5. Dividend

The Board of Directors in their meeting held on 10th May, 2019 have recommended a final dividend of ₹ 1.80 per equity share of ₹ 1/- each fully paid up (180%) for the Financial Year 2018-19 payable to those members whose name appear in the Register of members / list of beneficiaries as on 19th September, 2019 i.e. the cut-off date. The total final dividend payout will amount to ₹ 22.33 Crore, excluding tax on dividend of ₹ 4.59 Crore. The payment of final dividend is subject to the approval of members in the Company's ensuing Annual General Meeting (AGM). The dividend payout is in accordance with Company's dividend policy.

The Board of Directors have recommended the issue of bonus shares in the ratio of 1:1 for the approval of Members of the Company. If the bonus issue is approved by the members, dividend will be accordingly adjusted i.e. ₹ 0.90 per equity share of face value of ₹ 1/ each fully paid up (90%).

The Register of Members and Share Transfer Books will remain closed from Friday, 20th September, 2019 to Wednesday, 25th September, 2019 (both days inclusive) for the purpose of payment of final dividend for the FY 2018-19, if declared at the ensuing Annual General Meeting (AGM).

6. Dividend Distribution Policy

As per Regulation 43A of the Listing Regulations, top 500 listed companies are required to formulate a dividend distribution policy. Accordingly, the Company has adopted the dividend distribution policy which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The policy is enclosed as **Annexure - A** to the Board's Report and is also available on the Company's website at www.relaxofootwear.com/pdf/Dividend-Distribution-Policy.pdf.

7. Transfer to Reserves

We propose to transfer ₹ 150.00 Crore to the general reserve from net profits and ₹ 0.19 Crore from share based payment reserve pertaining to cancellation of vested options. An amount of ₹ 41.30 Crore is proposed to be retained in profit & loss account.

8. Public Deposits

The Company has not invited or accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 (the "Act") read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), from public during the year under review. Therefore, no amount of principal or interest was outstanding, as on the balance sheet closure date.

9. Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

10. Subsidiary/ Joint Venture/ Associate Company

Your company does not have any subsidiaries, joint ventures or associate companies, during the year under review.

11. Changes in Nature of Business

There was no change in the nature of business of the Company during the year under review.

12. Share Capital

During the financial year 2018-2019, the Company has issued and allotted 78,800 equity shares of ₹ 1/- each fully paid up on exercise of stock options by the eligible employees under the Employee Stock Option Plan, 2014 (RFL ESOP PLAN -2014) and 36,18,453 equity shares of ₹ 1/- each fully paid up pursuant to the scheme of Amalgamation thereby increasing the paid up share capital by ₹ 36,97,253/- . On 31st March, 2019, the paid-up share capital of the Company is ₹ 12,40,50,873/- divided into 12,40,50,873 equity shares of ₹ 1/- each.

13. Disclosure Relating to Remuneration of Directors, Key Managerial Personnel

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills, qualifications, professional experiences, perspectives and backgrounds, which is necessary for achieving sustainable and balanced development. The policy on Nomination and Remuneration adopted by the Board sets out the criteria for determining qualifications, positive attributes and independence while evaluating a person for appointment / re-appointment as Director or as KMP with no discrimination on the grounds of gender, race or ethnicity, nationality or country of origin. The detailed nomination and remuneration policy is available on the website of the Company at www.relaxofootwear.com/pdf/Nomination--and--remuneration--policy.pdf.

14. Particulars of Employees

The information and disclosure required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in respect of Directors / Employees of your Company is set out in **Annexure - B** to this report.

15. Directors and Key Managerial Personnel

Pursuant to the provisions of the Companies Act, 2013, Mr. Nikhil Dua, Whole Time Director (DIN: 00157919) will retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment. The Board recommends his re-appointment.

Ms. Deepa Verma was appointed as an Independent Director of the Company for a period of five years in the 30th AGM of the Company. Her tenure as an Independent Director will expire on 17th September, 2019. She being eligible for re-appointment for another consecutive term of five years has given her consent to be re-appointed as an Independent Director of the Company. A brief resume of the Director proposed to be re-appointed, the nature of her expertise in specific functional areas, names of companies in which she holds Directorships, committee membership/s / chairmanship/s, shareholding etc., as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations will be appended as an Annexure to the Notice of the ensuing AGM.

The Shareholders in its 34th Annual General Meeting held on 27th September 2018 has approved the following re-appointment:

- Mr. Ramesh Kumar Dua (DIN: 00157872) was reappointed as Managing Director for a period of 5 (five) years w.e.f. 1st April, 2019;
- Mr. Mukand Lal Dua (DIN: 00157898) was reappointed as Whole Time Director for a period of 5 (five) years w.e.f. 1st April, 2019;

- c. Mr. Deval Ganguly (DIN: 00152585) was reappointed as Whole Time Director for a period of 3 (three) years w.e.f. 5th November, 2018; and
- d. Re-appointment of Mr. Pankaj Shrimali (DIN: 00013142), Mr. Vivek Kumar (DIN: 00206819) and Mr. Kuruvila Kuriakose (DIN: 00881039) as Independent Directors of the Company for the next term of 5 (five) years with effect from 01.04.2019 to 31.03.2024

Further, Mr. Kuruvila Kuriakose, (DIN: 00881039) Independent Director, has resigned from the Board of Directors of the Company with effect from 26 March, 2019 on health grounds. The Directors placed on record their appreciation for the contribution made by him during his tenure.

16. Declaration by Independent Directors

The Company has received necessary declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct for Independent Director prescribed in Schedule IV to the Act.

17. Annual Evaluation of Board

In terms of provisions of Act read with Rules issued thereunder and Listing Regulation, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board/ Director(s) for the Financial Year 2018-19. Directors were evaluated on their contribution at Board / Committee meetings and guidance & support to the management outside Board / Committee meetings. The Directors had used the parameters reset by the renowned consultants in previous year for the performance evaluation of Board, Individual Directors and Committees of Board.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, role and accountability, management oversight, risk management, culture and communication, frequency and effectiveness of meetings.

The committees of the Board were assessed on the basis of degree of fulfillment of key responsibilities, adequacy of committee, composition and effectiveness of meetings. The Chairman appointed for the Board meetings was also evaluated by all the Directors on the basis of managing relations, leadership, competence and diligence.

The Independent Directors performance evaluation was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman appointed for the board meeting and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Board of Directors expressed their satisfaction with the evaluation process.

18. Familiarisation Programme

In terms of Regulation 25(7) of the Listing Regulation, the Company familiarizes its directors about their role and responsibilities at the time of their appointment through a formal letter of appointment. The format of the letter of appointment is available on our website www.relaxofootwear.com/terms-conditions.aspx.

Presentations are regularly made at the meetings of the Board and its various Committees on the relevant subjects such as strategy, operations, plants, products, organization structure, finance, human resource, capital expenditure, CSR, Compliance etc. All efforts are made to keep Independent Directors aware of major developments taking place in the industry, the

company business and relevant changes in the law governing the subject matter. The detail of programs for familiarization of Independent directors can be accessed on the Company website at the link www.relaxofootwear.com/other-disclosure.aspx

19. Number of Meetings of The Board

During financial year 2018-19, the Board of Directors met six (6) times on 11th May, 2018, 4th August, 2018, 3rd November, 2018, 19th January, 2019, 2nd February, 2019 and 30th March, 2019, the details of which are provided in the Report on Corporate Governance, which forms part of this Annual Report. The intervening period between any two consecutive meetings was within the maximum time gap prescribed under the Act, Regulation 17 of the Listing Regulations and Secretarial Standard-1 (SS-1).

20. Committees of the Board

During the financial year 2018-2019, the Board had 5 committees, namely, the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee, the Risk Management Committee and the Corporate Social Responsibility Committee.

All the recommendations made by the Committee of the Board including the Audit Committee were accepted by the Board. A detailed update on the Board, its composition, detailed charter including terms and reference of various Board Committees, number of Board and Committee meetings held during the financial year 2018-19 and attendance of the Directors at each meeting is provided in the report on Corporate Governance, which forms part of this Report.

21. Director's Responsibility Statement

Pursuant to Section 134 of the Act, the Directors to the best of their knowledge and belief, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed, along with the proper explanation relating to material departures;
- b) they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they had prepared the annual accounts on a going concern basis;
- e) they had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. Auditors

M/s B R Maheswari & Co. LLP, Chartered Accountants (ICAI Firm Registration No. -001035N/N500050) were appointed as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 33rd Annual General Meeting till the conclusion of 38th Annual General Meeting.

23. Auditors' Report

The Board has duly examined the Statutory Auditors' Report to the accounts,

which is self-explanatory. The Auditor's Report for the financial year ended 31st March, 2019 does not contain any qualification, reservation or adverse remarks. The observation of the Auditors on the financial statements have been suitably explained in the Notes to Accounts and do not require any further clarification.

24. Details in Respect of Frauds Reported by Auditors Under Section 143(12) Other Than Those Which are Reportable to the Central Government

During the financial year under review, no fraud is reported by the auditors under Section 143(12) of the Companies Act 2013.

25. Maintenance of Cost Records and Cost Audit

The Company is not falling under the category prescribed under sub-section (1) of Section 148 of the Companies Act, 2013 and Rules 3, 4 of the Companies (Cost Records and Audit) Rules, 2014 (as amended from time to time) to whom the requirements of maintenance of Cost Records and the requirement of Cost Audit is applicable.

26. Internal Auditor

Pursuant to the provisions of Section 138 of the Act, the Company has reappointed Deloitte Haskins & Sells LLP, Chartered Accountants, as an Internal Auditor of the company for FY 2019-20 in addition to existing in-house internal auditor.

27. Secretarial Auditor

Pursuant to the provisions of Section 204(1) of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Board had appointed M/s Vivek Arora, Company Secretaries (Membership No. A12222, C.P. No. 8255) to conduct the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remark. The Secretarial Audit Report for the financial year 2018-19 is annexed as **Annexure-C** to this report.

28. Annual Return

Pursuant to Section 134 and Section 92 of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2019 in Form No. MGT-9 is attached herewith as **Annexure-D** to this Report and also made available at the website of the company at www.relaxofootwear.com/Annual-Results.aspx

29. Contracts and Arrangements with Related Parties

During the financial year, the Company has entered into various transactions with related parties. All Contracts / arrangements / transactions entered into by the Company with its related parties during the Financial Year were in the ordinary course of the business and on the arm's length basis and were undertaken in compliance with the applicable provisions of the Act ('the Act') and Listing Regulation.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions that would have required Shareholders approval under Regulation 23 of Listing Regulation.

The policy on related party transactions is available on the Company's website at www.relaxofootwear.com/pdf/Policy-on-materiality-of-Related-Party-Transactions.pdf.

The particulars of material related party transactions are provided in Form AOC-2 as **Annexure-E** to this Report. Further, the name of related parties and details of transactions with them have been included in note 46 of the financial statements for the year ended 31st March 2019.

30. Mergers and Amalgamations

Your Company had filed a petition with National Company Law Tribunal (NCLT), Delhi for amalgamation of Marvel Polymers Private Limited and Relaxo Rubber Private Limited with your Company along with its shareholders and creditors. During the financial year 2018-2019, your Company has received the certified true copy of the said order from Hon'ble NCLT on 4th January 2019 and the same was filed with Registrar of Companies on 22nd January, 2019.

Pursuant to the Scheme and NCLT order, your Company in its meeting held on 2nd February, 2019 has allotted 36,18,453 equity shares to the shareholders of Marvel Polymers Private Limited and Relaxo Rubber Private Limited.

Also, the authorized capital of the Company got increase from ₹ 20.00 Crore divided into 20 Crore equity shares of ₹ 1/- each to ₹ 20.75 Crore divided into 20.75 Crore equity shares of ₹ 1/- each.

31. Details of Loans, Guarantees & Investments

The details of loans, guarantees and investments under Section 186 of the Act read with Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) are as follows :-

- a) Details of investments made by the Company as on 31st March, 2019 (including investments made in previous years)
 - (i) Investment in equity shares : ₹ 20.00 Lacs
 - (ii) Investment in debt instruments : Nil
- b) Details of loans given by the Company : Nil
- c) There are no guarantees issued by your Company in accordance with Section 186 of the Act read with the Rules issued thereunder.

The details of Investments made under Section 186 of the Act are also provided in the Note 3 forming part of the financial statements.

32. Risk Management

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company has set up a Risk Management Committee. The Risk Management Committee shall evaluate significant risk exposures including risks related to cyber security of the Company and assess management's actions to mitigate the exposures in a timely manner. The Board of Directors on the recommendations of Risk Management Committee has adopted a Risk Management Policy for the Company to lay down the procedure to inform the Board members about the risk assessment and minimization. The policy also ensures effective risk management systems to carry out risk assessment and also to document risk mitigation plans. In addition, all the key risks get continuously deliberated and discussed during business review meetings. Company has taken many initiatives to further strengthen the Governance, Risk & Compliance (GRC) framework at Relaxo which includes automation of compliance monitoring, litigation management and documentation of

Delegation of Authority (Operational / Financial). The Company has been taking necessary steps to mitigate foreseeable business risks. The Company has laid down procedures to inform the Risk Management Committee, Audit Committee and Board of Directors about risk assessment & management procedure and status. Business risk evaluation and management is an ongoing and continuous process within the Company.

As per notification no. SEBI/LAD -NRO/GN/2018/10 dated 9th May, 2018 read SEBI (LODR) (Amendment) Regulations, 2018, the top 500 Listed Companies are required to constitute Risk Management Committee with effect from 1st April, 2019.

The Board of Directors in its meeting held on 3rd November, 2018 has constituted risk management committee in accordance with the provisions of Listing Regulation.

The details pertaining to the composition, meetings and terms of reference of the committee are included in the Report on Corporate Governance which forms part of this Annual Report.

33. Corporate Social Responsibility (CSR) and its Committee

Your Company has firm belief and commitment towards the collective development of all the stakeholders especially people at bottom of the pyramid and consider it as prerequisite for the sustainability of the business. Thus, CSR is not just compliance for the Company but is an opportunity to contribute towards nation building through well-defined professional approach.

In compliance with the guidelines prescribed under Section 135 of the Companies Act, 2013, your Company constituted a Corporate Social Responsibility (CSR) Committee. Board of Directors laid down the CSR Policy, covering the objectives, focus areas, governance structure and monitoring & reporting framework among others. The policy is available at www.relaxofootwear.com/pdf/Corporate--Social--Responsibility--Policy.pdf.

Your Company has formed a special purpose vehicle Relaxo Foundation, a Society under Societies Registration Act 1860 to carry out its social initiatives

Your Company has decided to work under two thrust areas, 'Education & Skill development' and 'Health & Hygiene', primarily with the underprivileged communities living in the vicinity of Relaxo locations. However, being one of the most popular household brand Relaxo has presence across India, therefore, your Company intends to work beyond these geographical boundaries.

During the period of reporting, Relaxo implemented total 8 CSR projects in 5 geographical locations of 4 States viz. Delhi, Haryana, Rajasthan and Uttarakhand, impacting lives of ~ 100,000 people.

The details pertaining to the composition, meetings and terms of reference of the committee are included in the Report on Corporate Governance which forms part of this Annual Report.

Key initiatives under each thematic area and the report on CSR u/s 135 of the Companies Act, 2013 is annexed as **Annexure-F** to this Report.

34. Composition of Audit Committee

In compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulation, the Board of Directors of the Company had constituted the Audit Committee. The details pertaining to the composition, meetings and terms of reference of the committee are included in the Report on Corporate Governance which forms part of this Annual Report.

35. Vigil Mechanism

The Company as required under Section 177 of the Act and Regulation 22 of the Listing Regulation, has established "Vigil Mechanism / Whistle Blower Policy" for Directors and employees of the Company which was further amended by the Board of Directors in its meeting held on 2nd February, 2019.

This Policy has been established with a view to provide a tool to Directors and employees of the Company to report to the management genuine concerns including unethical behavior, actual or suspected fraud or violation of the Code or the Policy. This Policy outlines the procedures for reporting, handling, investigating and deciding on the course of action to be taken in case inappropriate conduct is noticed or suspected.

This Policy also provides for adequate safeguards against victimization of director(s)/employee(s) who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Audit Committee is authorized to oversee the Vigil Mechanism/ Whistle Blower Policy in the Company. The Company has received one complaint which was duly resolved under the said policy during the year. Your Company hereby affirms that no person of the Company have been denied access to the Audit Committee.

The copy of the policy is available at Company's website at <http://www.relaxofootwear.com/pdf/Vigil---Mechanism---Policy.pdf>.

36. Business Responsibility Report

As stipulated under the Listing Regulations, the Business Responsibility Report, describing the initiatives taken by the Company for environmental, social and governance perspective, forms an integral part of the Annual Report.

37. Disclosure Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed towards creating a respectful workplace, free from any form of harassment and discrimination, which is exemplified by its 'zero tolerance' approach towards any act of sexual harassment.

As required under the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013, the Company has a Policy on Prevention of sexual harassment of women at workplace and matters connected therewith and has also complied with the provisions relating to the Constitution of Internal Complaint Committee (ICC).

An Internal Complaint Committee (ICC) is available at each of the units and offices of the Company as per the requirements of the law. The ICC is responsible for redressal of complaints related to sexual harassment as well as to create a preventive environment across the organization. The Company conducts sensitization / awareness sessions on a regular basis so as to create a free and fair working environment.

The ICC received one complaint of Sexual Harassment during the year under review and the same was disposed off as per the provisions of law. It is our constant endeavor to ensure that we provide harassment free, safe and secure working environment to all employees specially the women. We are proud to inform that our female workforce feels happy and safe while working at Relaxo.

38. Significant and Material Orders

Pursuant to the scheme of amalgamation, the Company has received the certified true copy of order on 4th January 2019 from National Company

Law Tribunal, Delhi, approving the merger of Marvel Polymers Private Limited and Relaxo Rubber Private Limited with your Company.

There are no other significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

39. Capital Market Ratings

During the financial year 2018-2019, ICRA has upgraded Long term rating of the Company from ICRA AA- (positive outlook) to ICRA AA (stable outlook).

During the year, ICRA has reaffirmed short term rating of the Company as A1+ which is the highest rating for the category. ICRA has also reaffirmed A1+ top notch rating to the Company for Commercial Paper of ₹ 50.00 Crores.

40. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The details relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure-G** to this Report.

41. Employees Stock Option Plan

Presently, the Company has one Employee Stock Option Plan 2014 ("RFL ESOP PLAN-2014"). This plan helps to attract and retain talent. The Nomination and Remuneration Committee administers and monitors the Company's ESOP Plan.

During the financial year 2018-2019, 78,800 options were exercised by the employees of the Company. Accordingly, the Company has on 3rd November, 2018 made allotment of 78,800 equity shares against the options exercised by the employees.

During the Financial Year 2018-19, there has been no change in the Employee Stock Option Plan 2014 ("RFL ESOP PLAN-2014") of the Company. Further, it is confirmed that the ESOP Scheme of the Company is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.

Pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (the ESOP Regulations), a disclosure with respect to ESOP Scheme of the Company as on 31st March, 2019, is available on Company's website at www.relaxofootwear.com/other-disclosure.aspx.

A certificate from M/s B R Maheswari & Co LLP, Chartered Accountants, Statutory Auditors of the Company with respect to the implementation of the Company's ESOP Plan would be placed before the members at the ensuing AGM. A copy of the same will also be available for inspection at the registered office of the Company.

The details as per the requirements of SEBI Guidelines are annexed and form part of this Report as **Annexure-H**.

42. Material Changes and Commitments

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year ended on 31st March 2019 of the Company and as on the date of this Report.

43. Internal Financial Controls

The Company has in place well defined and adequate Internal Financial Control framework which is independently evaluated by external agency

apart from periodic evaluation by in-house Internal Audit function for necessary improvement, wherever required. The Company deploys a robust system of internal controls that facilitates the accurate and timely compilation of financial statements and management reports, ensures regulatory and statutory compliance and safeguards investor interest by ensuring the highest level of governance. The control system ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded & reported correctly and timely. Proper and sufficient care have been taken for preventing and detecting fraud and other irregularities. The Managing Director and CFO Certificate included in the Corporate Governance Report confirms the existence of effective internal control systems and procedures in the Company. The Audit Committee reviews the effectiveness of the internal financial control framework in the Company.

44. Managing Director and CFO Certification

The Certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the Managing Director and CFO was placed before the Board. The same is annexed with Corporate Governance Report.

Declaration by Managing Director under Regulation 34(3) read with Schedule V of SEBI Listing Regulations in respect of compliance with the Company's Code of Conduct is enclosed with this Annual Report.

45. Transfer to Unclaimed Shares / Dividend

As per the provisions of Regulation 39(4) of the Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. Accordingly, unclaimed shares lying with the Company have been transferred and dematerialized in a 'Unclaimed Suspense Account' of the Company. This account is being held by the Company purely on behalf of the shareholders entitled for these equity shares.

The summary of 'Unclaimed Suspense Account' during the year is given hereunder:

S. No	Particulars	No of Shareholders	No of equity shares held
1.	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on 1 April 2018	27	40,085
2.	Number of shareholders along with shares held who approached the Company for transfer of shares from the suspense account during the year	1	2,000
3.	Number of shareholders along with shares held to whom shares were transferred from the suspense account during the year	1	2,000
4.	Transfer of shares to IEPF Account	-	-
5.	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on 31 March 2019	26	38,085

The voting rights on the equity share(s) in the suspense account shall remain frozen till the rightful owners of such equity share(s) claim the equity share(s). Any corporate benefits in terms of securities accruing on

such equity shares viz. bonus shares, split etc., shall also be credited to such demat suspense account or unclaimed suspense account, as applicable in accordance with existing provisions.

During FY 2018-19, the Company has transferred the unpaid / unclaimed dividend amounting to ₹ 64947/- to the Investors Education and Protection Fund (IEPF) Demat Account established by the Central Government. The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th September 2018 (date of last Annual General Meeting) on the Company's website www.relaxofootwear.com/unpaid-dividend-data.aspx.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund (IEPF). Accordingly, during the FY 2018-19, there were no equity shares eligible to be transferred to Investors Education and Protection Fund (IEPF) Account.

The shareholders whose unpaid dividend / shares are transferred to the IEPF can request the Company / Registrar and Transfer Agent as per the applicable provisions in the prescribed form for claiming the unpaid dividend / shares from IEPF. The rules and application form (Form IEPF – 5) as prescribed by the Ministry for claiming back the shares/ dividends are available on the website of MCA at www.iepf.gov.in. Mr Vikas Kumar Tak has been appointed as the Nodal Officer by the company under the provisions of IEPF. The contact details of nodal officer is available on the website of the company at the web link www.relaxofootwear.com/Investor-Support.aspx.

46. Corporate Governance

The Company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. A detailed report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of this Annual Report.

A certificate from M/s B R Maheswari & Co. LLP, Chartered Accountants (ICAI Firm Registration No. –001035N / N500050) Statutory Auditors of the Company, confirming Company's compliance with the conditions of Corporate Governance, as stipulated under the Listing Regulations, is attached to the Report of Corporate Governance as **Annexure-I**.

47. Details of Non-Compliance with Regard to Capital Markets During the Last Three Years

There have been no instances of non-compliances by the Company and no penalties and / or strictures have been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

48. Other Disclosures

The Company affirms that the annual listing fees for the financial year 2019-20 to both National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) has been paid.

49. Acknowledgement

The Directors wish to place their appreciation for the assistance and co-operation extended by business partners, customers, strategic investors, shareholders, bankers, vendors, suppliers, various agencies and Government departments where the Company's operations are existing.

The Directors would also like to place on record their sincere appreciation for the valuable contribution, unstinted efforts and the spirit of dedication shown by the employees of the Company at all levels in ensuring an excellent all round operational performance.

For and on behalf of the Board of Directors

Ramesh Kumar Dua
Managing Director
DIN: 00157872

Mukand Lal Dua
Whole Time Director
DIN: 00157898

Delhi, May 10, 2019

Annexure 'A' Dividend Policy

1. INTRODUCTION

- 1.1. The Securities and Exchange Board of India on July 8, 2016 inserted Regulation 43A in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top 500 listed companies (based on market capitalization calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website.
- 1.2. Relaxo Footwears Limited being one of the top 500 listed companies as per the market capitalization as on the March 31, 2016, framed this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 1.3. This Policy will regulate the process of dividend declaration and its pay-out by Relaxo Footwears Limited in accordance with the provisions of Companies Act 2013 read with the applicable Rules framed thereunder, as may be in force for the time being.

2. DEFINITIONS

Unless the context otherwise requires, the words, terms, expressions and derivations used in this Policy shall have the same meaning given in the Companies Act, 2013 and/ or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- 2.1 "Applicable laws" shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of dividend.
- 2.2 "Board of Directors" or "Board" shall mean the Board of Directors of Relaxo Footwears Limited, as constituted from time to time.
- 2.3 "Company" shall mean Relaxo Footwears Limited.
- 2.4 "CA 2013" shall mean Companies Act, 2013 read with related rules framed thereunder and including all amendments and modifications thereto.
- 2.5 "Listing Regulations" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.6 "Policy" shall mean Dividend Distribution Policy.
- 2.7 "SEBI" shall mean Securities and Exchange Board of India.

3. OBJECTIVE

- 3.1 The objective of this Policy is to:
 - 3.1.1 ensure a regular dividend income for the shareholders and long-term capital appreciation for all stakeholders of the Company;
 - 3.1.2 strike the right balance between the quantum of dividend paid to its shareholders and the amount of profits retained in the business for various purposes;
 - 3.1.3 to maintain a consistent approach to dividend pay-out plans;
 - 3.1.4 specify the parameters (including external and internal factors) that shall be considered while declaring dividend;
 - 3.1.5 lay down the circumstances under which the shareholders of the Company may or may not expect dividend;
 - 3.1.6 provide the manner of utilization of retained earnings.
- 3.2 The Company believes that it operates in the highly capital-intensive industry and large chunk of funds are required for modernization or setting up of manufacturing units and to keep itself abreast with technology

challenges and countering competitors. Therefore, the retention of surplus funds for future growth will over-ride considerations of returning cash to the shareholders.

4. CATEGORY OF DIVIDENDS

The CA 2013 provides for two forms of Dividend - Final and Interim, the details of which are provided below:

4.1 Final Dividend

The Final dividend is paid once for the financial year after the annual accounts are prepared and adopted. The Board has the power to recommend the payment of Final Dividend to the shareholders at the Annual General Meeting of the Company. The declaration of Final dividend shall be included in the ordinary business items that are required to be transacted at an Annual General Meeting.

Process for approval of Payment of Final Dividend:

- a. The Board shall recommend the quantum of final dividend payable to shareholders in its meeting in line with the Policy;
- b. Dividends shall be paid only out of current year profits or past year profits/reserves after providing for depreciation and setting off losses, if any and in alignment with the provisions of the CA 2013;
- c. Shareholders are required to approve the final dividend recommended by Board in Annual General Meeting;

4.2 Interim Dividend

This form of dividend can be declared by the Board during any financial year or at any time during the period of closure of financial year till holding the Annual General Meeting. It is declared out of the surplus in the profits of the financial year for which such interim dividend is to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend

Process for approval of Payment of Interim Dividend:

- a. The Board may declare Interim Dividend at its discretion in line with the Policy;
- b. The interim dividend as declared by the Board shall be confirmed at the next Annual General Meeting;

Appropriate Dividend Distribution Tax shall be paid within the due date prescribed under the Income Tax Act, 1961.

5. DECLARATION AND PAYMENT OF DIVIDEND

- 5.1 The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. Further, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it, including the capital expenditure requirements of the Company. The Board of Directors will recommend Dividend taking into account all the above parameters.
- 5.2 The Company shall declare and pay dividend, both, interim and final dividend, in compliance with the applicable laws.
- 5.3 Subject to the provisions of the CA 2013, Dividend shall be declared or paid only out of:
 - 5.3.1 Current Financial Year's profit:
 - a. after providing for depreciation in accordance with law

- b. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- 5.3.2 The profits for any previous Financial Year(s) after providing for depreciation in accordance with law;
- 5.3.3 out of 5.3.1 and 5.3.2 both.
- 5.4 As mentioned above, for computing the surplus funds for purposes of determining the Dividend, the Board may at its discretion, subject to provisions of the applicable law, exclude any or all of the following from the Profit after tax:
 - 5.4.1 extraordinary Profits
 - 5.4.2 exceptional Profits
 - 5.4.3 one off transactions on account of change in law or rules or accounting policies or accounting standards.
 - 5.4.4 Proposed funds required for CAPEX and other related expenses during the year.

6. FACTORS TO BE CONSIDERED WHILE DECLARING DIVIDEND

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board of Directors will endeavor to take a decision with an objective to enhance shareholders wealth and market value of the shares.

The Dividend pay-out decision of any company depends upon certain external and internal factors:

6.1 External Factors:

- 6.1.1 **Economic Environment** - In case of uncertain or recessionary economic and business conditions, the Board will endeavor to retain larger part of profits to have sufficient reserves to absorb unforeseen circumstances in future.
- 6.1.2 **Capital Markets** - In favorable market scenarios, the Board may consider liberal pay-out. However, in case of unfavorable market conditions, the Board may resort to a conservative dividend pay-out in order to conserve cash outflows.
- 6.1.3 **Statutory Restrictions** - The Company will keep in mind the prevailing legal/ statutory requirement, regulatory conditions or restrictions, as may be imposed by applicable laws.
- 6.1.4 **Agreements with Lending Institutions** - The Board may consider protective covenants in a bond or loan agreement that may include leverage limits & restrictions on payment of cash dividends in order to preserve the Company's ability to service its debts.
- 6.1.5 **Industry trend** - Past and present dividend payment trend of companies in the same industry.

6.2 Internal Factors:

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia will include:

6.2.1 Financial Considerations

- 6.2.1.1 Profits earned during the year or any previous financial year
- 6.2.1.2 Accumulated reserves;
- 6.2.1.3 Earnings stability;

- 6.2.1.4 Future capital expenditure;
- 6.2.1.5 Past dividend trends of the Company;
- 6.2.1.6 Cost of raising funds from alternate sources; and
- 6.2.1.7 Net worth, cash flow position and Debt-Equity Ratio.

6.2.2 Non-Financial Considerations

- 6.2.2.1 Inorganic growth plans;
- 6.2.2.2 Stage of business cycle;
- 6.2.2.3 Reinvestment opportunities; and
- 6.2.2.4 Investor expectations/ demands.

6.2.3 Miscellaneous

- 6.2.3.1 Expansion/ Modernization of existing businesses;
- 6.2.3.2 Additional investments for merger or acquisitions for Brand or Business
- 6.2.3.3 Providing for unforeseen events and contingencies of the Company;
- 6.2.3.4 Fresh investments into external brands/ businesses; and
- 6.2.3.5 Any other factor as deemed fit by the Board.

7. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

In line with the Policy of the Company, there may be certain circumstances under which the shareholders of the Company may not expect dividend, including but not limited to:

- 7.1 Adverse market conditions and business uncertainty.
- 7.2 The Company has sufficient avenues to generate significantly higher returns on such 'surplus' than what a common shareholder can generate himself.
- 7.3 The Company is in higher need of funds for acquisition/ diversification/ expansion/ investment opportunities/ deleveraging or capital expenditures.
- 7.4 The Company proposes to utilize surplus cash in entirety for alternative forms of distribution such as buy-back of securities.
- 7.5 The Company has incurred losses or in the stage of inadequacy of profits.
- 7.6 Changing government regulations.
- 7.7 Any other extraordinary circumstances etc.

Even under such circumstances, the Board may at its discretion, and subject to applicable laws, choose to recommend a dividend out of the Company's free reserves.

8. PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES

- 8.1 Presently, the issued and paid-up share capital of the Company comprises of equity shares only. In case, the Company issues other kind of shares, the Board may suitably amend this Policy.

9. UTILIZATION OF RETAINED EARNINGS

In any given financial year, the retained earnings of the Company are expected to be utilized across the following activities:

- 9.1 Growth:** The Company will utilize its retained earnings for the growth of the Company. The Company can consider venturing into new markets/geographies/ verticals.
- 9.2 Research and Development:** The Company will utilize its retained earnings for research and development of new products in order to increase market share.

9.3 Capital Expenditure: The Company will utilize its retained earnings for capital expenditure by way of physical and technology infrastructure etc.

9.4 Mergers and Acquisitions: The Company will utilize its retained earnings for mergers and acquisitions, as it may deem necessary time to time.

9.5 Any other purpose as deemed fit by the Board and as mentioned in the purposes/ objects mentioned in its Memorandum & Articles of Association.

10. UNPAID/ UNCLAIMED DIVIDEND

10.1 Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to receive such dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in any scheduled bank to be called as Unpaid Dividend Account.

10.2 Any person claiming to be entitled to any money transferred to the Unpaid Dividend Account of the company may apply to the Company for payment of the money claimed.

10.3 Any money transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

10.4 The Company shall inform the concerned shareholder three months before the due date of transfer of shares regarding the shares liable to be transferred to IEPF for which dividend has remained unpaid and unclaimed for seven consecutive years or more as on the date

of transfer, at their latest available address and also simultaneously publish a notice in the leading newspaper in English and regional language having wide circulation and on their website giving details of such shareholders and shares due for transfer.

10.5 Following details/ statements shall be filed with statutory authorities in prescribed forms under the applicable laws:

- a) Statement of amount of dividend credited to the IEPF,
- b) Statement of unclaimed and unpaid amounts due to be credited in IEPF in coming years,
- c) Statement of shares transferred to the IEPF and Statement of shares and unclaimed and unpaid dividend not transferred to IEPF due to specific order of Statutory Authority,
- d) any other forms/ statements/ return etc. that may be prescribed by the IEPF or any other authority from time to time.

11. REVIEW AND AMENDMENT

This Policy will be reviewed periodically and is subject to modification by the Board from time to time, to be in the line with the best industrial practices and to ensure conformity with the applicable laws. Any subsequent notification, circular, guidelines or amendments under CA 2013 and Listing Regulations as may be issued from time to time shall be mutatis mutandis applicable without any further modification or amendment in this policy.

12. DISCLAIMER

In any circumstances, where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the newly enacted law, rule, regulation or standard will take precedence over this Policy until such time the Policy is changed to conform to the law, rule, regulation or standard.

Annexure 'B'

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force),

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the Financial Year 2018-19 is as follows:-

Name of Director	DIN	Ratio of Remuneration of Director to the Median Remuneration
Mr. Ramesh Kumar Dua	00157872	649.44
Mr. Mukand Lal Dua	00157898	649.44
Mr. Nikhil Dua	00157919	47.77
Mr. Deval Ganguly	00152585	54.34
Mr. Pankaj Shrimali	00013142	2.27
Mr. Vivek Kumar	00206819	1.66
Mr. Kuruvila Kuriakose	00881039	0.00
Ms. Deepa Verma	06944281	1.42

- The aforesaid details are calculated on the basis of remuneration for the Financial Year 2018-19.
- The remuneration includes sitting fee paid to the Directors for attending Board and Committee meetings.
- Median Remuneration for all its employees is ₹ 211304 for the Financial Year 2018-19.
- Mr. Kuruvila Kuriakose resigned w.e.f. 26th March, 2019 on health grounds.

B. Details of percentage increase in the remuneration of each Director, CFO and Company Secretary in the Financial Year 2018-19 as compared to last year are as follows :-

Name	Designation	% Increase
Mr. Ramesh Kumar Dua	Managing Director	13.43
Mr. Mukand Lal Dua	Whole Time Director	13.43
Mr. Nikhil Dua		8.89
Mr. Deval Ganguly		-38.25
Mr. Pankaj Shrimali		23.08
Mr. Vivek Kumar	Independent Director	-9.09
Mr. Kuruvila Kuriakose		-100.00
Ms. Deepa Verma		-3.23
Mr. Sushil Batra	Chief Financial Officer	-22.08
Mr. Vikas Kumar Tak	Company Secretary	18.98

Note: The remuneration to Directors is within the overall limit approved by shareholders. The commission to the tune of ₹ 2.50 lacs approved by the Board and payable to each Independent Director holding office on 31st March, 2019, will be paid after the approval of Financial Statements for the Financial Year 2018-19 by shareholders. Therefore, same has not been considered in above calculation.

C. Percentage increase in the median remuneration of all employees in Financial Year 2018-19 :-

There is increase of 12.22% in median remuneration of all employees in Financial Year 2018-19.

D. Number of Permanent Employees on the roll of the Company as on 31st March, 2019 :

Particulars	No. of Employees
Staff	2183
Sub Staff	4071
Total	6254

E. Comparison of average percentage increase in salary of employees other than Managerial Personnel and the percentage increase in the Managerial Remuneration :

The aggregate remuneration of employees excluding KMPs grew by 10.97% over the previous year. The aggregate increase in salary for Whole Time Directors and other KMP's was 8.00% in FY19 over FY18. This was based on the recommendation of Nomination and Remuneration Committee.

F. Affirmation

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

G. Statement Containing the particulars of the employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

List of Employees of the Company employed throughout the Financial Year 2018-19 and were paid remuneration, not less than ₹ 102 lacs per annum and employees who have worked for the part of the year and were paid remuneration during the Financial Year 2018-19 at a rate which in aggregate was not less than ₹ 8.50 lacs per month :

S. No.	Employee Name	Designation	Date of joining	Age (Years)	Remuneration (₹ in Lacs)	Qualification	Experience (Years)	Last Employment
1	Mr. Deval Ganguly	Whole Time Director	05-Nov-12	60	114.83	B.Tech.	38	JK Tyre & Industries Ltd.
2	Mr. Hans Raj Sapra	Senior Vice President (Material)	16-Oct-93	70	112.50	BE, Dip. Mech. Engg.	46	India Meterological Dept.
3	Mr. Mukand Lal Dua	Whole Time Director	13-Sep-84	70	1372.30	B.Sc.	46	Relaxo Rubber Pvt Ltd.
4	Mr. Ramesh Kumar Dua	Managing Director	13-Sep-84	65	1372.30	B.Com., Licentiate of LPRI London	43	Relaxo Rubber Pvt Ltd.
5	Mr. Sushil Batra	Chief Financial Officer	30-Jul-07	54	126.58	B.Com., FCA	28	A2Z Infra Engg. Ltd.
6	Mr. Vinay Kumar Bajaj	Vice President (Sales)	01-Jun-16	57	139.41	B.Com.	28	SSIPL

Note:

1. Mr. Ramesh Kumar Dua and Mr. Mukand Lal Dua are Promoter Directors of the Company and are also related to each other. Mr. Mukand Lal Dua is also related to Mr. Nikhil Dua Promoter Director of the Company.

Annexure 'C'

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

for the Financial Year Ended on March 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Relaxo Footwears Limited
Aggarwal City Square, Plot no 10,
District Centre, Manglam Palace,
Sector- 3, Rohini,
Delhi-110085

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Relaxo Footwears Limited. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Relaxo Footwears Limited (the Company) books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31-03-2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31-03-2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) SEBI (Substantial Acquisition of Shares and Takeovers) (Fourth Amendment) Regulations 2015
 - (b) SEBI (PIT) Regulations, 2015.
 - (c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) SEBI (Share Based Employee Benefits) Regulations, 2014
 - (e) SEBI (Issue and Listing of Debt Securities (Amendment) Regulations, 2015
 - (f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2009
 - (h) SEBI (Buy-back of Securities) (Amendment) Regulations, 1998.
- (vi) The Rubber Act, 1947 (the law which is applicable specifically to the Company) .

I have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 pertaining to Listed equity shares of the Company at NSE and BSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above .

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that :

I. During the year, two companies viz Marvel Polymers Private Limited (MPPL) and Relaxo Rubber Private Limited (RRPL) amalgamated with the Company vide NCLT order dated 13th December, 2018 and a certified true copy of the said order was received on 4th January, 2019 by the Company and the said amalgamation is effective from 22nd January, 2019, having appointed date 1st April, 2017. Pursuant to this amalgamation, all the assets and liabilities of the Transferor Companies (MPPL and RRPL) were transferred to the Company (i.e Transferee Company) w.e.f appointed date. Consequent upon this approved scheme of amalgamation, 20,158 equity shares of ₹ 1/- each fully paid of Company for every 100 equity shares of ₹ 100 each of MPPL and 3,124 equity shares of ₹ 1/- each fully paid of Company for every 100 equity shares of ₹ 100 each of RRPL were allotted to Shareholders of MPPL & RRPL respectively.

Consequently, the authorized share capital of the Company was enhanced from ₹ 20.00 Crores to ₹ 20.75 Crores and the Paid up Equity share capital was also enhanced from ₹ 12,04,32,420 divided into 12,04,32,420 Equity Shares of ₹ 1/- each to ₹ 12,40,50,873 divided into 12,40,50,873 Equity Shares of ₹ 1/- each and these equity shares rank pari passu in all respect with the existing equity shares of the company. The company has filed necessary application for stamp duty with statutory authorities and same shall be paid on the processing of the applications filed by the Company. The title deeds for immovable properties, licenses, agreements, bank accounts etc. of the transferor companies are in the process of being transferred in the name of the Company.

II. During the year, the company allotted 78,800 Equity shares of ₹ 1/- each fully paid up to the employees of the company under ESOP scheme (RFL ESOP Plan-2014). These shares were allotted vide resolution passed on 3rd November, 2018. These shares will rank pari passu in all respects in terms of the scheme. The Company also granted 61,900 options during Financial Year 2018-19.

for **VIVEK ARORA**
Company Secretaries

Vivek Arora
Proprietor
CP No. 8255, ACS 12222

New Delhi, May 10, 2019

Note : This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure "A"

To,
The Members

Relaxo Footwears Limited

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

for **VIVEK ARORA**
Company Secretaries

Vivek Arora
Proprietor
CP No. 8255, ACS 12222

New Delhi, May 10, 2019

Annexure 'D'

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

(as on Financial Year ended on 31st March, 2019)

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

i	CIN	L74899DL1984PLC019097
ii	Registration Date	13/09/84
iii	Name of the Company	Relaxo Footwears Limited
iv	Category/Sub-category of the Company	Public Company Limited by Shares
v	Address of the Registered office & contact details	Aggarwal City Square, Plot No. 10, Manglam Place, District Centre, Sector-3, Rohini, Delhi- 110085 +91-11-46800600, 46800700 Email : rfl@relaxofootwear.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Pvt. Ltd. Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Nanakramguda, Hyderabad, Telangana- 500032. Ph. : +91- 040-67162222 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacturer of Footwear made primarily of vulcalized or moulded rubber and plastic	15202	99.54%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES :

Nil

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-Wise Shareholding :

Category of shareholder	No. of Shares held at the beginning of the year (As on 31st March, 2018)				No. of Shares held at the end of the year (As on 31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
1 INDIAN									
a) Individual /HUF	8,93,59,000	-	8,93,59,000	74.25	8,80,97,453	-	8,80,97,453	71.02	-3.23
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	8,93,59,000	-	8,93,59,000	74.25	8,80,97,453	-	8,80,97,453	71.02	-3.23
2 FOREIGN									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter(s) A=A(1)+A(2)	8,93,59,000	-	8,93,59,000	74.25	8,80,97,453	-	8,80,97,453	71.02	-3.23
B. PUBLIC SHAREHOLDING									
1 INSTITUTIONS									
a) Mutual Funds	25,98,606	-	25,98,606	2.16	76,09,525	-	76,09,525	6.14	3.98
b) Banks/FI	14,961	-	14,961	0.01	16,006	-	16,006	0.01	0
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FPI*	55,54,680	-	55,54,680	4.62	34,03,877	-	34,03,877	2.74	-1.88
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	81,68,247	-	81,68,247	6.79	1,10,29,408	-	1,10,29,408	8.89	2.10
2 NON-INSTITUTIONS									
a) Bodies Corp.									
i) Indian	1,60,56,460	-	1,60,56,460	13.34	1,68,83,548	-	1,68,83,548	13.61	0.27
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹1 lac	41,67,028	5,70,360	47,37,388	3.94	48,00,576	4,30,085	52,30,661	4.22	0.28
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lac	9,42,718	1,24,000	10,66,718	0.89	8,99,718	-	8,99,718	0.73	-0.16

A. Category-Wise Shareholding : (contd.)

Category of shareholder	No. Of Shares held at the beginning of the year (As on 31st March, 2018)				No. Of Shares held at the end of the year (As on 31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Others (specify)									
i) Clearing Members	12,215	-	12,215	0.01	39,538	-	39,538	0.03	0.02
ii) Non Resident Indians*	5,13,300	-	5,13,300	0.42	8,35,521	-	8,35,521	0.67	0.25
iii) Trusts	3,577	-	3,577	0.00	2,97,366	-	2,97,366	0.24	0.24
iv) Alternative Investment Fund	1,84,090	-	1,84,090	0.15	4,24,035	-	4,24,035	0.34	0.19
v) NBFC (Registered with RBI)	1,00,150	-	1,00,150	0.08	1,61,150	-	1,61,150	0.13	0.05
vi) IEPF	152475	-	152475	0.13	152475	-	1,52,475	0.12	-0.01
Sub-Total B(2)	2,21,32,013	6,94,360	2,28,26,373	18.96	2,44,93,927	4,30,085	2,49,24,012	20.09	1.13
Total Public Shareholding B=B(1)+B(2)	3,03,00,260	6,94,360	3,09,94,620	25.75	3,55,23,335	4,30,085	3,59,53,420	28.98	3.23
C Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	11,96,59,260	6,94,360	12,03,53,620	100.00	12,36,20,788	4,30,085	12,40,50,873	100.00	-

*No Payment on account of Dividend has been made in Foreign Currency to NRI or any other foreign person during the Financial Year 2018-19.

B) Shareholding of Promoters :

S. No	Shareholder's Name	Shareholding at the beginning of the year (As on 31-March-2018)			Shareholding at the end of the year (As on 31-March-2019)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ramesh Kumar Dua	3,11,48,150	25.88	-	2,99,08,872	24.11	-	-1.77
2	Mukand Lal Dua	2,64,45,700	21.97	-	2,50,70,960	20.21	-	-1.76
3	Nikhil Dua	45,00,450	3.74	-	46,71,837	3.77	-	0.03
4	Usha Dua	45,00,450	3.74	-	47,30,255	3.81	-	0.07
5	Lalita Dua	45,00,450	3.74	-	47,66,181	3.84	-	0.10
6	Rahul Dua	45,00,450	3.74	-	46,71,837	3.77	-	0.03
7	Gaurav Dua	45,00,450	3.74	-	46,71,837	3.77	-	0.03
8	Ritesh Dua	45,00,450	3.74	-	46,71,837	3.77	-	0.03
9	Nitin Dua	45,00,450	3.74	-	46,71,837	3.77	-	0.03
10	Mukand Lal Dua (HUF)	2,32,000	0.19	-	2,32,000	0.19	-	0.00
11	Ramesh Kumar Dua (HUF)	20,000	0.02	-	20,000	0.02	-	0.00
12	Sakshi Dua	10,000	0.01	-	10,000	0.01	-	0.00

C) Change in Promoters' Shareholding :

S. no	For Each Promoter	Shareholding at the beginning of the year (01/04/2018)		Date	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	Ramesh Kumar Dua						
	At the beginning of the Year	3,11,48,150	25.88	31/03/18		3,11,48,150	25.88
	Increase/Decrease in Shareholding	12,00,722	0.97	08/02/19	Amalgamation	3,23,48,872	26.08
		-24,40,000	-1.97	06/03/19	Sale of shares	2,99,08,872	24.11
	At the end of the Year			31/03/19		2,99,08,872	24.11
2	Mukand Lal Dua						
	At the beginning of the Year	2,64,45,700	21.97	31/03/18		2,64,45,700	21.97
	Increase/Decrease in Shareholding	10,65,260	0.86	08/02/19	Amalgamation	2,75,10,960	22.18
		-24,40,000	-1.97	06/03/19	Sale of shares	2,50,70,960	20.21
	At the end of the Year			31/03/19		2,50,70,960	20.21
3	Lalita Dua						
	At the beginning of the Year	45,00,450	3.74	31/03/18		45,00,450	3.74
	Increase/Decrease in Shareholding	2,65,731	0.21	08/02/19	Amalgamation	47,66,181	3.84
	At the end of the Year			31/03/19		47,66,181	3.84
4	Usha Dua						
	At the beginning of the Year	45,00,450	3.74	31/03/18		45,00,450	3.74
	Increase/Decrease in Shareholding	2,29,805	0.19	08/02/19	Amalgamation	47,30,255	3.81
	At the end of the Year			31/03/19		47,30,255	3.81
5	Nikhil Dua						
	At the beginning of the Year	4500450	3.74	31/03/18		45,00,450	3.74
	Increase/Decrease in Shareholding	171387	0.14	08/02/19	Amalgamation	46,71,837	3.77
	At the end of the Year			31/03/19		46,71,837	3.77
6	Ritesh Dua						
	At the beginning of the Year	45,00,450	3.74	31/03/18		45,00,450	3.74
	Increase/Decrease in Shareholding	1,71,387	0.14	08/02/19	Amalgamation	46,71,837	3.77
	At the end of the Year			31/03/19		46,71,837	3.77
7	Guarav Dua						
	At the beginning of the Year	45,00,450	3.74	31/03/18		45,00,450	3.74
	Increase/Decrease in Shareholding	1,71,387	0.14	08/02/19	Amalgamation	46,71,837	3.77
	At the end of the Year			31/03/19		46,71,837	3.77
8	Nitin Dua						
	At the beginning of the Year	45,00,450	3.74	31/03/18		45,00,450	3.74
	Increase/Decrease in Shareholding	1,71,387	0.14	08/02/19	Amalgamation	46,71,837	3.77
	At the end of the Year			31/03/19		46,71,837	3.77
9	Rahul Dua						
	At the beginning of the Year	45,00,450	3.74	31/03/18		45,00,450	3.74
	Increase/Decrease in Shareholding	1,71,387	0.14	08/02/19	Amalgamation	46,71,837	3.77
	At the end of the Year			31/03/19		46,71,837	3.77

There is no change in shareholding of other promoters during the Financial Year 2018-19.

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No	Name of the Share Holder	Shareholding at the beginning of the Year (01/04/2018)		Date	Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company			No of Shares	% of total shares of the company
1	VLS Securities Ltd						
	At the beginning of the Year	81,50,000	6.77	31/03/18		81,50,000	6.77
	Increase/Decrease in Shareholding	1,000	0.00	05/10/18	purchase	81,51,000	6.77
		-1,000	0.00	12/10/18	sale	81,50,000	6.77
		3,808	0.00	08/03/19	purchase	81,53,808	6.57
		-3,808	0.00	15/03/19	sale	81,50,000	6.57
	At the end of the Year			31/03/19		81,50,000	6.57
2	VLS Finance Ltd						
	At the beginning of the Year	62,86,791	5.22	31/03/18		62,86,791	5.22
	Increase/Decrease in Shareholding	-3,222	0.00	25/05/18	sale	62,83,569	5.22
		-2,500	0.00	31/08/18	sale	62,81,069	5.22
		-3,483	0.00	05/10/18	sale	62,77,586	5.22
		-18,808	-0.02	08/03/19	sale	62,58,778	5.05
		-22,500	-0.02	15/03/19	sale	62,36,278	5.03
		-8,024	-0.01	22/03/19	sale	62,28,254	5.02
		-4,029	0.00	29/03/19	sale	62,24,225	5.02
		At the end of the Year			31/03/19		62,24,225
3	Jwalamukhi Investment Holdings						
	At the beginning of the Year	40,88,907	3.40	31/03/18		40,88,907	3.40
	Increase/Decrease in Shareholding	-2,67,370	-0.22	03/08/18	Sale	38,21,537	3.18
		-10,000	-0.01	10/08/18	Sale	38,11,537	3.17
		-54,725	-0.04	17/08/18	Sale	37,56,812	3.12
		-1,22,390	-0.10	24/08/18	Sale	36,34,422	3.02
		-33,014	-0.03	31/08/18	Sale	36,01,408	2.99
		-1,78,604	-0.14	07/09/18	Sale	34,22,804	2.84
		-36,480	-0.03	14/09/18	Sale	33,86,324	2.81
		-3,389	0.00	21/09/18	Sale	33,82,935	2.81
		-2,320	0.00	02/11/18	Sale	33,80,615	2.81
		-920	0.00	09/11/18	Sale	33,79,695	2.81
		-4,000	0.00	16/11/18	Sale	33,75,695	2.80
		-853	0.00	23/11/18	Sale	33,74,842	2.80
		-10,772	-0.01	07/12/18	Sale	33,64,070	2.79
		-6,300	-0.01	21/12/18	Sale	33,57,770	2.79
		-4,493	0.00	11/01/19	Sale	33,53,277	2.78
		-52,568	-0.04	18/01/19	Sale	33,00,709	2.74
		-9,82,609	-0.79	22/02/19	Sale	23,18,100	1.87
		-14,401	-0.01	01/03/19	Sale	23,03,699	1.86
	-34,468	-0.03	08/03/19	Sale	22,69,231	1.83	
	-13,25,728	-1.07	15/03/19	Sale	9,43,503	0.76	
	-9,43,503	-0.76	22/03/19	Sale	0	0.00	
	At the end of the Year			31/03/19		0	0.00

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)

S. No	Name of the Share Holder	Shareholding at the beginning of the Year (01/04/2018)		Date	Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company			No of Shares	% of total shares of the company
4	Smallcap World Fund, INC						
	At the beginning of the Year	0	0.00	31/03/18		0	0.00
	Increase/Decrease in Shareholding	9,52,000	0.77	01/03/19	Purchase	9,52,000	0.77
		7,63,738	0.62	08/03/19	Purchase	17,15,738	1.38
		11,262	0.01	15/03/19	Purchase	17,27,000	1.39
	At the end of the Year			31/03/19		17,27,000	1.39
5	SBI Magnum Global Fund						
	At the beginning of the Year	13,79,457	1.15	31/03/18		13,79,457	1.15
	Increase/Decrease in Shareholding	10,00,000	0.81	18/05/18	Purchase	23,79,457	1.98
		-10,00,000	-0.81	18/05/18	Sale	13,79,457	1.15
		37,23,886	3.00	08/03/19	Purchase	51,03,343	4.11
		2,146	0.00	22/03/19	Purchase	51,05,489	4.12
		27,854	0.02	29/03/19	Purchase	51,33,343	4.14
	At the end of the Year			31/03/19		51,33,343	4.14
6	DSP Equity & Bond Fund						
	At the beginning of the Year	0	0	31/03/18		0	0.00
	Increase/Decrease in Shareholding	1029114	0.83	22/03/19	Purchase	10,29,114	0.83
		51188	0.04	29/03/19	Purchase	10,80,302	0.87
	At the end of the Year			31/03/19		10,80,302	0.87
7	ICICI Prudential Value Fund - Series 10						
	At the beginning of the Year	6,97,349	0.58	31/03/18		6,97,349	0.58
	Increase/Decrease in Shareholding	51	0.00	11/05/18	Purchase	6,97,400	0.58
		-15	0.00	25/05/18	Sale	6,97,385	0.58
		-2	0.00	22/06/18	Sale	6,97,383	0.58
		-15	0.00	27/07/18	Sale	6,97,368	0.58
		48,786	0.04	24/08/18	Purchase	7,46,154	0.62
		82,834	0.07	07/09/18	Purchase	8,28,988	0.69
		24,639	0.02	05/10/18	Purchase	8,53,627	0.71
		50,470	0.04	11/01/19	Purchase	9,04,097	0.75
		81	0.00	18/01/19	Purchase	9,04,178	0.75
		7,687	0.01	01/02/19	Purchase	9,11,865	0.76
		-1,265	0.00	01/02/19	Sale	9,10,600	0.73
		10,298	0.01	08/02/19	Purchase	9,20,898	0.74
		-8,970	-0.01	08/02/19	Sale	9,11,928	0.74
	16,735	0.01	15/02/19	Purchase	9,28,663	0.75	
	At the end of the Year			31/03/19		9,28,663	0.75
8	Valuequest India Moat Fund Ltd						
	At the beginning of the Year	6,43,640	0.52	31/03/18		6,43,640	0.53
	Increase/Decrease in Shareholding	-2,00,000	-0.16	22/03/19	Sale	4,43,640	0.36
	At the end of the Year			31/03/19		4,43,640	0.36

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)

S. No	Name of the Share Holder	Shareholding at the beginning of the Year (01/04/2018)		Date	Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company			No of Shares	% of total shares of the company
9	Canara HSBC Oriental Bank of Commerce Life Insurance						
	At the beginning of the Year	0	0.00	31/03/18		0	0.00
	Increase/Decrease in Shareholding	1,17,973	0.10	20/04/18	Purchase	1,17,973	0.10
		-803	0.00	27/04/18	Sale	1,17,170	0.10
		606	0.00	18/05/18	Purchase	1,17,776	0.10
		40,482	0.03	01/06/18	Purchase	1,58,258	0.13
		16	0.00	15/06/18	Purchase	1,58,274	0.13
		22	0.00	29/06/18	Purchase	1,58,296	0.13
		27	0.00	06/07/18	Purchase	1,58,323	0.13
		-827	0.00	13/07/18	Sale	1,57,496	0.13
		12	0.00	20/07/18	Purchase	1,57,508	0.13
		17	0.00	27/07/18	Purchase	1,57,525	0.13
		18	0.00	03/08/18	Purchase	1,57,543	0.13
		2,00,023	0.16	10/08/18	Purchase	3,57,566	0.30
		-1,880	0.00	24/08/18	Sale	3,55,686	0.30
		6,012	0.00	31/08/18	Purchase	3,61,698	0.30
		-1,721	0.00	07/09/18	Sale	3,59,977	0.30
		-1,794	0.00	14/09/18	Sale	3,58,183	0.30
		-496	0.00	21/09/18	Sale	3,57,687	0.30
		-794	0.00	28/09/18	Sale	3,56,893	0.30
		8	0.00	05/10/18	Purchase	3,56,901	0.30
		979	0.00	12/10/18	Purchase	3,57,880	0.30
		2,903	0.00	19/10/18	Purchase	3,60,783	0.30
		-974	0.00	26/10/18	Sale	3,59,809	0.30
		-1,970	0.00	02/11/18	Sale	3,57,839	0.30
		288	0.00	09/11/18	Purchase	3,58,127	0.30
		152	0.00	16/11/18	Purchase	3,58,279	0.30
		-580	0.00	23/11/18	Sale	3,57,699	0.30
		-980	0.00	07/12/18	Sale	3,56,719	0.30
		910	0.00	14/12/18	Purchase	3,57,629	0.30
		-358	0.00	21/12/18	Sale	3,57,271	0.30
		112	0.00	28/12/18	Purchase	3,57,383	0.30
		-926	0.00	04/01/19	Sale	3,56,457	0.30
		257	0.00	11/01/19	Purchase	3,56,714	0.30
		-636	0.00	01/02/19	Sale	3,56,078	0.30
		22	0.00	08/02/19	Purchase	3,56,100	0.29
		-594	0.00	15/02/19	Sale	3,55,506	0.29
		-1,814	0.00	22/02/19	Sale	3,53,692	0.29
		437	0.00	01/03/19	Purchase	3,54,129	0.29
		2,59,051	0.21	08/03/19	Purchase	6,13,180	0.49
		-675	0.00	29/03/19	Sale	6,12,505	0.49
	At the end of the Year			31/03/19		6,12,505	0.49

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)

S. No	Name of the Share Holder	Shareholding at the beginning of the Year (01/04/2018)		Date	Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company			No of Shares	% of total shares of the company
10	Jatinder Agarwal						
	At the beginning of the Year	5,00,000	0.42	31/03/18		5,00,000	0.42
	Increase/Decrease in Shareholding	-	-			-	-
	At the end of the Year			31/03/19		5,00,000	0.40
11	'Karvansarai Travel and Lifestyle Pvt Ltd						
	At the beginning of the Year	4,43,190	0.37	31/03/18		4,43,190	0.37
	Increase/Decrease in Shareholding	-	-			-	-
	At the end of the Year			31/03/19		4,43,190	0.36
12	Vibgyor Investors and Developers Pvt Ltd						
	At the beginning of the Year	4,00,000	0.33	31/03/18		4,00,000	0.33
	Increase/Decrease in Shareholding	-	-			-	-
	At the end of the Year			31/03/19		4,00,000	0.32
13	EM Resurgent Fund						
	At the beginning of the Year	2,49,796	0.21	31/03/18		2,49,796	0.21
	Increase/Decrease in Shareholding	-2,23,780	-0.18	13/04/18	Sale	26,016	0.02
		-26,016	-0.02	20/04/18	Sale	0	0.00
	At the end of the Year			31/03/19		0	0.00

E) Shareholding of Directors and Key Managerial Personnel:

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	Ramesh Kumar Dua						
	At the beginning of the Year	3,11,48,150	25.88	31/03/18		3,14,73,150	25.88
	Increase / Decrease in Shareholding during the year	12,00,722	0.97	08/02/19	Amalgamation	3,23,48,872	26.08
		-24,40,000	-1.97	06/03/19	Sale	2,99,08,872	24.11
	At the end of the year			31/03/19		2,99,08,872	24.11
2	Ramesh Kumar Dua (HUF)						
	At the beginning of the Year	20,000	0.02	31/03/18		20,000	0.02
	Increase / Decrease in Shareholding during the year	-	-	-		-	-
	At the end of the year			31/03/19		20,000	0.02
3	Mukand Lal Dua						
	At the beginning of the Year	2,64,45,700	21.97	31/03/18		2,64,45,700	21.97
	Increase / Decrease in Shareholding during the year	10,65,260	0.86	08/02/19	Amalgamation	2,75,10,960	22.18
		-24,40,000	-1.97	06/03/19	Sale	2,50,70,960	20.21
	At the end of the year			31/03/19		2,50,70,960	20.21
4	Mukand Lal Dua (HUF)						
	At the beginning of the Year	2,32,000	0.19	31/03/18		2,32,000	0.19
	Increase / Decrease in Shareholding during the year	-	-	-		-	-
	At the end of the year			31/03/19		232000	0.19
5	Nikhil Dua						
	At the beginning of the Year	45,00,450	3.74	31/03/18		45,00,450	3.74
	Increase / Decrease in Shareholding during the year	1,71,387	0.14	08/02/19	Amalgamation	46,71,837	3.77
	At the end of the year			31/03/19		46,71,837	3.77

E) Shareholding of Directors and Key Managerial Personnel: (contd.)

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
6	Deval Ganguly						
	At the beginning of the Year	9,360	0.01	31/03/18		9,360	0.01
		-360	0.00	27/04/18	Sale	9,000	0.01
		-725	0.00	22/06/18	Sale	8,275	0.01
		-1,000	0.00	13/07/18	Sale	7,275	0.01
	Increase / Decrease in Shareholding during the year	-500	0.00	23/11/18	Sale	6,775	0.01
		-219	0.00	08/02/19	Sale	6,556	0.01
		-1,000	0.00	15/02/19	Sale	5,556	0.00
	-3,300	0.00	22/02/19	Sale	2,256	0.00	
	At the end of the year			31/03/19		2,256	0.00
7	Pankaj Shrimali						
	At the beginning of the Year	22,000	0.02	31/03/18		22,000	0.02
		-50	0.00	15/02/19	Sale	21,950	0.02
		-125	0.00	22/02/19	Sale	21,825	0.02
		-1,500	0.00	08/03/19	Sale	20,325	0.02
	Increase / Decrease in Shareholding during the year	-120	0.00	15/03/19	Sale	20,205	0.02
		-200	0.00	22/03/19	Sale	20,005	0.02
		-1,000	0.00	29/03/19	Sale	19,005	0.02
	-2,955	0.00	29/03/19	Sale	16,050	0.01	
	At the end of the year			31/03/19		16,050	0.01
8	Sushil Batra						
	At the beginning of the Year	39,700	0.02	31/03/18		39,700	0.02
		1,720	0.00	16/11/18	ESOP Allotment	41,420	0.03
		-2,330	0.00	21/12/18	Sale	39,090	0.03
		-900	0.00	28/12/18	Sale	38,190	0.03
	Increase / Decrease in Shareholding during the year	-700	0.00	31/12/18	Sale	37,490	0.03
		-2,700	0.00	04/01/19	Sale	34,790	0.03
		-2,640	0.00	11/01/19	Sale	32,150	0.03
	-1,500	0.00	30/03/19	Sale	30,650	0.02	
	At the end of the year			31/03/19		30,650	0.02
9	Vikas Kumar Tak						
	At the beginning of the Year	1	0.00	31/03/18		1	0.00
	Increase / Decrease in Shareholding during the year	440	0.00	16/11/18	ESOP Allotment	441	0.00
	At the end of the year			31/03/19		441	0.00

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	153.36	-	-	153.36
ii) Interest due but not paid	0.12	-	-	0.12
iii) Interest accrued but not due	0.38	-	-	0.38
Total (i+ii+iii)	153.86	-	-	153.86
Change in Indebtedness during the financial year				
* Addition	20.75	-	-	20.75
* Reduction	-62.39	-	-	-62.39
Net Change	-41.64	-	-	-41.64
Indebtedness at the end of the financial year				
i) Principal Amount	112.00	-	-	112.00
ii) Interest due but not paid	0.07	-	-	0.07
iii) Interest accrued but not due	0.15	-	-	0.15
Total (i+ii+iii)	112.22	-	-	112.22

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Ramesh Kumar Dua	Mukand Lal Dua	Nikhil Dua	Deval Ganguly	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	120.00	120.00	93.96	106.95	440.91
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40	0.40	3.10	3.42	7.32
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	1237.50	1237.50	-	-	2475.00
	- others	-	-	-	-	-
5	Others (Employers Contribution to Provident Fund)	14.40	14.40	3.89	4.46	37.15
	Total (A)	1372.30	1372.30	100.95	114.83	2960.38
	Ceiling as per the Act	10% of Net Profits of the Company as calculated under Section 198 of Companies Act, 2013 is ₹ 2979.37 Lacs				

B. Remuneration to other directors

(₹ in Lacs)

S. No.	Particulars of Remuneration	Pankaj Shrimali	Vivek Kumar	Deepa Verma	Kuruville Kuriakose	Total Amount
1	Independent Directors					
	Fee for attending board committee meetings	4.80	3.50	3.00	-	11.30
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (1)	4.80	3.50	3.00	-	11.30
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	4.80	3.50	3.00	-	11.30
	Ceiling as per the Act	1% of Net Profits of the Company as calculated under Section 198 of Companies Act, 2013 is ₹ 297.94 Lacs.				
	Total Managerial Remuneration (A+B)					2971.68
	Overall Ceiling as per the Act	11% of Net Profits of the Company as calculated under Section 198 of Companies Act, 2013 is ₹ 3277.31 Lacs.				

Note: The remuneration to Directors is within the overall limit approved by shareholders. The commission to the tune of ₹ 2.50 lacs approved by the Board and payable to each Independent Director holding office on 31st March, 2019, will be paid after the approval of Financial Statements for the Financial Year 2018-19 by shareholders. Therefore, same has not been considered in above calculation.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ in Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-NA-	114.92	26.35	141.27
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		2.23	0.81	3.04
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		.	.	.
2	Stock Option		4.72	1.21	5.93
3	Sweat Equity		-	-	-
4	Commission				
	- as % of profit		-	-	-
	Others		-	-	-
5	Others (Employers Contribution to provident fund)		4.71	1.17	5.88
	Total		126.58	29.54	156.12

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No penalties / Punishment / compounding of offences were levied under the Companies Act, 2013.

Annexure 'E'

FORM NO AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis during Financial Year 2018-19:

(a) Name(s) of the related party and nature of relationship	Not Applicable
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis during Financial Year 2018-19 :

(a) Name(s) of the related party and nature of relationship	Not Applicable
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board, if any	
(f) Amount paid as advances, if any	

Delhi, May 10, 2019

For and on behalf of the Board of Directors

Ramesh Kumar Dua
Managing Director
DIN : 00157872

Mukand Lal Dua
Whole Time Director
DIN : 00157898

Annexure 'F'

1. A brief outline of CSR Policy and projects/programs.

To endeavour for a CSR model that ensures sustained human development of the communities, associated or impacted by the business through involving them or leveraging company's strength in need-based, result oriented, and sustainable projects and to evolve and develop appropriate processes and strategies to contribute towards overall development of the society and achieve a socially responsible image of the Company. The policy is available at www.relaxofootwear.com/pdf/Corporate--Social-Responsibility--Policy.pdf. As already informed in previous years, your Company has formed a Society namely "Relaxo Foundation" to undertake its CSR initiatives. Your Company continues to strengthen "Relaxo Foundation" in order to successfully fulfil the role of the CSR arm of the Company.

A. Education & Skill development

1) Navjyoti Remedial Education Program -

Relaxo Foundation in partnership with Navjyoti India Foundation is running a value based Remedial Education Project in Bawana, Delhi wherein 162 underprivileged children of Government schools are getting benefitted. A 'Bal Gurukul' initiative under this project is inculcating early leadership seeds in children and in turn these children who are further teaching 320 other children in their neighborhood.

2) "Parivartan" Model School Program -

'Parivartan' is a 3-year long project with multi-pronged approach under which Relaxo Foundation, has adopted 13 Government Primary Schools of Khanpur block in Haridwar district. Project implementing partner is Plan- International (India Chapter). During reporting period, infrastructure development and wall painting work on BALA (Building As Learning Aid) for creating a learning environment and provision of water in toilets & hand washing area have been completed in 4 schools. All 13 schools have been provided safe drinking water, furniture and sports material. Furthermore, trainings to School Management Committee members on their rights and duties and teachers on Joyful Teaching have also been imparted.

Relaxo Foundation with its vision to improve quality of education in Government Schools have supported 23 schools in Haryana with smart board, furniture, ceiling fans and water cooler with RO system.

3) Relaxo Student to Scholar Program -

In Partnership with Buddy4Study, Relaxo Foundation is running scholarship awareness, application support and mentorship program for mobilizing and empowering the underprivileged children and youth in Bahadurgarh, Haryana. This program has reached to 38,500+ students offline and 26,800+ students online and completed profiling of 11,296 students. Among them 785 scholarship applications were submitted and 131 students have received scholarships of worth ~ ₹ 20.00 Lacs.

4) Vocational Training Program -

Relaxo Foundation has partnered with GMRVaralakshmi Foundation to run vocational training course of "Customer Service Associate" at their training centre, 'Centre for Empowerment and Livelihoods-Delhi. In the reporting period, 8 batches of total 223 students (148 Boys, 75 Girls) have been completed with ~ 90 % placements.

5) "Jaagriti" Project -

Project Jaagriti through Implementing Agency MAMTA Health Institute for Mother & Child is getting executed to mainstream gender component in the education system to bridge existing gender gap. The project involves 10,494 students, their parents, 200 nodal teachers and 1000 school committee members. Within a short span, encouraging results noticed and schools are becoming Gender Inclusive to ensure improved educational outcome for girls

B. Health & Hygiene

1) Smile on Wheels (SoW), Comprehensive Health Project-

Relaxo Foundation has initiated a 3-year long comprehensive health project with Smile Foundation in 14 villages (approx. 1 lac population) in Bhiwadi, Rajasthan with the objective to meet primary healthcare needs of the villagers through curative, preventive, and promotive health services at their doorstep. Project is running one Mobile Health Van, equipped with doctor, pharmacist & lab technician to provide curative health services. The project also ensures safe motherhood and healthy baby through antenatal check-ups, follow-ups through Government frontline workers and timely identification & referral services to high risk pregnancy cases. In the reporting period, 25,040 Patients (6896 Male, 8886 Female and 9258 Children) were provided curative services and 7,034 people were sensitized on health issues.

2) Project 'NAYAN' Giving Sight to the Underprivileged-

This 3-year long project is being implemented by Relaxo Foundation in partnership with Dr. Shroff's Charity Eye Hospital (SCEH) towards reducing the incidence and the backlog of avoidable blindness cases in 187 villages of Tijara block, District Alwar. Through 17 adult camps and 12 Paediatric camps, the project has screened 1,635 adults and 223 children. In FY 19, 145 cataract surgeries and 21 speciality surgeries have been done and 183 adults and 125 children have been provided spectacles. The project has established a self-sustainable Vision Centre managed by local person identified and trained by SCEH. The project has also provided training to School teachers, Anganwadi, ANM, and ASHA workers to do primary level screening which is helping in timely identification of the cases. Vision Centre has started functioning and providing ophthalmic services to the patients.

3) Employee Engagement -

Employee Engagement activities have been undertaken jointly by Relaxo HR and CSR department with objective to "leverage the skill & resources of employees for social cause and also to make them socially responsible individuals." Towards this, Relaxo Foundation has organized four initiatives viz. World Environment day, Wish Tree during Diwali for differently-abled persons from 3 NGOs, Blood Donation Camp and International Women's Day. More than 500 employees participated in all these activities to show their commitment towards social cause. This also proves that CSR is not just compliance for business but is deeply embedded in the organizational culture.

2. The Composition of CSR Committee

The composition of CSR committee as on 31st March, 2019 is as follows-

Name	Designation
Mr. Ramesh Kumar Dua	Chairman
Mr. Mukund Lal Dua	Member
Mr. Pankaj Shrimali	Member
Ms. Deepa Verma	Member

(₹ in Lacs)

3. Average Net Profits of the Company for the last three financial years: 20,162.90

4. Prescribed CSR Expenditure : 403.26

5. Details of CSR Expenditure

a) Amount Spent : 403.26#

b) Amount Unspent : Nil

c) Manner in which the amount was spent during the financial year as detailed below-

S. No.	Details of CSR Activities undertaken by the Company:						
	CSR Projects/ activity identified	Sector in which the project is covered/ Relevant Section of Schedule VII in which the project is covered	Locations (s)	Amount Outlay (Budget) Project or Activity wise (₹ in lacs)	Amount spent on the projects or programs (₹ in lacs)	Cumulative Expenditure up to the reporting period (₹ in lacs)	Amount spent: Direct or through implementing agency
1.	'Parivartan' Model School Project	Education	Haridwar, Uttrakhand & Hisar, Haryana	102.89	95.08	95.08	Plan International (India Chapter) & Relaxo Foundation
2.	Remedial Education Program	Education	Delhi	15.00	15.00	110.08	Navyoti India Foundation
3.	Customer Service Associate Vocational Course	Vocational skills	Delhi	6.00	6.88	116.96	GMR Varalakshmi Foundation
4.	Smile on Wheels (SoW)	Healthcare	Bhiwadi, Rajasthan	40.01	35.00	151.96	Smile Foundation
5.	'NAYAN' Giving Sight to the Underprivileged	Healthcare	Bhiwadi, Rajasthan	40.61	40.61	192.57	Dr. Shroff's Charity Eye Hospital
6.	'Jaagruti' Project	Education	Jhajjar & Rohtak, Haryana	30.99	30.99	223.56	Mamta HIMC
7.	Kerala CM Relief Fund	CM Relief Fund	Kerala	-	52.00	275.56	₹ 50 lacs directly and ₹ 2 lacs through Relaxo Foundation
Sub Total					275.56		
	Administrative Expenses			14.00	19.04	294.60	Direct
Total					294.60		

Your Company has directly contributed ₹ 50.00 lacs towards Kerala CM Relief Fund and remaining amount of ₹ 353.26 Lacs has been transferred to Relaxo Foundation to spend ongoing CSR projects.

- In compliance with the CSR requirement your Company has spent 2% of the average net profit by contributing directly and transferring the required amount to the implementing agency for multiyear ongoing long term projects.
- In FY19, the Company has taken long term projects which will bring larger social impact in coming years. The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of your Company.

Ramesh Kumar Dua
Managing Director
DIN : 00157872

Delhi, May 10, 2019

Annexure 'G'

1. CONSERVATION OF ENERGY

Energy conservation is an ongoing process in your Company. Your Company is committed to invest in the latest energy efficient technologies, to conserve energy on all locations, plants and sites of the Company. As a part of Company's endeavour towards conservation of energy and prevention of energy wastage, constant improvements are undertaken in order to conserve energy on an ongoing basis.

a) The steps taken or impact on conservation of energy :

(i) The Company has started following initiatives at plants for energy conservation which has led to restrict the impact of increase in the cost of energy thereby reducing the cost of production of goods:

- Installed Variable drives on Calenders, energy efficient IE4 motors in pump house at one of the plants..
- Installed high bay LED lights at plants replacing the conventional lights.
- Installed Synchronisation panel to control DG operation and drive for compressors.

(ii) The Company has started following initiatives at its retail outlets for energy conservation which has led to substantial saving of its annual energy and maintenance cost :-

- Reduced energy consumption through using Inverter air conditioner in 200 new & existing retail outlets.
- Upgraded lighting fixtures in LED fixtures in 11 existing outlets and replaced old lighting fixture by LED in routine repair & maintenance.
- Prompted to retail outlet staff regarding awareness of energy saving.

b) The steps taken by Company for utilizing alternate sources of energy:

Switched to gas fired boiler in Bhiwadi plants, thereby adopting cleaner fuel (Gas) as earlier using biomass based pellet/ briquette as Boiler fuel, causing dust pollution.

c) The capital investment on energy conservation of energy:

There was no major capital investment on energy conservation during the year.

2. TECHNOLOGY ABSORPTION

a) Efforts made towards technology

- Company has initiated replacement of solvent based Release agent (RA) with water based in some plants.
- Company has discontinued usage of DMF (Dimethyl formamide) for PU screw cleaning by more eco friendly green chemicals.

b) Benefit derived as a result of the above efforts

- Better Quality of products
- Better shop floor environment in plants
- Positive impact on environment

c) Technology imported during last 3 years : None

d) Expenditure on R & D : The Company has incurred expenditure of ₹3.52 Crore through respective heads of accounts on R & D.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to export initiatives taken to increase exports, development of new export for products and export plans:

Your Company regularly participate in prestigious international exhibition and has developed markets of Asia, Middle East, Europe, Australia, Africa, South America & Oceania and these markets will increase overall export of Company in coming years. The branch office opened in Dubai in last year and re-strategizing export plans is expected to give boost to export sales and expand its business to new geographies.

b) Total Foreign Currency used and earned:

(₹ in Crore)

Particulars	2018-19	2017-18
Used	446.60	312.04
Earned	87.18	45.64

Annexure 'H'

EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company had instituted the Employee Stock Option Plan 2014 (the "Plan") for employees of the Company by granting shares thereunder. Accordingly, the Plan was formulated in accordance with the SEBI (ESOS & ESPS) Guidelines, 1999.

The Plan was approved by the shareholders of the Company, on 5th August, 2014, through postal ballot. The Plan provides for issue and allotment of not exceeding 900090 Equity Shares to the eligible employees of the Company and subsequent to the Bonus Issue in July 2015, the number of options available increased to 1800180. Disclosures in compliance with Employee Stock Option Plan of the Company, are set below:

Disclosure as required under SEBI (Share Based Employee Benefits) Regulations, 2014 as on 31st March, 2019

A. Summary

S.No	Particulars	ESOP Scheme
1	Date of Shareholders Approval	5th Aug, 2014
2	Total number of options approved under the scheme	18,00,180
3	Date of Grants	9th Aug, 2014 9th May, 2015 25th Jul, 2015 31st Oct, 2015 14th May, 2016 30th Jul, 2016 5th Nov, 2016 5th Aug, 2017 4th Nov, 2017 11th May, 2018 4th Aug, 2018 3rd Nov, 2018
4	Options Granted	11,45,500
5	Vesting Schedule	Minimum one year from the date of Grant
6	Pricing Formula	Closing Market price prior to the date of the meeting of Nomination & Remuneration Committee in which options are granted, on the stock exchange on which the shares of the Company are listed. In case shares are listed on more than one stock exchange then the stock exchange where the highest trading volume is recorded on the said date shall be considered.
7	Maximum Term of Options Granted	8 years from the date of Grant
8	Source of Shares	Primary
9	Variation in terms of Options	No Variations
10	Method used for Accounting of ESOP	Fair Value Method

B. Option Movement During the year

S.No	Particulars	ESOP Scheme
1	Options Outstanding at the Beginning of the year	5,42,090
2	Number of Options Granted during the year	61,900
3	Number of options vested during the year	43,350
4	Number of options exercised during the year	78,800
5	Total number of shares arising as a result of exercise of options	78,800
6	Number of options cancelled & lapsed during the year	55,760
7	Number of options outstanding at the end of the year	4,69,430
8	Number of options exercisable at the end of the year	36,550
9	Money realised by exercise of options during the year (₹)	3,16,63,157
10	Loan repaid by the trust during the year from the exercised price received	-

C. Employee-wise details of options granted to:

i) Senior managerial personnel :

Nil

ii) Employees who were granted options during the year, amounting to 5% or more of the options.

Name	No. of options granted
Ajay Dayal	3,300
Amarjeet Singh Dhillon	4,300
Kamlesh Pahlajrai Ahuja	3,200
Neeraj Kumar Awasthi	5,800
Om Parkash Asija	4,800
Sumesh Sharma	5,300
Suresh Ramachandran	4,000
Swati Verma Bera	4,600
Vikas Dutt	3,900

iii) Identified employees who were granted option, during the year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant :

Nil

D(i).	Weighted average exercise price of Options granted during the year whose	
(a)	Exercise price equals market price (₹)	708.88
(b)	Exercise price is greater than market price (₹)	Nil
(c)	Exercise price is less than market price (₹)	Nil

D(ii)	Weighted average fair value of options whose	
(a)	Exercise price equals market price (₹)	300.27
(b)	Exercise price is greater than market price (₹)	Nil
(c)	Exercise price is less than market price (₹)	Nil

E.	Method and Assumptions used to estimate the fair value of options granted during the year:	
a)	The fair value has been calculated using the Black Scholes Option Pricing model. The assumptions used in the model are as follows:	
	Stock Price (₹)	708.88
	Volatility	35.73%
	Risk free Rate	7.75%
	Exercise Price (₹)	708.88
	Time To Maturity (In Years)	4.69
	Dividend yield	0.21%
b)	The company has incorporated the early exercise of options by calculating expected life on past exercise behavior.	
c)	The volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the options and is based on the daily volatility of the Company's stock price on NSE.	
d)	There are no market conditions attached to the grant and vest.	

Annexure 'I'

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of

Relaxo footwears Limited

1. We, B R Maheswari & Co LLP, Chartered Accountants, the Statutory Auditors of Relaxo Footwears Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing (Obligation and Disclosure requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This Responsibility includes the Design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance

issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. 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.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2019.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm's Registration No.: 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.: 081075

Delhi, May 10, 2019

Corporate Governance Report

Corporate Governance is about our commitment to human values in business which translates into ethical corporate conduct. Corporate Governance is an integral element of Company's value system, management ethos, and business practices. Corporate Governance practice are reflection of one's value, culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of Corporate Governance. When adhered to and implemented in the best of spirit, Corporate Governance positively impact the activities, processes and policies of an organization, portray a positive vision to investors and enhance the trust and confidence of the stakeholders. It can also influence its immediate corporate environment and the society at large in a positive way and have a healthy impact on the national economy.

At Relaxo Footwears Limited ("Relaxo"), we believe that good Corporate Governance is a continuing exercise and the Company is committed to ensure the same by focusing on strategic and operational excellence and also believe that integrity and transparency are key to our Corporate Governance practices which ensure us to gain and retain the trust of our stakeholders. Some of the salient principles of Corporate Governance at Relaxo are satisfying not just by the letter - but by the spirit of law, transparency in conduct and communication, making a clear distinction between personal conveniences and corporate resources, clarity and timeliness in dissemination of information, compliance with all laws and an ethical and honest corporate structure that is driven solely by business considerations.

1. GOVERNANCE PHILOSOPHY

Corporate Governance has occupied pivotal position at Relaxo Footwears Limited since inception. The business has, since then, been conducted in most transparent and ethical manner. Relaxo governance framework is driven by the objective of enhancing long term stakeholder value without compromising on ethical standards and corporate social responsibilities. All the necessary steps have been taken, with changing socio-economic scenario to ensure that the conduct of business is as per the policies of the management, namely Honesty, Transparency and Ethical Behavior. Relaxo has implemented corporate governance practices that go beyond just meeting the letter of law. The Company has not only adopted practices mandated in the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ("hereinafter referred as 'Listing Regulations'), but also incorporated the relevant non-mandatory recommendations.

2. BOARD OF DIRECTORS

Composition of the Board of Directors

In terms of Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board of your Company is well diverse. Every member of the Board is having experience and expertise in their respective fields.

As on 31 March 2019, the Company has one Managing Director, three Whole Time Directors and three Non-Executive Independent Directors including one woman Independent Director. The composition of the Board represents a healthy blend and optimal mix of professionalism, knowledge and experience which enables the Board to discharge its responsibilities and provide effective leadership for long-term vision and to achieve the highest level of governance. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory, as well as business requirements.

Board Meetings and its Attendance

During the year, the Board of Directors of the Company met six times on 11th May, 2018, 4th August, 2018, 3rd November, 2018, 19th January, 2019, 2nd February, 2019 and 30th March, 2019. The intervening period between the Board Meetings were within the maximum time gap prescribed under the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

Necessary disclosures regarding Directorship and Committee positions in other Companies as on 31st March, 2019 have been made by the Directors. As per the disclosures received from them, none of the directors of the Company is a member of more than ten Committees or Chairman of more than five Committees across all Public Limited Companies in which he / she is a Director. None of the Directors serve as an independent director in more than seven listed Companies.

The composition of the Board during the year under review and position held by Directors on the Board / Committees of the Company as on 31st March, 2019 along with their attendance at Board meetings and Annual General Meeting of the Company during the year under review are given below:

Name of Directors	Category of Directors	No. of board meetings attended (total held during tenure)	Attendance at last AGM (27.09.2018)	No. of positions held as on 31st March, 2019			Name of Listed Entity where the person is a Director (Category)	No. of equity shares held
				No. of other Directorship ¹	Committee ² (including the Company)			
					Member-ship	Chairman-ship		
Ramesh Kumar Dua	Promoter Managing Director- Executive	6(6)	Yes	1	-	2	-	2,99,08,872
Mukand Lal Dua	Promoter Whole Time Director- Executive	5(6)	Yes	-	1	-	-	2,50,70,960
Nikhil Dua	Promoter Whole Time Director- Executive	4(6)	Yes	-	1	-	-	46,71,837
Deval Ganguly	Whole Time Director- Executive	5(6)	Yes	-	-	-	-	2,256
Vivek Kumar	Independent Director- Non-Executive	4(6)	Yes	1	2	1	-	-
Pankaj Shrimali	Independent Director- Non-Executive	6(6)	Yes	1	1	2	Network Ltd (Non-Executive Director)	16,050
Kuruvila Kuriakose ³	Independent Director- Non-Executive	0(5)	-	-NA-	-NA-	-NA-	-	-
Deepa Verma	Independent Director- Non-Executive	5(6)	Yes	-	-	-	-	-

¹For the purpose of considering the limit of the number of directorship and chairman/member of committees, Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 are excluded which is in line with the requirement of relevant conditions of Regulation 26 of the Listing Regulations. The directorships, held by Directors, as mentioned above, do not include the directorships held in Relaxo Footwears Limited.

²Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited companies including Relaxo Footwears Limited.

³Mr. Kuruwila Kuriakose has resigned from the Directorship of the Company w.e.f. 26th March, 2019 on health grounds. Year-end disclosure was not required. There are no material reason for resignation other than health issues.

⁴Mr. Ramesh Kumar Dua and Mr. Mukand Lal Dua Directors are related to each other. Mr. Mukand Lal Dua is also related to Mr. Nikhil Dua Director of the Company. None of the Directors other than above have any relationship with any Director of the Company.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Strategy & Planning	Business strategy and Corporate Management
Governance	Experience in developing governance practices, serving the best interests of all stakeholders and driving corporate ethics and values.
Manufacturing & Operations	Production and Product development, Quality enhancement, Plant Management, environment & safety.
Finance, Marketing & Human Resource Development	Experience in finance, investment & commercial banking, Institution affairs, human resource, marketing & sales.

Independent Directors

All Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to Independent Directors which inter-alia explains the role, function, duties and responsibilities as an Independent Director of the Company. The terms and conditions of their appointment are disclosed on the Company's website in the investor section.

At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit declaration confirming their independence and compliance with various eligibility criteria laid down by the Company among other disclosures and the Company also ensures that its Directors meet the above eligibility criteria. All such declarations are placed before the Board for information.

In the opinion of the Board of Directors, it is confirmed that Independent Directors fulfill the conditions specified in the Listing Regulations and Independent Directors are Independent of the management.

Meeting of Independent Directors

The Independent Directors meet separately at least once in a financial year, without the attendance of non-independent Directors and members / representatives of management of the Company. They meet to discuss and form an independent opinion on the agenda items, various other Board-related matters, identify areas where they need clarity or information from management and to annually review the performance of Non-Independent Directors, the Board as a whole and the Chairman appointed for the Board meetings. During the financial year 2018-19, the Independent Directors met on 18th March 2019.

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc., through various programs.

The Familiarization program for Independent Directors is available on the Company's website at the following web link: www.relaxofootwear.com/other-disclosure.aspx.

3. COMMITTEES OF THE BOARD OF DIRECTORS

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth their purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors

- i. Audit Committee
- ii. Stakeholder Relationship Committee (SRC)
- iii. Nomination and Remuneration Committee (NRC)
- iv. Corporate Social Responsibility (CSR) Committee
- v. Risk Management Committee (RMC)

The Company Secretary acts as the Secretary of the Committees. Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are as under:

I. AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations and as a measure to good Corporate Governance and to provide assistance to the Board of Directors in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company, an Audit Committee has been constituted. The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. All members of the Audit Committee, including the Chairman, are financially literate.

The terms of reference of the Audit Committee includes all the matters prescribed under the applicable provisions of Companies Act, 2013 and Listing Regulations which, inter alia, include the following:

- a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of clause (c) of subsection 3 of Section 134 of the Companies Act, 2013.

- Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report, if any
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- h) Approval or any subsequent modification of transactions of the company with related parties.
- i) Scrutiny of inter-corporate loans and investments.
- j) Valuation of undertakings or assets of the company, wherever it is necessary.
- k) Evaluation of internal financial controls and risk management systems.
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n) Discussion with internal auditors of any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- t) Undertake/ carrying out any other function as is mentioned in the terms of reference of the Audit Committee or as may be assigned by the Board of Directors, from time to time, or as may be stipulated under any law, rule or regulation including Listing Regulations and the Companies Act, 2013.

The Audit Committee is empowered, pursuant to the terms of reference to investigate any activity within its terms of reference and to seek any information it requires from any employee, obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant expertise, which is considered necessary and reviews other matters also, which are referred to it from time to time by the Board or it consider appropriate for discharge of its various functions.

Composition and Attendance

The Audit Committee comprised of Three (3) members, namely, Mr. Pankaj Shrimali- Chairman of the committee, Mr. Vivek Kumar and Mr. Nikhil Dua- Members of the committee. Mr Kuruvila Kuriakose ceased to be a member in Audit Committee w.e.f. 26 March, 2019, due to his resignation on health ground.

During the year, the Audit Committee met five (5) times i.e. 11th May, 2018, 4th August, 2018, 3rd November, 2018, 2nd February, 2019 and 30th March 2019. The intervening period between Audit Committee Meetings was within the maximum time gap prescribed under Regulation 18 of Listing Regulations. All the recommendations made by the Audit Committee were accepted by the Board. The composition and attendance of members at the meetings held during the year under review is as follows:

Name of Members	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. Pankaj Shrimali	Chairman	Non-Executive & Independent Director	5	5
Mr. Nikhil Dua	Member	Executive Director	5	3
Mr. Kuruvila Kuriakose (resigned w.e.f. 26.03.2019)	Member	Non-Executive & Independent Director	5	-
Mr. Vivek Kumar	Member	Non-Executive & Independent Director	5	5

Members of the Audit Committee have requisite Financial and Management expertise. The Statutory Auditors and concerned employees of Internal Auditors were invitees to the Audit Committee meetings, whenever required. The Chairman of the Committee was present at the last AGM, held on 27th September 2018.

II. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the Regulation 20 of the Listing Regulations and pursuant to provisions of Section 178 of the Companies Act, 2013, the Company has a Stakeholders' Relationship Committee.

Further, the role of the committee shall inter-alia include the following:

- (a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (b) Review of measures taken for effective exercise of voting rights by shareholders.

- (c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- (e) Any allied matter out of and incidental to these functions

Composition and Attendance

The Committee comprised of three members, namely, Mr. Vivek Kumar, - Chairman of the Committee, Mr. Ramesh Kumar Dua and Mr. Mukand Lal Dua, members of the committee.

During the year, the Stakeholders' Relationship Committee met four (4) times i.e. 21st May, 2018, 5th June, 2018, 30th July, 2018 and 15th November, 2018. The composition and attendance of members at the meetings held during the year under review is as follows:

Name of Members	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. Vivek Kumar	Chairman	Non-Executive & Independent Director	4	4
Mr. Ramesh Kumar Dua	Member	Managing Director	4	4
Mr. Mukand Lal Dua	Member	Executive Director	4	4

Status of total complaints received during the financial year ended 31st March, 2019:

Company received 66 complaints, suggestions and grievances during the year, out of which all complaints were promptly dealt with and resolved within 15 days and no complaint is pending on 31st March, 2019. One complaint was pending at the start of the financial year which was duly resolved during the year within the prescribed time limit.

Mr. Vikas Kumar Tak, acts as Company Secretary and Compliance Officer of the Company.

III. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ('NRC') functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the Listing Regulations. The role of the Nomination and Remuneration Committee is as follows:

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- (b) Formulation of criteria for effective evaluation of performance of the Board, Independent Directors and other individual directors and review its implementation and compliance thereof.
- (c) Devising a policy on diversity of board of directors.
- (d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the

criteria laid down, and recommend to the board of directors their appointment and removal.

- (e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - (f) recommend to the board, all remuneration, in whatever form, payable to Directors, KMP, Senior Management, i.e. salary, benefits, bonus, stock options etc. and determining policy on service contracts, notice period, severance fees for Directors, KMP and Senior Management;
 - (g) reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria;
- As required under SEBI (Share based Employee Benefits) Regulation, 2014, the Board has also designated the existing Nomination and Remuneration Committee for ensuring the compliance and to perform all functions and responsibilities stated under the said Regulations and the Committee is also responsible for administering the Stock Option Plan of the Company and determining eligibility of employees for stock options.

Composition and Attendance

The Committee comprised of three (3) members, namely, Mr. Pankaj Shrimali- Chairman of the Committee, Ms. Deepa Verma and Mr. Vivek Kumar- Members of the committee. The Chairman of the NRC was present at the last Annual General Meeting of the Company.

During the year, the Committee met four (4) times i.e. 11th May, 2018, 4th August, 2018, 3rd November, 2018 and 2nd February, 2019. The composition and attendance of members at the meetings held during the year under review is as follows:

Name of Members	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. Pankaj Shrimali	Chairman	Non-Executive & Independent Director	4	4
Mr. Vivek Kumar	Member	Non-Executive & Independent Director	4	4
Ms. Deepa Verma	Member	Non-Executive & Independent Director	4	4

Nomination and Remuneration Policy of the Company

The Nomination and Remuneration Policy is also available on the website of the Company at the following link www.relaxofootwear.com/pdf/Nomination--and--remuneration--policy.pdf

Pursuant to applicable provisions of the Companies Act, 2013 and

the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a Board evaluation framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committee and individual Directors, including Independent Directors.

The NRC has specified the manner for effective evaluation of performance of Board, its Committee and individual Director. The Board of Directors has carried out evaluation of performance of each of them. The NRC reviews its implementation and ensures the compliances thereof.

Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, role and accountability, management oversight, risk management, culture and communication, frequency and effectiveness of meetings.

The Committees of the Board were assessed on the basis of degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Chairman appointed for the Board Meetings was also evaluated by the all the Directors on the basis of managing relations, leadership, competence and diligence. Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings, guidance/ support to the management outside Board/ Committee Meetings, professional qualifications and prior experience.

The Independent Directors performance evaluation was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman appointed for the Board Meetings and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

4. REMUNERATION DETAILS

The details of remuneration paid to Executive and Non-Executive Directors during the Financial Year 2018-19 are given below:

i). Executive Directors

The Managing Director and Whole-Time Directors are paid remuneration as per the terms recommended by the Nomination and Remuneration Committee and Board of Directors of the Company and approved by the members of the Company and subject to such other statutory approvals as may be necessary. Details of remuneration paid to the Executive Directors in the Financial Year 2018-19 is as follows:

(₹ in Lacs)

Particular	(Managing Director)	(Whole Time Directors)		
	Mr. Ramesh Kumar Dua	Mr. Mukand Lal Dua	Mr. Nikhil Dua	Mr. Deval Ganguly
Salary	120.00	120.00	74.41	85.36
Commission Payable	1237.50	1237.50	-	-
Contribution to Provident Fund	14.40	14.40	3.89	4.46
Perquisite value of Stock Options	-	-	-	-
Allowance/ Perquisites	0.40	0.40	3.10	3.42
Performance Incentive	-	-	19.55	21.59
Total	1372.30	1372.30	100.95	114.83

- Mr. Ramesh Kumar Dua, Managing Director and Mr. Mukand Lal Dua, Whole-time Director of the Company were appointed with effect from 01.04.2014 for a period of five years which expired on 31.03.2019
- Mr. Ramesh Kumar Dua, Managing Director and Mr. Mukand Lal Dua, Whole-time Director of the Company were reappointed with effect from 01.04.2019 for a period of five years and are related to each other.
- Mr. Deval Ganguly, Whole Time Director, was reappointed with effect from 5th November 2018 for a period of three years.
- Mr. Nikhil Dua, Whole-time Director was reappointed with effect from 01.10.2017 for a period of three years and is related to Mr. Mukand Lal Dua.

5. No severance fee is payable to Managing Director and Whole-time Director.

6. Notice period for Executive Directors is three months.

ii) Non Executive Directors: -

The Company has formulated the criteria of making payments to non-executive Directors and the details of remuneration paid by way of sitting fees to the Non-Executive and Independent Directors for attending Board and its Committees Meetings during the financial year ended 31st March, 2019 and the number of shares held by the Non-Executive and Independent Directors as on 31st March, 2019 are as under:

(₹ in Lacs)

Name of Director	Category	Sitting Fees	Commission*	Total	No. of shares held
Mr. Pankaj Shrimali	Non-Executive & Independent Director	4.80	-	4.80	16,050
Mr. Vivek Kumar	Non-Executive & Independent Director	3.50	-	3.50	-
Mr. Kuruvila Kuriakose (resigned w.e.f. 26 March, 2019)	Non-Executive & Independent Director	-	-	-	-
Ms. Deepa Verma	Non-Executive & Independent Director	3.00	-	3.00	-

*The remuneration to Directors is within the overall limit approved by shareholders. The commission to the tune of ₹ 2.50 lacs approved by the Board and payable to each Independent Director holding office on 31st March, 2019, will be paid after the approval of Financial Statements for the Financial Year 2018-19 by shareholders. Therefore, same has not been considered in above calculation.

There were no other pecuniary relationships or transactions of the Non-Executive and Independent Directors vis-à-vis the Company except for the Sitting Fee or the payment of Commission to Non-Executive Directors, within the limits approved by the members and Board of Directors of the Company.

IV. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has constituted a Corporate Social Responsibility (CSR) Committee which functions according to its terms of reference in accordance with Section 135 of the Companies Act, 2013 which, inter alia, include:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Attend to such other matters and functions as may be prescribed from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the CSR Committee and is available on the website of the Company at www.relaxofootwear.com/pdf/Corporate--Social--Responsibility--Policy.pdf. The

Annual Report on CSR activities for the Financial Year 2018-19 forms a part of the Directors' Report.

Composition and Attendance

The Committee comprised of four members, namely, Mr. Ramesh Kumar Dua- Chairman of the Committee, Mr. Mukand Lal Dua, Mr. Pankaj Shrimali and Ms. Deepa Verma- Members of the Committee.

During the year, the Committee met once on 19th January, 2019. The composition and attendance of members at the meetings held during the year under review is as follows:

Name of Members	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. Ramesh Kumar Dua	Chairman	Managing Director	1	1
Mr. Mukand Lal Dua	Member	Whole Time Director	1	1
Mr. Pankaj Shrimali	Member	Non -Executive & Independent Director	1	1
Ms. Deepa Verma	Member	Non -Executive & Independent Director	1	1

V. Risk Management Committee

Pursuant to the SEBI notification no. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 read with SEBI (LODR) (Amendment) Regulations, 2018, the top 500 Listed Companies are required to constitute Risk Management Committee with effect from 1st April, 2019.

In compliance with the aforesaid amendment, the Board at its meeting held on 3rd November, 2018, has constituted Risk Management Committee to focus on risk management including determination

of Company's risk appetite, risk tolerance and risk assessments (risk identification, risk evaluation, risk management and mitigation) etc.

The Committee comprised of five (5) members, viz. Mr. Ramesh Kumar Dua - Chairman of the Committee, Mr. Deval Ganguly, Mr. Pankaj Shrimali, Mr. Ritesh Dua and Mr. Sushil Batra - members of the committee.

During the year, the Committee met once on 30th March 2019. The attendance of each member at the meeting held during the year under review is as follows:

Name of Members	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. Ramesh Kumar Dua	Chairman	Managing Director	1	1
Mr. Deval Ganguly	Member	Whole Time Director	1	1
Mr. Pankaj Shrimali	Member	Non-Executive & Independent Director	1	1
Mr. Ritesh Dua	Member	Executive Vice President (Finance)	1	1
Mr. Sushil Batra	Member	Chief Financial Officer	1	1

5. VENUE & TIME OF ANNUAL GENERAL MEETINGS

The last three Annual General Meetings (AGM) of the Company were held within the Statutory Time period and the details of the same are reproduced herein below:

Year	Venue	No. of Special Resolution	Day and Date	Time
2017-18	Sri Sathya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110 003	7	Thursday, 27th September, 2018	10.30 a.m.
2016-17	-- do --	5	Thursday, 21st September, 2017	10.30 a.m.
2015-16	-- do --	1	Thursday, 15th September, 2016	10.30 a.m.

6. POSTAL BALLOT

No special resolution was passed through postal ballot during the last year. However, pursuant to the order of NCLT, Delhi, the Company had convened meeting of its equity shareholders and unsecured creditors on 31st July, 2018, to approve proposed scheme of amalgamation of Marvel Polymers Private Limited and Relaxo Rubber Private Limited with your Company and their respective shareholders and creditors, pursuant to provisions of Section 230 to 232 of the Companies Act, 2013. The same was approved with requisite majority.

Whether any Special Resolution is proposed to be passed through Postal Ballot

Special Resolution(s) as may be necessary under the Act and/ or the Listing Regulations would be passed through Postal Ballot. However, the Company is in process of obtaining shareholders' approval through Postal Ballot for the following purpose:

- Increase in Authorised Share Capital and consequent alteration to the Memorandum of Association;

- b. Alteration in Articles of Association; and
- c. Issue of Bonus Shares in the ratio of 1:1.

Procedure for Postal Ballot

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses registered with the depository (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For shareholders whose email IDs are not registered, physical copies of the postal ballot notice are sent by permitted mode along with a postage prepaid self-addressed business reply envelope. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

The Company fixes 3rd May, 2019 cut-off date to reckon paid-up value of equity shares registered in the name of shareholders for the purpose of voting. Shareholders may cast their votes through e-voting during the voting period fixed for this purpose. Alternatively, shareholders may exercise their votes through physical ballot by sending duly completed and signed forms so as to reach the scrutinizer before a specified date and time i.e. by IST 17:00 hours on 14th June, 2019. After completion of scrutiny of votes, the scrutinizer shall submit his report and the results of voting by postal ballot shall be announced by the Managing Director or any other person authorized by the Board within 48 hours of conclusion of the voting period. The results will also be displayed on the website of the Company (www.relaxofootwear.com), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting i.e. 14th June, 2019.

7. DISCLOSURES

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of your Company at large

During the financial year 2018-19, there was no materially significant related party transaction that may have potential conflict with the interests of your Company at large.

All transactions entered into with related parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

None of the transactions with any of the related parties were in conflict with the interest of the Company rather, they synchronize and synergies with the Company's operations. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 46 of the Financial Statements, forming part of the Annual Report.

The required statements / disclosures, with respect to the related party transactions, are placed before the Audit Committee and to the Board of Directors, on quarterly basis in terms of Regulation 23(3) of the Listing Regulations and other applicable laws for approval / information. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive in nature. The Company does not have any subsidiary. The Board of Directors has formulated a Policy on dealing with related

parties, pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. The Policy is posted on the website of the Company at www.relaxofootwear.com/pdf/Policy-on-materiality-of-Related-Party-Transactions.pdf.

The Shareholders and creditors of the Company have approved amalgamation of Marvel Polymers Private Limited and Relaxo Rubber Private Limited (Related Parties) with your Company. Your Company has received the certified true copy of order from Hon'ble National Company Law Tribunal (NCLT) Delhi on merger of Marvel Polymers Private Limited (Transferor Company No. 1) and Relaxo Rubber Private Limited (Transferor Company No. 2) with your Company on 4th January 2019 and the same was filed with Registrar of Companies (ROC) on 22nd January, 2019.

b) Disclosure of Accounting Treatment

The Company has followed all relevant Indian Accounting Standards (Ind-AS) while preparing the Financial Statements.

c) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

There has not been any non-compliance by the Company and no penalties or stricture have been imposed on the Company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years. The Company has complied with applicable rules and regulations prescribed by Stock Exchange, SEBI or any other statutory authority relating to Capital Market.

All Returns/Reports were filed within stipulated time with the Stock Exchanges / other authorities.

d) Vigil Mechanism/ Whistle Blower Policy

In accordance with the requirement of Section 177 of the Companies Act, 2013 read with the Rules made thereunder and Regulation 22 of Listing Regulations, the Company has formulated a 'Vigil Mechanism / Whistle Blower Policy' which provides a tool to the Directors and Employees of the Company to report genuine concerns including unethical behavior, actual or suspected fraud or violation of the Code of Conduct or Policy. The Policy also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and direct access to the Chairperson of the Audit Committee in exceptional cases. The Audit Committee reviews the functioning of Whistle Blower Mechanism. The Whistle Blower Policy is available at the site of the company at following link www.relaxofootwear.com/pdf/Vigil---Mechanism---Policy.pdf. It is affirmed that no personnel of the Company has been denied access to the audit committee.

e) Compliance of Regulation 27 of the SEBI (LODR) Regulations 2015

The Company has complied with the mandatory requirements specified in Regulation 17 to 27 & clause 'b' to 'i' of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations 2015. The Company has also complied with relevant para of Schedule V of Listing Regulations on Corporate Governance.

f) Compliance of Mandatory and Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of relevant regulations and schedules of Listing Regulations of SEBI (LODR) Regulations 2015 relating to Corporate Governance. In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements Regulation 27(1) read with Part E of Schedule II of the Listing Regulations:

i. **Modified opinion(s) in the audit reports**

The Auditors of the Company have issued Audit Reports with unmodified opinion on the financial statements for the year ended March 31, 2019.

ii. **Reporting of Internal Auditors**

Internal Auditors directly report to the Audit Committee.

g) **Policy for Prevention of Insider Trading**

With a view to prevent trading of shares of the Company by an insider on the basis of unpublished price sensitive information, the Board has approved Policy for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Under the Policy, insiders are prohibited to deal in the Company's shares while in possession of unpublished price sensitive information.

The Company follows highest standards of transparency and fairness in dealing with all stakeholders and ensures that no insider shall use his or her position with or without knowledge of the Company to gain personal benefit or to provide benefit to any third party

h) **Commodity price risk and Commodity hedging activities**

Your Company does not deal in commodities and hence the disclosure as required under Listing Regulations is not applicable. During Financial Year 2018-19, Company had foreign exchange exposure towards the term & working capital loans, import and export. However, the Company has hedged all its term loans and as a policy, hedges major part of the import and export transactions

i) **Policy for Determining Material Subsidiaries Companies**

The Company does not have any subsidiary, therefore, there is no policy for determining material subsidiaries companies.

j) **Details of utilization of funds raised through preferential allotment or qualified institutional placements as specified under Regulation 32 (7A)**

No allotment of shares was made through preferential allotment or qualified institutional placements.

k) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

The total fee paid to statutory auditor is given in note no 49 of Financial Statements.

l) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a. number of complaints pending at the start of the financial year- 1
- b. number of complaints filed during the financial year- 1
- c. number of complaints disposed of during the financial year- 1
- d. number of complaints pending as on end of the financial year- 1

The complaint pending at the end of the year has been duly resolved as on date.

m) **Certificate from Practicing Company Secretary :**

Your Company has obtained a certificate from a company secretary in practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations. The copy of the same is enclosed with this report.

n) All the recommendations of Board Committees have been accepted by the Board of Directors during the year.

8. RECONCILIATION OF SHARE CAPITAL

A qualified Practicing Company Secretary carried out quarterly examination of Secretarial Records to reconcile the total admitted share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued /paid-up capital was in agreement with the aggregate of total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

9. CODE OF CONDUCT

The Company has framed and adopted a Code of Conduct ("Code") for all the Board members and senior management personnel of the Company. The Code is available on the Company's website i.e. www.relaxofootwear.com. The Code is applicable to all Board members and Senior Management Personnel. The Code is circulated to all the Board Members and Senior Management personnel and its compliance is affirmed by them annually.

A declaration signed by Mr. Ramesh Kumar Dua, Managing Director of the Company, regarding affirmation of the compliance with the code of conduct by Board Members and Senior Management for the financial year ended 31st March, 2019, is enclosed with this report.

10. MEANS OF COMMUNICATION

The Company ensures timely disclosure of all corporate financial information and other details relevant to the members of the company.

Quarterly Results and newspapers wherein results normally published:

The Company's quarterly, half-yearly and annual audited financial results are published in newspapers, viz. Economic Times (in English Language) and Navbharat Times (in Hindi Language). The results are also filed with the Stock Exchanges and uploaded on the website of the Company. i.e. www.relaxofootwear.com

News releases, presentations to Institutional Investors or to the Analysts:

Official news releases, official media releases and presentation to institutional investors and analysts are sent to stock exchanges and uploaded on the Company's website i.e. www.relaxofootwear.com.

NSE Electronic Application Processing System (NEAPS)/ BSE Corporate Compliance & Listing Centre: The NEAPS/ BSE Listing Centre is a web-based application designed for corporates. All periodical compliance filings, like shareholding pattern, Corporate Governance Report, financial results, media releases and other material information are also filed electronically on the designated portals.

Website: Upto date financial results, annual reports, shareholding patterns, official news releases, financial analysis reports, latest presentation made to the institutional investors and other general information about the Company are available on the Company's website www.relaxofootwear.com.

11. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting

Date	:	26th September, 2019
Day	:	Thursday
Time	:	10.30 a.m.
Venue	:	Sri Sathya Sai International Centre Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110 003

b) Financial Year

1st April, 2018 – 31st March, 2019

c) Book Closure Date:

Friday, 20.09.2019 to Wednesday, 25.09.2019 (both days inclusive)

d) Dividend Payment Date:

On or before 25th October, 2019, (Subject to the approval of the Shareholders in AGM)

e) Registered Office:

Aggarwal City Square, Plot No -10 Manglam Place, District Centre, Sector-3 Rohini, Delhi -110085
Tel.: 011- 46800600, 46800700

f) Listing on Stock Exchanges:

Name and address of the Stock Exchange	Scrip Code	Status of listing fee paid for the FY 2019-20
National Stock Exchange of India Limited Exchange Plaza C-1, Block - G, Bandra-Kurla Complex, Bandra (E) Mumbai-400 051	RELAXO	Paid
BSE Limited Phirozee Jeejeebhoy Towers, Dalal Street, Mumbai-400001.	530517	Paid

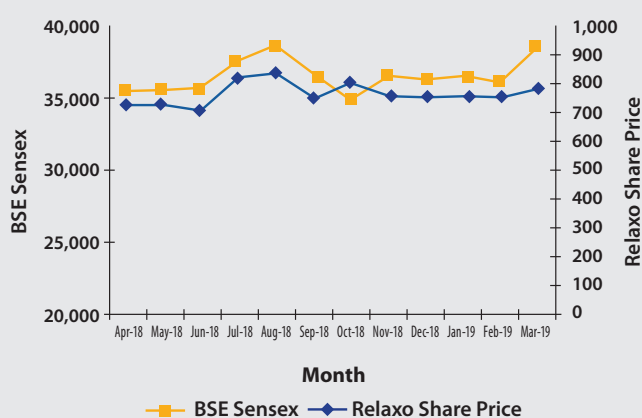
g) Market Price Data

Table showing monthly price movement on BSE & NSE during the Financial Year 2018-19:

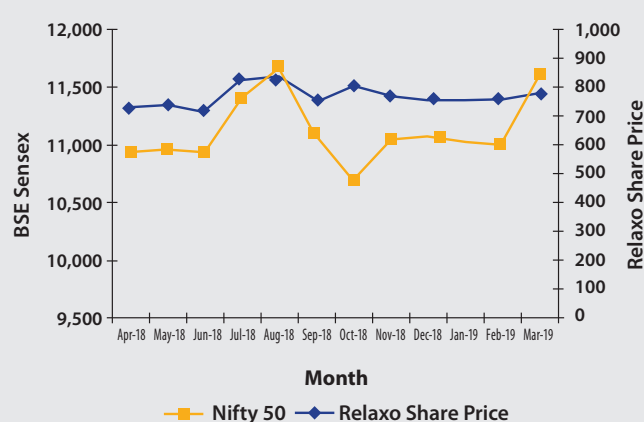
(In ₹)

Month & Year	BSE			NSE		
	High	Low	Close	High	Low	Close
Apr-18	719.85	635.00	712.15	714.00	635.40	698.45
May-18	751.00	660.05	713.65	752.00	660.00	710.05
Jun-18	812.00	667.95	690.50	812.20	663.20	687.75
Jul-18	829.50	676.00	817.30	829.80	682.40	814.50
Aug-18	874.00	800.00	841.70	873.60	795.65	843.75
Sep-18	865.00	713.85	726.45	864.90	711.25	731.45
Oct-18	821.00	666.00	791.70	822.45	664.30	792.60
Nov-18	820.00	725.00	747.40	815.00	746.70	751.55
Dec-18	769.50	710.00	734.30	768.95	705.20	732.80
Jan-19	765.75	715.25	734.05	765.00	714.30	734.15
Feb-19	770.00	687.00	740.00	768.00	705.00	747.80
Mar-19	826.05	715.00	774.95	787.95	714.65	770.75

Based on the monthly closing data of Relaxo Share Price and BSE Sensex



Based on the monthly closing share price of Relaxo Shares and Nifty 50



h) Registrar and Share Transfer Agent (RTA): Securities and Exchange Board of India (SEBI), has made it mandatory for all the listed companies that all the work relating to share transfer / registry, both in physical and electronic form, to be handled either wholly 'in house' by companies or wholly by a SEBI registered external Registrar and Share Transfer Agent. The Company has appointed M/s. Karvy Fintech Private Limited (Formerly known as Karvy Computershare Pvt. Ltd.) as the Registrar and Transfer Agent of the Company. Detail of the Registrar and Transfer Agent of the Company is given below:-

M/s. Karvy Fintech Private Limited

Karvy Selenium Tower B, Plot 31-32, Financial District

Gachibowli, Hyderabad, Telangana – 500 032,

Email : einward.ris@karvy.com

i) Share Transfer System

The request regarding physical share transfers and share certificates should be addressed to Registrar and Transfer Agent. Such requests are processed within stipulated time from the date of receipt provided documents meet the stipulated requirement of statutory provisions in all respect. The share certificates duly endorsed are returned immediately to the shareholder by RTA. The details of transfer and transmission are placed before the Stakeholder Relationship Committee from time to time and the Board for noting and confirmation.

Pursuant to Regulation 40(9) & 40(10) of SEBI (LODR) Regulations 2015, Certificate on half yearly basis confirming due compliance with Share Transfer formalities by the Company and Certificate for timely dematerialization of shares as per SEBI (Depositories and Participants) Regulations, 1996, have been submitted to stock exchanges.

j) Distribution Pattern as on 31st March, 2019

i) Shareholding pattern (in form of size):

S. No.	No of Equity Shares held	2019				2018			
		No. of Share holders	% of total Share holders	No. of Shares held	% of total Shares	No. of Share holders	% of total Share holders	No of Shares held	% of total Shares
1	1-5000	17,491	98.59	38,12,687	3.07	11,312	97.96	29,86,777	2.48
2	5001- 10000	114	0.64	8,40,910	0.68	109	0.94	7,96,444	0.66
3	10001- 20000	39	0.22	5,34,958	0.43	41	0.36	5,76,277	0.48
4	20001- 30000	16	0.09	4,03,982	0.33	22	0.19	5,52,947	0.46
5	30001- 40000	11	0.06	3,83,067	0.31	7	0.06	2,58,220	0.22
6	40001- 50000	4	0.02	1,73,607	0.14	7	0.06	3,11,334	0.26
7	50001- 100000	22	0.13	15,80,634	1.27	17	0.15	12,31,679	1.02
8	100001& Above	45	0.25	11,63,21,028	93.77	33	0.28	11,36,39,942	94.42
	Total	17,742	100.00	12,40,50,873	100.00	11,548	100.00	12,03,53,620	100.00

ii) Shareholding pattern (in form of Ownership Category):

S. No.	Category	2019				2018			
		No. of Shareholders	% of total Shareholders	No. of Shares held	% of total Shares	No. of Shareholders	% of total Shareholders	No. of Shares held	% of total Shares
1	Promoters	12	0.07	8,80,97,453	71.02	12	0.11	8,93,59,000	74.25
2	Bodies corporate	479	2.70	1,68,83,548	13.61	268	2.32	1,60,56,460	13.34
3	Resident individuals	16,105	90.77	57,10,174	4.60	10562	91.46	53,92,063	4.48
4	H U F	283	1.59	2,08,966	0.17	198	1.72	1,95,307	0.16
5	Clearing Members	59	0.33	39,538	0.03	43	0.37	12,215	0.01
6	Non-resident Indians	661	3.73	8,35,521	0.67	382	3.31	5,13,300	0.43
7	Foreign Portfolio Investors	33	0.19	34,03,877	2.74	19	0.16	55,54,680	4.61
8	Others	110	0.62	88,71,796	7.15	64	0.55	32,70,595	2.72
	Total	17,742	100.00	12,40,50,873	100.00	11548	100.00	12,03,53,620	100.00

k) Dematerialization of Shares:

The Company's shares are compulsorily traded in Dematerialized form and are available for trading with both the Depositories:

- National Securities Depository Limited (NSDL)
- Central Depository Services (India) Limited (CDSL)

The shareholders can hold the Company's shares with any of the depository participants, registered with these depositories. ISIN for the Company's shares is INE131B01039. The Company's equity shares are frequently traded at the BSE Limited and National Stock Exchange of India Limited.

The details of shares of the Company in demat and physical forms is given below:

DEMATERIALIZATION OF SHARES AS ON 31.03.2019

Particulars	No. of Shares	% of Paid up Capital	No. of Shareholders
National Securities Depository Limited (a)	12,15,99,970	98.02	10,003
Central Depository Services (India) Limited (b)	20,20,818	1.63	7,565
Shares in Demat Form (a+b)	12,36,20,788	99.65	17,568
Shares in Physical Form (c)	4,30,085	0.35	174
Total (a+b+c)	12,40,50,873	100.00	17,742

l) Investors Correspondence:

All enquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address:

Vikas Kumar Tak, Company Secretary & Compliance Officer,
Relaxo Footwears Limited

Aggarwal City Square, Plot No -10, Manglam Place, District Centre,
Sector-3 Rohini Delhi -110085

E-mail: vikastak@relaxofootwear.com

The Company addresses all complaints, suggestions, grievances and other correspondence expeditiously and replies are sent usually within 7-10 days except in case of other impediments. The Company endeavours to implement suggestions as and when received from the investors. During the year under review, a total of 66 investors' complaints were received and all complaints were resolved.

m) Plant Locations

Location of Plants of the Company is given below :-

- RFL-I & II - 326-327, MIE, Bahadurgarh, Haryana
- RFL-III - A-1130 & 1130 (A), RIICO Industrial Area, Phase-III, Bhiwadi, Rajasthan
- RFL-IV - 30/3/2, Mooja Hasanpur, Tikri Border Bahadurgarh, Haryana
- RFL-V - 83-92, SIDCUL Industrial Area, BHEL, Haridwar, Uttarakhand
- RFL-VI - 342-343, Footwear Park, Industrial Estate, Sector-17, Bahadurgarh, Haryana
- RFL-VII - 328-329, MIE, Bahadurgarh, Haryana
- RFL-VIII - 37, Sector 4B, Bahadurgarh, Haryana
- RFL-IX - Plot No. SP - 6&7 Kahanani, Bhiwadi Extn Rajasthan

n) Corporate Identity Number (CIN): L74899DL1984PLC019097

o) Per Share Data:

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Net Earning (₹ in Crores)	175.44	161.07	119.95	120.28	103.05
Cash Earning (₹ in Crores)	237.85	215.41	171.41	167.40	142.95
EPS-Basic (in ₹)	14.15	13.40	9.99	10.02	17.17
Dividend (including Interim Dividend per share) (in ₹)	1.80*	1.50	1.00	0.60	1.00*
Dividend Pay out (%)	12.72	11.19	10.01	5.99	5.82
Book Value Per Share (in ₹)	89.08	63.25	50.48	39.99	61.30
Face value Per Share (in ₹)	1.00	1.00	1.00	1.00	1.00

* pre bonus

p) There were no outstanding ADRs/GDRs/Warrants or any other convertible instruments, conversions date and likely impact on equity during the year under review.

q) Credit Rating

During the financial year 2018-2019, ICRA has upgraded Long term rating of the Company to ICRA AA (stable outlook) from ICRA AA- (positive outlook).

During the year, ICRA has reaffirmed short term rating of the Company as A1+ which is the highest rating for the product. ICRA has also reaffirmed A1+ top notch rating to the Company for Commercial Paper of ₹ 50.00 Crores.

r) Transfer of unclaimed amount to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124, 125 and other relevant rules of the Companies Act, 2013, the dividend declared by the Company which remain unclaimed for a period of seven years shall be transferred by the Company to Investor Education and Protection Fund established by the Central Government.

During the year under review, the Company has deposited unpaid and unclaimed sum of ₹ 64,947/- (Final Dividend for FY 2011) to the Investor Education and Protection Fund.

The details of disclosure with respect to unclaimed demat suspense account is provided in point no. 45 of the Directors Report.

s) During Financial Year 2018-19, Company had foreign exchange exposure towards the term & working capital loans, import and export. However, the Company has hedged all its term loans and as a policy, hedges major part of the import and export transactions.

t) Other useful information for the shareholders:

i) Equity Shares of the Company are under compulsory demat trading. To avail the advantage of scripless trading, Shareholders are advised to consider dematerialization of their shareholding so as to avoid inconvenience in future.

ii) Members/Beneficial owners are requested to quote their Folio No./D.P. & Client ID Nos. as the case may be, in all correspondence with the Company.

iii) In case of loss/misplacement of shares, a complaint shall be lodged with the Police Station and an intimation shall be sent to the Company along with original or certified copy of FIR/acknowledgement of the Complaint.

iv) Beneficial owners of shares, in demat form, are advised that in terms of the Regulations of NSDL & CDSL, their Bank Account details, as

furnished to the Depository Participants (DP) will be printed on their Dividend Warrants. The Company will not entertain requests for change of such bank details printed on their dividend warrants.

- v) Members holding shares in physical form, are requested to notify to the Company, change in their Address/Pin Code Number and Bank Account details promptly.
- vi) Beneficial owners of shares in demat form, are requested to send their instructions regarding change of address, bank details, nomination, power of attorney etc. directly to their DP as the same are maintained by them.

vii) Section 72 of Companies Act, 2013 extends nomination facility to individuals holding shares in physical form in Companies. Members, in particular those holding shares in single name, may avail of the above facility by furnishing the particulars of their nomination in the prescribed Nomination form.

For and on behalf of the Board of Directors

Ramesh Kumar Dua
Managing Director
DIN : 00157872

Mukand Lal Dua
Whole Time Director
DIN : 00157898

Delhi, May 10, 2019

CEO/CFO CERTIFICATION

To
The Board of Directors
Relaxo Footwears Limited

SUB: CEO/CFO Certification

We Ramesh Kumar Dua, Managing Director and Sushil Batra, Chief Financial Officer of Relaxo Footwears Limited, certify that:

1. We have reviewed financial statements and the cash flow statements for the Financial Year ended on 31st March, 2019.
2. To the best of our knowledge and information:
 - i) these statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions, entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee.
 - i. Significant changes in internal control over financial reporting during the year, if any;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
 - iii. Instances of fraud, whether or not significant, of which we have become aware and the involvement thereto, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Delhi, May 10, 2019

Ramesh Kumar Dua
Managing Director

Sushil Batra
Chief Financial Officer

DECLARATION

I hereby confirm that the Company has received from all the members of the Board and Senior Management, for the financial year ended 31st March, 2019, a confirmation that they are in compliance with the Company's Code of Conduct.

Delhi, May 10, 2019

Ramesh Kumar Dua
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

Relaxo Footwears Limited

Aggarwal City Square, Plot No. 10, Manglam Place,
District Centre, Sector-3, Rohini,
Delhi-110085

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Relaxo Footwears Limited having CIN L74899DL1984PLC019097 and having registered office at Aggarwal City Square, Plot No. 10, Manglam Place, District Centre, Sector-3, Rohini, Delhi-110085, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Ramesh Kumar Dua	00157872	13/09/1984
2.	Mukand Lal Dua	00157898	13/09/1984
3.	Nikhil Dua	00157919	22/02/1997
4.	Deval Ganguly	00152585	05/11/2012
5.	Vivek Kumar	00206819	30/01/2007
6.	Pankaj Shrimali	00013142	29/05/2010
7.	Deepa Verma	06944281	18/09/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Delhi, May 3, 2019

CS Baldev Singh Kashtwal

Membership No.: 3616

C. P.No.: 3169

Management Discussion & Analysis

This report contains statements that are the Company's beliefs and may be considered to be "Forward Looking Statements" that describe our objective, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including, but not limited to, government action, local & global political or economic developments, changes in legislation, technology risks, risk inherent in the Company's growth strategy, dependence on certain suppliers and other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements.

These forward looking statements included in this report are made only as on the date of this report and we undertake no obligation to publicly update these forward looking statements to reflect subsequent events or circumstances.

Industry structure and developments

According to Businesswire, India is the second largest global producer of footwear after China, accounting for ~ 9% of the annual global production of 22 billion pairs. Presently about 90% of the footwear produce in the country is consumed by the domestic market and the rest is exported. On consumption, India's annual footwear consumption stands at ~2.1 billion pairs and it is the third largest globally after China and the USA and has recorded a healthy growth over the last decade. The growing Indian fashion and lifestyle market has given an impetus to the footwear industry as well.

Footwear has evolved from being just a mere necessity as a protection for your feet to an important fashion accessory. Footwear industry in India is very optimistic right now with growing awareness about the latest trends and consciousness among consumers. This industry has seen a significant growth in the last few years. Rising incomes, advent of globalization, improved employment and living standards in the country has led to the expansion in the size of this market.

Post GST, the Indian economy has witnessed a transition from an informal setup to a formal one. Indian footwear industry is also experiencing this transition which has created a level playing field for the organized sector. On 27th July 2018 the GST Council reduced tax rate from 18% to 5% for footwear ranging between MRP ₹ 500 to ₹ 1000. Further on 1st January 2019 the incidence of tax was changed from MRP to transactional value.

Operating Environment

As per FDI newsletter, Indian footwear industry has the potential to grow near to ₹ 1 lac Crore by 2021. The organized segment caters to ~ 45% of the market while unorganized players fetch the remaining market which essentially falls under micro, small and medium enterprises.

The consumer's increased exposure to plastic money and imposition of GST is going to provide more organized retailing and trade transparency in long term.

Due to the ever increasing internet penetration and the overall ecosystem for e-commerce falling in place, a new distribution channel is emerging which is fuelling consumption among the millennials.

The Changing Consumer Behaviour

Demand for footwear is expected to remain strong and is anticipated to register a decent growth in coming years. The growth in Indian fashion and lifestyle market has given momentum to the footwear industry. From a basic need-based industry, footwear industry in India has become an evolving fashion and style category.

The way consumers are spending their money on various items has changed

in recent years. With growing urbanisation and ever-increasing penetration of internet and social media, the buying behaviour of Indian consumers is changing rapidly.

Instant awareness and aspirations for the latest global trends with the advent of technology has increased frequency of shopping by consumers. Also, global fashion and lifestyle brands have started betting big on small cities of India.

The consumer has undergone a behavioural change in the last decade. He/she has become more tech savvy, extensively prone to digital marketing and practices, fashion conscious, demanding the latest trends and contemporary styles. Brand consciousness, higher discretionary incomes and greater choice has contributed to growth in footwear consumption.

Opportunities & Threats

Indian footwear market is quite under penetrated with per capita consumption of only ~1.7 pairs per annum against a global average of 3 pairs, while the developed countries average around 6-7 pairs. Thus, with rising disposable incomes and robust economic growth Indian footwear market is well placed as a sweet spot.

Currently, large part of India's population is below 35 years of age and with factors like growing younger population and rising middle-class, there has been a significant rise in demand for branded footwear. Moreover, younger generation is more aspirational, well-connected and networked, tech-savvy and has high spending power. All this provides an opportunity for branded players to grow further.

Company is seeing potential in export markets, due to demand in non-leather footwear in specific markets. Company has restructured its export presence in various geographies and created nation specific product portfolio.

However, the increasing significance of footwear is leading to an upsurge in the demand promising better growth prospects for footwear industry. The easy availability of variety of brands is fanning the potential of footwear industry even in tier-II and tier-III cities as the people are becoming more and more brand centric in these cities as well. The recent government measure to lower taxes on footwear is expected to address competition from the unorganised sector and imports.

Resource strength of India in the form of materials and skilled manpower is a comparative advantage for the country, among other things.

While the footwear industry is set for an exponential growth, it comes with its own challenges of high competition from global brands and the changing consumer tastes leading to quicker obsolescence and higher stock.

However, given the Company's four decades of experience in manufacturing and marketing of footwear, it would be better placed than its peers during any uncertain times.

Risks and Concerns

Global economic and political factors that are beyond the control, influence forecasts and may directly affect performance of the Company as well as the footwear industry.

These factors include interest rates and its impact on availability of retail space, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, consumer credit availability, consumer debt levels, tax rates and policy, unemployment trends, terrorist threats and activities, worldwide

military and domestic disturbances and conflicts, and other matters that influence consumer confidence and spending.

The Company is subject to risks arising from material price and exchange rate fluctuations which may adversely affect our financial performance.

Internal Control System and its adequacy

A separate paragraph on internal control systems and its adequacy has been provided in the Director's Report.

Human Resources/Industrial Relation

Over the last year HR has taken various initiatives for employee benefit and retention. The detailed information is provided at point no. 3 of the Director's Report. The relationship of your Company with employees had been cordial during the year.

As on 31st March, 2019, the total number of employees of the Company is 6254 against 5738 on 31st March, 2018.

Financial Performance of the Company

In the Financial Year 2018-19, your Company achieved record turnover of ₹ 2292.08. crores and profit of ₹ 175.44 crores. Detailed report on financial performance of the Company is provided in point no 1, 2 & 3 of the Director's Report.

The Board has recommended a final dividend of ₹ 1.80 per equity share (180% of Face Value of ₹ 1 each). The Board has also recommended the bonus issue in the ratio 1:1 and if approved by the members, dividend will be accordingly adjusted i.e. ₹ 0.90 per equity share (90% of Face Value of ₹ 1 each) for the Financial Year 2018-19.

The capital expenditure (excluding merger impact) incurred during the Financial Year 2018-19 amounted to ₹ 105.68 Crores as Compared to ₹ 112.85 Crores in Financial Year 2017-18. The capital expenditure was in line with the growth strategy of the Company and was funded through internal accruals.

The Company has repaid long term loans to the tune of ₹ 42.41 Crores during the year and has reduced total outstanding term loans from ₹ 66.06 Crores in Financial Year 2017-18 to ₹ 23.65 Crores Financial Year 2018-19.

The Company has only one segment i.e. 'footwear and related products' and the performance is already captured in point no 2 & 3 of the Directors Report and Financial Statement.

Details of Significant changes in Key financial ratios along with explanation

In compliance with the requirement of Listing regulations, the key financial ratios along with explanation for significant changes (i.e. changes of 25% or more as compared to the immediately preceding financial year) has been provided hereunder:

S. No.	Particulars	UOM	2018-19	2017-18
1	Debtors Turnover	Times	13.14	12.39
2	Inventory Turnover	Times	3.79	3.92
3	Interest Coverage Ratio	Ratio	39.95	29.36
4	Current Ratio	Ratio	1.58	1.35
5	Debt Equity Ratio	Ratio	0.10	0.20
6	Operating Margin i.e. EBITDA	%	14.15	15.50
7	Net Profit Margin	%	7.65	8.27
8	Return on Networth	%	18.80	23.56

The interest coverage ratio and debt equity ratio has improved substantially as Company has reduced its outstanding loans and working capital utilization during the year.

Outlook

The demand for footwear products in India is to expand in the coming years as the customers do not compromise both with comfort and style. Our Company is well placed to meet the changing trends of the audience. Footwear industry has been recognised by the Government of India as a focus sector in the 'Make in India' mission.

Rapid urbanization, demographic changes including ever increasing demand of middle class population with the rising disposable income, changing lifestyles, health awareness, etc., are now leading to men and women both wearing a variety of footwear in their daily lives. At the same time, a steady rise in number of working women and their growing fashion consciousness is likely to drive higher demand of women footwear segment in the coming time. Indian footwear market led by improving market dynamics resulting into higher demand for variety as well as branded footwear coupled with increasing demand from women and kids segment which currently contributes a smaller portion of the pie as compared to its men counterpart.

The Company is constantly involved in branding and advertising and has engaged Bollywood actors like Salman Khan and Akshay Kumar, to endorse its brands. This not only makes the products aspirational but also creates a significant barrier for competition.

The Company has 343 stores across the country, most of these stores are Company Owned and Company Operated (COCO), but the company has during the year opened asset light, franchise owned and franchise operated (FOFO) stores in order to expand its retail footprint. We plan to open 50-60 more COCO / FOFO stores in FY20. Our brand has carved a niche for itself in the competitive footwear retail sector. The Company's focus to gradually expand its retail presence remains intact.

The branch office opened in Dubai in last year and re-strategizing export plans is expected to give boost to export sales and expand its business to newer geographies.

Business Responsibility Report

About Relaxo

Relaxo Footwears Limited (Relaxo) is largest footwear manufacturing company in India, which deals in non-leather products i.e. rubber / EVA / PU slippers, canvas/ sport / school shoes, sandals, etc. It has a portfolio of 10 brands including major brands like Relaxo, Flite, Sparx and Bahamas. The company sells its products through ~50,000 retailers served through distributors, 340 plus retail outlets, exports, e-commerce, modern trade etc. It has 9 state of the art manufacturing facilities, six in Bahadurgarh (Haryana), two in Bhiwadi (Rajasthan) and one in Haridwar (Uttarakhand). The company's business process is managed through SAP & SAP HANA.

About Business Responsibility Report

The Securities and Exchange Board of India (SEBI) has mandated that the top 500 listed Companies by market capitalization to include Business Responsibility

Report in its Annual Report. The reporting framework is based on the 'National voluntary guidelines on social, environmental and economic responsibilities of business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 principles and core elements for each of those 9 principles.

Since inception, Relaxo has consistently lived by and upheld its quality assurance by rigidly adhering to the statutes of Quality Par Excellence and absolute customer satisfaction. We are committed to our objectives of providing a platform for better governance and conducting the business practices in transparent and ethical manner.

The Business Responsibility Report for FY19 describing the initiatives undertaken by your Company in the prescribed format is given below:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L74899DL1984PLC019097
2	Name of the Company	Relaxo Footwears Limited
3	Registered address	Aggarwal City Square, Plot No. 10, Manglam Place, District Centre, Sector-3, Rohini, Delhi-110085
4	Website	www.relaxofootwear.com
5	E-mail id	rfl@relaxofootwear.com
6	Financial Year reported	2018-19
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Footwear (15202)
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Relaxo is a non-leather footwear company and operates in 3 major categories i.e. Relaxo (rubber slippers), Flite (EVA & PU Slippers) and Sparx (sports & canvas shoes, sandals & sporty slippers).
9	Total number of locations where business activity is undertaken by the Company :	
a)	Number of International Locations	Branch office -1
b)	Number of National Locations	Manufacturing Plants – 9 Registered & Corporate office – 1 Retailers Outlets - 343
10	Markets served by the Company – Local/State/National/International	Relaxo has Pan India Market along with presence in Gulf and South East Asia Market.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

(₹ in Crore)

1	Paid up Capital	12.40
2	Total Turnover	2277.06
3	Total profit after taxes	175.44
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.30%
5	List of activities in which expenditure in 4 above has been incurred:	Health, Education, Skill Development and Flood Relief.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director responsible for implementation of the BR policy/policies:

- DIN : 00157872
- Name : Mr. Ramesh Kumar Dua
- Designation : Managing Director

(b) Details of the BR head:

S. No.	Particulars	Details
1	DIN	00157872
2	Name	Mr. Ramesh Kumar Dua
3	Designation	Managing Director
4	Telephone number	011-46800600
5	e-mail id	rfl@relaxofootwear.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards?	Note 1	Note 1	Note 1	Note 1	Note 1	ISO 14001	NA	Note 1	Note 1
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	NA	Y Note 2	Y Note 2
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3	NA	Note 3	Note 3
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Note 4	Note 4	Note 4	Note 4	Note 4	Note 4	NA	Note 4	Note 4

Note :-

1. The policies generally comply with the basic laws of the nation, general business standards, fair trade practices and good corporate governance.
2. Policies have been signed by MD.
3. The policies which are mandatorily required to be uploaded on the website are available at the website of the Company i.e. <http://www.relaxofootwear.com/investor-relations.aspx>. Some of the policies which pertain to the employees of the Company are available on intranet.
4. Internal Audit team evaluates the policies on regular basis.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No	Questions	Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
1	The company has not understood the Principles.	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	-
3	The company does not have financial or manpower resources available for the task.	-
4	It is planned to be done within next 6 months.	-
5	It is planned to be done within the next 1 year.	-
6	Any other reason (please specify)	Relaxo is a member of various industrial and trade bodies. Your Company actively participates in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue and hence do not feel such a policy is necessary, given our way of doing business.

3. Governance related to BR

1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Board of Directors of the Company assesses various initiatives forming part of the BR performance of the Company at least once a year.
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Company publish its Business Responsibility Report annually with the Annual Report and these reports are available online at http://www.relaxofootwear.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?

Code of Conduct

Your Company is committed to the adherence to the highest standards of moral, ethical and legal principles and believe to run business in fair and transparent manner. Based on these principles, the Company has laid down the Code of Conduct for employees and all its associates, that includes dealing with gifts, bribery, sexual harassment etc. Code of Conduct is signed by all the Executives at the time of joining the Company.

Whistle Blower

In order to ensure the effective implementation of the Code of Conduct, your Company has strong Vigil Mechanism / Whistle Blower policy, applicable to all the employees and Directors that ensures fearless reporting and fair treatment of the incidence. This policy is applicable to Directors, employees, vendors and other business partners of the Company. The policy is updated from time to time to take care of change in regulation and to make it more inclusive and effective.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

During the year the Company has received 1 complaint which was duly resolved by the management.

Principle 2

The ethos of Relaxo is to provide qualitative but value for money (VFM) products to its customers. Relaxo provides innovative, value-added footwear to all classes of society including all gender and age groups across regions, which are user-friendly as well as environment-friendly.

Your Company complies with all applicable environmental, legal and other requirements towards protecting the environment and conserving natural resources. Your Company strives to achieve continuous improvement in the environmental sustainability journey through clearly defined objectives and targets which are based on reduction in energy consumption, control on emissions and waste generation, conservation of water, reducing effluent discharge and creating environmental awareness.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

As a leading footwear manufacturer, we at Relaxo continue to provide quality products at affordable prices to our customers. With in-house research Relaxo continuously strive to use our innovative ability to upgrade and enhance the quality of products through technological advances in our manufacturing facilities to ensure optimum use of the resources with minimum impact on environment.

Our products like Ortho & Fitness range are specially designed for the comfort of the feet; while Hi-Heel & Cushion Series are economical and affordable products. In the youth segment; Company offers Bahamas & Flite products, which have attractive design and are available in wide range of

colors. Sparx range contains trendy slippers, sandals & shoes in the premier range and includes sports footwear.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Relaxo believes in "save energy, save nation" principle. Towards this, your Company has taken following steps to reduce the consumption of energy, water & raw material:

- Regular training for employees to manage the resources in an efficient manner.
- We have set up a solar power unit with a capacity of 75KW in our manufacturing site in Bahadurgarh, Haryana where ~ 52000 units were generated in FY19.
- By-product recycling of EVA, PVC led to material wastage reduction and gain in yield.
- Rainwater harvesting facility is operational at our manufacturing facility.
- Safe and environmental-friendly disposal mechanism of waste.
- The Company has installed modern and efficient machinery across its manufacturing units and has been able to save the usage of thermal & electrical energy.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably?
Yes. Major associates of the company, who are engaged in supplying of raw materials for shoe manufacturing process, are located nearby to the respective manufacturing units. Relaxo also has its own warehouses located in the vicinity of the manufacturing units, which not only enables to optimize the production-related costs but also significantly reduces the environmental impact of the transportation of material and components. Relaxo also uses CNG vehicles not only for environmental purpose but also to rationalize logistic cost.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
Yes. Relaxo outsource and gets job-work done from nearby local and small vendors. Services like hospitality, security, and canteen facilities have also been outsourced to local and small vendors. Your Company continuously audits these suppliers for quality systems and manufacturing capabilities and also has a code of conduct for such business partners with whom agreement for supplies is undertaken.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste

(separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, your Company constantly endeavor to minimize waste generation, reduction at the source and ensure responsible waste disposal. Our sites are committed to 'Zero Waste to Landfill'. Relaxo has in-house facility to recycle by-product generated during the process. Waste generated after sheet cutting is sent to special recycling equipment like crackers & refiners to make it amenable for mixing along-with virgin materials. Waste generated as runners & C quality production is grounded and mixed with the virgin compound. Non-hazardous waste such as packaging material and scrap are recycled and reused.

Principle 3

1. Please indicate the Total number of employees.

Number of Permanent employees as on 31.03.2019 is 6254.

2. Please indicate the Total number of employees hired on temporary/contractual /casual basis.

Number of Temporary / Contractual / Casual employees as on 31.03.2019 is 11041.

3. Please indicate the Number of permanent women employees.

Number of Permanent women employees as on 31.03.2019 is 217.

4. Please indicate the Number of permanent employees with disabilities

Number of Permanent employees with disabilities as on 31.03.2019 is 7.

5. Do you have an employee association that is recognized by management?

No, Your Company does not have any employee association that is recognized by management.

6. What percentage of your permanent employees is members of this recognized employee association?

Not Applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	NA
2	Sexual harassment	1	1*
3	Discriminatory employment	Nil	NA

*As on date the Complaint has been duly resolved.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees - 100%
- (b) Permanent Women Employees - 100%
- (c) Casual/Temporary/Contractual Employees - 100%
- (d) Employees with Disabilities - 100%

Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes. your Company defines stakeholders 'as persons or groups who are

directly or indirectly affected by the business, as well as those who may have interest in the business and/or the ability to influence its outcome, either positively or negatively. Taking this definition, your Company has mapped both internal and external stakeholders and is committed towards understanding & addressing their concerns strategically.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes, your Company has identified underserved communities in the vicinity of the Plant locations as most vulnerable external stakeholders. However, the women and children were given more preference in all decision making.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Relaxo CSR is working with the marginalized neighboring communities through projects under Education and Health. For education, Relaxo is working on the model of 'school-led-individual- & community development' and under health, the focus is on improving the accessibility, availability and affordability of primary health care facilities.

Apart from CSR, your Company has initiated various initiatives at plants for workers e.g. financial aid to Meritous student (children of workmen), sanitary napkins to the female workmen and educate them on basic hygiene and health and organized medical camps for the workmen.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

At Relaxo, matters related to human rights are covered under the Code of Conduct Policy, the Vigil Mechanism Policy, Sexual Harassment Policy and Grievance Handling Policy. Most of these Policies are applicable not only to employees of the Company but to contract labour, business associates (suppliers, vendors and dealers) as well. Your Company does not employ any person below the age of eighteen as per our recruitment policy. Relaxo prohibits the use of forced labour at all our plants and dispirit the same with our business associates. The Code of Conduct Policy and the Vigil Mechanism Policy discourages violation of human rights and provide a fair and a transparent mechanism for reporting any such violation.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received pertaining to human rights violation during FY19.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ others.

Quality, Environment & Safety Policy pertains to Principle 6 extend only to the Company but does not cover suppliers and contractors.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Your Company has a Quality Environment & Safety Policy which is communicated to all employees. The Policy is available at all the plants.

3. Does the company identify and assess potential environmental risks? Y/N

Yes. Relaxo's manufacturing facilities have been certified for ISO 14001:2015 which is called Environmental Management System by British Standards Institute, a globally recognized certification body. The significant environmental aspects associated with all activities and their related actual or potential environmental impacts are identified, rated, prioritized and actions to reduce their impact are documented. This exercise is being done for all activities at a department level in all plants and is reviewed annually for any changes, whatsoever. The Company on regular basis takes initiative to improve environmental impact e.g. during the year your Company has installed gas fired boilers in some plants which is environment friendly as compared to conventional boilers and improves environmental conditions by quantum as there is no soot / toxic gas generation / solid particles emissions. In gas based boilers there is no harmful by-products generation after combustion of gas and does not contribute to global warming / increased carbon emission

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Your Company has wind power project of 6MW (4WTG x 1.5MW) in Jodhpur district of Rajasthan state which resulted in reductions of greenhouse gas emissions that give long-term benefits to the mitigation of climate change. Relaxo has got the project registered with UNFCCC for CER credits.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Your Company is committed to promote a sustainable environment and drive progress through better engineered and energy efficient processes. Our focus on the ecosystem and environmental conservation are ingrained in the way we conduct our business.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

We ensure that emissions and waste generation by us at our various locations are well below the limits prescribed by CPCB & SPCB. These emission and waste generated are being regularly monitored and reported to SPCB during the filing of Annual Environment Statement (Form V) by September every year.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

We have not received any show cause notice from either CPCB or SPCB in FY19.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- a) CII (Confederation of Indian Industry)
- b) PHD Chamber of Commerce
- c) CIFI (Confederation of Indian Footwear Industries)
- d) CFLA (Council for Footwear Leather and Accessories)
- e) SATRA (International)
- f) All India Rubber Association
- g) Bahadurgarh Footwear Development Services Pvt Ltd
- h) FORM (Foundation of Rubber & Polymer Manufacturer)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic

Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue.

Principle 8

Your Company strives to bring positive impact on the lives of vulnerable poor population associated or impacted by the business. Company believes that the benefit of growth must reach across all parts of society, and no one shall have left behind due to lack of opportunities or ignorance.

Thus, CSR is not the only tool for your Company to support inclusive growth and equitable development. However, even before the amendment in the Companies Act 2013, promoters of your Company were involved in various philanthropic activities through two registered Societies funded by promoters for the welfare of down-trodden, such as a) Financial support to needy patients, b) running Skill Development center and c) support to grass-root level NGOs.

However, through CSR, your Company is fulfilling its commitment towards people at the bottom of the pyramid in a more strategic and professional manner.

Your Company considers Education as the only tool to break the vicious cycle of poverty by empowering individual and Health as immediate need and a threat to push an individual on vicious cycle of poverty. Therefore, your Company has identified 'Education & Skill Development' and 'Health & Hygiene' as two focus areas to implement different social initiatives towards betterment of socially & economically excluded communities.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

Your Company has CSR Policy in place to ensure the inclusive growth and equitable development of down trodden people affected or associated by business in any manner. In order to convert intend into action, Relaxo Foundation CSR arm of your Company has developed Vision & Mission statements and has further strategized CSR activities in a highly professional manner.

2. Are the programmes / projects undertaken through in-house team/ own foundation/external NGO/government structures/any other organization?

Your Company has constituted Relaxo Foundation (Special Purpose Vehicle), a Society registered under Societies Registration Act 1860 to implement CSR activities. Relaxo Foundation gives special emphasis on collaborative approach. Foundation believes that social development is a collective responsibility and involvement of different stakeholders could bring expertise and extra resources to maximize the impact on ground. Therefore, Relaxo Foundation engage credible NGOs to help in designing and on-ground implementation of the CSR projects. However, Relaxo Foundation remain as prime owner of the project and plays leading role at all stages of the project cycle.

Few of the NGO partners are –

- Navjyoti India Foundation for Remedial Education program
- Plan International (India Chapter) for 'Parivartan' Model School project
- Dr. Shroff's Charity Eye Hospital for project 'Nayan' Giving Sight to Under Privileged
- Smile Foundation for Comprehensive Health Project 'Smile on Wheel'
- MAMTA Health Institute for Mother & Child for 'Jaagruti' project
- GMR Varalakshmi Foundation for vocational training of 'Customer Service Associate'

3. Have you done any impact assessment of your initiative?

All our CSR projects are designed professionally with log frames that have clearly defined project goals, objectives, activities, expected outcome and indicators to measure the success. Against these indicators the regular monitoring is being done by the Relaxo Foundation. However, baseline and end line assessment form the integral part of all our CSR projects which is done by the implementing agency themselves. However, we consider independent impact assessment as equally crucial and intend to have independent assessment at the end of the projects. Presently, most of our projects are in the implementation phase, so we have undertaken mid-term assessment to ensure whether the project is moving towards the right direction or not and if required, the mid- term course correction is being done

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

During the year, Relaxo Foundation has incurred CSR budget of ₹ 2.95 Crores on different CSR projects. However, ₹ 2.50 Crores have been allocated in on-going projects for next financial years.

In the reporting period, Relaxo Foundation initiated new projects and started receiving results from the earlier started projects. Project 'Jaagriti' in partnership with Government of Haryana has been one of the significant project, which aims at deconstructing the concept of patriarchy, power relations, roles, responsibility and socialization process to attain gender equality reflected in terms of shift in knowledge, attitude, and practices amongst boys and girls. This project is getting implemented in 50-50 schools of district Rohtak & Jhajjar of Haryana.

Two other projects started in the last quarter of FY18, viz. 'Parivartan' Model school and project 'Nayan' Giving Sight to Underprivileged, are also getting implemented as per plan and showing encouraging results. Details of the projects are mentioned in the Annexure F.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Your Company has deep faith on the philosophy of Empowerment so that the communities can take control of their lives in sustainable manner. Considering community as the most important stakeholder for CSR projects, Relaxo Foundation ensures their active involvement at all the stages from need assessment to impact assessment. Along with this, towards ensuring the sustainability of the project, we identify & involve key stakeholders in all the projects so that they can be capacitated during the project duration and can take ownership of the project later. For instance, in our school based intervention along with teachers, we consider School Management Committee & parents as important stakeholders.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Nil consumer complaints are pending as on 31.03.2019

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)

Your company displays all information as mandated by the statutory regulations to ensure full compliance with relevant laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

At the new product development division, the company regularly conducts market sensing and monitors evolving consumer needs to develop relevant products. Relaxo also seeks consumer and trade feedback before and after launch of its products.

Financial Statements

Independent Auditors' Report

TO THE MEMBERS OF RELAXO FOOTWEARS LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Relaxo Footwears Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other

information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under

section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of

the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including any derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B R Maheswari & Co LLP**

Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari

Partner
Membership No.081075

Place: Delhi
Date: May 10, 2019

Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

1) In respect of its fixed assets:

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- According to the information and explanations given to us, fixed assets have been physically verified by the management in a phased periodical manner which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for the following which are not held in the name of the Company:

Particulars	Freehold Land	Buildings Factory	Buildings Others
Gross Block as at March 31, 2019 (₹ in Crore)	129.21	18.61	4.43
Net Block as at March 31, 2019 (₹ in Crore)	129.21	17.79	4.32

2) In respect of its inventories:

- The management has physically verified the inventories at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.
- The discrepancies noticed on verification between the physical stocks and the book records were not material and such discrepancies have been properly dealt with in the books of accounts.

3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited

Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

- In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties cover under section 185 of the Act. In respect of investments made by the Company, the provisions of section 186 of the Act have been complied with.
- According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.
- In our opinion and according to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Therefore, reporting under clause 3(vi) of the order is not applicable to the Company.
- (a) According to the information and explanations given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date they become payable.

- According to the information and explanations given to us, the following disputed statutory dues aggregating to ₹ 3.13 Crore, that have not been deposited on account of matters pending before appropriate authorities, are as under: -

(₹ in Crore)

S.No.	Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1.	Haryana General Sales Tax Act, 1973.	Purchase Tax	0.20 0.15	2001-02 2002-03	Jt. Commissioner Jt. Commissioner
2.	Delhi Value Added Tax Act, 2005	Input Tax	0.04 0.22	2005-06 2013-14	Appellate Tribunal, Delhi
3.	Maharashtra Value Added Tax Act, 2002	Value Added Tax	0.01	2013-14	Dy. Commissioner of Sales Tax.
4.	Karnataka Value Added Tax Act, 2003	Value Added Tax	0.01	2014-15	Jt. Commissioner-Commercial Taxes, Bangalore
5.	Rajasthan Tax on Entry of Goods into Local Area Act, 1999	Entry Tax	0.05 0.17	2012-13 2014-15	CTO, Sales Tax Bhiwadi, Rajasthan Jt. Commissioner (Appeal) Alwar, Rajasthan
6.	Income Tax Act, 1961	Income Tax (*)	2.24(*)	Assessment Years 2006-07, 2008-09 to 2013-14, 2015-16 and 2016-17	Assessing Officer
		TDS	0.04	2008-09 to 2011-12, 2013-14 to 2015-16, 2017-18 to 2019-20	Commissioner (A), ITAT, Assessing Officer
	Total		3.13		

(*) The above demands are majorly on account of Dividend Distribution Tax (DDT) credit not given by Income Tax Department while issuing intimations under section 143(1) of the Income Tax Act, 1961. Company has disputed the same demands as Company has already deposited the DDT on time and has also submitted the proof for payment of same to Income Tax Department for deleting the said demands.

- 8) Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans and borrowings to banks. The Company did not have any outstanding loans and borrowings from government and debenture holders during the year.
- 9) The company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. In our opinion, the term loans have been applied for the purpose for which they were obtained.
- 10) In our opinion and according to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.
- 11) In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable Indian accounting standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore reporting under clause 3(xiv) of the Order are not applicable.
- 15) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non- cash transaction with directors or persons connected with him, therefore reporting under clause 3(xv) of the Order are not applicable.
- 16) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075

Place: Delhi
Date: May 10, 2019

Annexure 'B' to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Relaxo Footwears Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and

appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No.081075

Place: Delhi
Date: May 10, 2019

Balance Sheet as at March 31, 2019

(₹ in Crore)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	800.45	469.81
Capital Work-in-Progress	1	10.17	136.44
Intangible Assets	2	47.69	55.05
Intangible Assets under Development	2	1.23	1.14
Financial Assets			
Investments	3	0.20	0.20
Loans	4	17.09	16.20
Other Financial Assets	5	0.12	0.61
Other Non-Current Assets	6	7.50	8.64
		884.45	688.09
Current Assets			
Inventories	7	401.54	313.93
Financial Assets			
Investments	8	-	0.50
Trade Receivables	9	196.59	173.45
Cash and Cash Equivalents	10	1.88	3.12
Other Bank Balances	11	0.34	0.88
Loans	12	0.39	0.39
Other Financial Assets	13	43.07	22.71
Other Current Assets	14	76.30	46.76
		720.11	561.74
Total Assets		1604.56	1249.83
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	12.40	12.03
Other Equity	16	1092.67	749.18
Total Equity		1105.07	761.21
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	-	39.26
Other Financial Liabilities	18	0.01	0.71
Provisions	19	9.00	7.48
Deferred Tax Liabilities (Net)	20	34.44	26.31
		43.45	73.76
Current Liabilities			
Financial Liabilities			
Borrowings	21	86.92	86.09
Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 50)		13.68	13.75
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		177.25	161.15
Other Financial Liabilities	22	114.27	92.63
Other Current Liabilities	23	58.18	55.97
Provisions	24	3.69	2.64
Current Tax Liabilities (Net)	25	2.05	2.63
		456.04	414.86
Total Liabilities		499.49	488.62
Total Equity and Liabilities		1604.56	1249.83

The accompanying notes are an integral part of financial statements.

As per our report of even date

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075
Delhi, May 10, 2019

For and on behalf of the Board of Directors

Ramesh Kumar Dua **Mukand Lal Dua**
Managing Director Whole Time Director
DIN :00157872 DIN :00157898

Sushil Batra **Vikas Kumar Tak**
Chief Financial Officer Company Secretary

Statement of Profit and Loss for the year ended March 31, 2019

(₹ in Crore)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
INCOME			
Revenue from Operations	26	2292.08	1948.57
Other Income	27	12.98	4.46
Total Income		2305.06	1953.03
EXPENSES			
Cost of Materials Consumed, including Packing Material		910.03	705.69
Purchases of Stock-in-Trade		217.53	190.94
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	(55.24)	(13.62)
Excise Duty on Sale of Goods		-	7.52
Employee Benefits Expense	29	258.66	214.08
Finance Costs	30	6.90	8.59
Depreciation and Amortisation Expense	31	62.41	54.34
Other Expenses	32	636.79	541.87
Total Expenses		2037.08	1709.41
Profit Before Tax		267.98	243.62
Tax Expense	33		
Current Tax		85.64	81.53
Deferred Tax		6.90	1.02
Tax for Earlier years (Net)		0.00	0.00
		92.54	82.55
Profit for the Year		175.44	161.07
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement Gains / (Losses) on Defined Benefit Plan	38(b)	0.09	(0.61)
Income Tax effect	33	(0.03)	0.21
		0.06	(0.40)
Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the year)		175.50	160.67
Earnings Per Equity Share of ₹ 1/- each (In ₹)	40		
Basic		14.15	13.40
Diluted		14.13	13.38

The accompanying notes are an integral part of financial statements.

As per our report of even date

For **B R Maheswari & Co LLP**

Chartered Accountants

Firm's Registration No. 001035N/N500050

Sudhir Maheshwari

Partner

Membership No. 081075

Delhi, May 10, 2019

For and on behalf of the Board of Directors

Ramesh Kumar Dua

Managing Director

DIN :00157872

Mukand Lal Dua

Whole Time Director

DIN :00157898

Sushil Batra

Chief Financial Officer

Vikas Kumar Tak

Company Secretary

Statement of Cash Flows for the year ended March 31, 2019

(₹ in Crore)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from Operating Activities			
Profit Before Tax		267.98	243.62
Adjustments for			
Depreciation and Amortisation Expense	31	62.41	54.34
Finance Costs	30	6.90	8.59
Interest Income on Fixed Deposits, Security Deposits and Bonds, measured at Amortised Cost	27	(0.65)	(0.58)
Dividend Income on Current Investments	27	(1.15)	-
Net Gain on Sale of Current Investments	27	(1.06)	(0.50)
Net Unrealised Gain on Foreign Currency Transactions and Translations		(1.81)	(3.85)
Share Based Payments	29	4.68	4.07
Fair Valuation loss on Derivative Financial Instruments	32	2.49	0.27
Bad debts Written off	32	0.02	0.30
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance)	32	0.55	0.73
Net loss on Disposal / Write off of Property, Plant, Equipment and Intangible Assets	32	1.22	0.55
Operating Profit Before Working Capital Changes		341.58	307.54
Changes in Working Capital			
Adjustments for (Increase) / Decrease in Operating Assets			
Loans to Employees	4,12	0.02	(0.07)
Security Deposits		(0.87)	(1.68)
Other Non-Current Assets		0.85	(0.02)
Trade Receivables		(24.18)	(67.09)
Other Financial Assets		(20.11)	(18.49)
Other Current Assets		(29.52)	(23.51)
Inventories	7	(87.61)	(23.72)
Adjustments for Increase / (Decrease) in Operating Liabilities			
Trade Payables		18.53	49.30
Other Financial Liabilities		6.26	10.35
Provisions		2.66	0.67
Other Current Liabilities		2.12	1.05
Cash Generated from Operations		209.73	234.33
Taxes Paid		(86.26)	(80.08)
Net Cash Generated from Operating Activities		123.47	154.25
Cash Flow from Investing Activities			
Payment for Purchase of Property, Plant, Equipment including Capital Work-in-Progress and Intangible Assets		(92.41)	(108.98)
Proceeds from Sale of Property, Plant, Equipment and Intangible Assets		1.01	0.28
Net Gain on Sale of Current Investments	27	1.06	0.50
Interest Income Received		0.69	0.54
Dividend Income Received	27	1.15	-
Investment in Bank Deposits held as Margin Money	5,11	0.60	(0.71)
Proceeds from Sale of Current Investments		30.99	-
Net Cash Flow (Used in) Investing Activities		(56.91)	(108.37)

Statement of Cash Flows for the year ended March 31, 2019 (contd.)

(₹ in Crore)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Cash Flow from Financing Activities			
Proceeds from Issuance of Equity Shares under "RFL Employee Stock Option Plan 2014"	15	0.01	0.02
Securities Premium received on exercise of Equity Shares issued under "RFL Employee Stock Option Plan 2014"	16	3.16	4.54
Proceeds from Current Borrowings		20.75	25.92
Repayment of Current Borrowings		(19.92)	(0.72)
Repayment of Non-Current Borrowings		(42.41)	(46.93)
Dividend and Dividend Distribution Tax Paid	16	(21.76)	(14.46)
Finance Costs Paid		(8.07)	(14.64)
Net Cash Flow (Used in) Financing Activities		(68.24)	(46.27)
Net (Decrease) in Cash and Cash Equivalents			
Cash and Cash Equivalents at beginning of the year	10	3.12	3.51
Changes in Cash and Cash Equivalents under Scheme of Amalgamation		0.43	-
Exchange Fluctuation on Foreign Currency Bank Balances		0.01	0.00
Cash and Cash Equivalents at end of the year	10	1.88	3.12
Components of Cash and Cash Equivalents (At end of the year)			
Balances with Banks on Current Accounts		0.73	2.43
Cash on Hand		1.15	0.69
		1.88	3.12

Changes in liabilities arising from financing activities, including changes arising from cash flows and non cash changes as per amendment to IND AS 7 - statement of cash flows are shown below

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Balance of Borrowings at beginning of the year*	153.36	178.44
Net Cash Flow (Used in) Financing Activities	(41.58)	(21.73)
The effect of (Gains) / Losses due to variation in Foreign Exchange Rates	0.22	(3.35)
Closing Balance of Borrowings at end of the year*	112.00	153.36

*Current, non current borrowings including current maturities of non current borrowings.

The accompanying notes are an integral part of financial statements.
As per our report of even date

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm's Registration No. 001035N/N500050

Sudhir Maheshwari
Partner
Membership No. 081075
Delhi, May 10, 2019

For and on behalf of the Board of Directors

Ramesh Kumar Dua **Mukand Lal Dua**
Managing Director Whole Time Director
DIN :00157872 DIN :00157898

Sushil Batra **Vikas Kumar Tak**
Chief Financial Officer Company Secretary

Statement of Changes in Equity for the year ended March 31, 2019

Equity Share Capital (Refer Note 15)

(₹ in Crore)

Particulars	Number of Shares	Amount
As at April 1, 2017	12,01,30,250	12.01
Equity Shares of face value of ₹ 1/- each issued under "RFL Employee Stock Option Plan 2014"	2,23,370	0.02
As at March 31, 2018	12,03,53,620	12.03
Equity Shares of face value of ₹ 1/- each issued under "RFL Employee Stock Option Plan 2014"	78,800	0.01
Equity Shares of face value of ₹ 1/- each issued under Scheme of Amalgamation	36,18,453	0.36
As at March 31, 2019	12,40,50,873	12.40

Other Equity (Refer Note 16)

(₹ in Crore)

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	Share Based Payment Reserve	General Reserve	Retained Earnings	
As at April 1, 2017	3.63	3.16	574.76	12.81	594.36
Profit for the Year	-	-	-	161.07	161.07
Other Comprehensive Income - Remeasurement Gains / (Losses) on Defined Benefit Plan (Net of Tax)	-	-	-	(0.40)	(0.40)
Total Comprehensive Income for the Year	-	-	-	160.67	160.67
Transfer from Retained Earnings to General Reserve	-	-	125.00	(125.00)	-
Transactions with Owners in their capacity as Owners					
Share Based Payments under "RFL Employee Stock Option Plan 2014"	-	4.07	-	-	4.07
Transferred from Share Based Payment Reserve to Securities Premium Reserve on issuance of 2,23,370 Equity Shares of face value of ₹ 1/- each issued under "RFL Employee Stock Option Plan 2014"	2.37	(2.37)	-	-	-
Securities Premium received on exercise of 2,23,370 Equity Shares of face value of ₹ 1/- each issued under "RFL Employee Stock Option Plan 2014"	4.54	-	-	-	4.54
Transferred from Share Based Payment Reserve to General Reserve on cancellation of Vested Options issued under "RFL Employee Stock Option Plan 2014"	-	(0.06)	0.06	-	-
Dividend on Equity Shares	-	-	-	(12.01)	(12.01)
Dividend Distribution Tax	-	-	-	(2.45)	(2.45)
As at March 31, 2018	10.54	4.80	699.82	34.02	749.18
Profit for the Year	-	-	-	175.44	175.44
Other Comprehensive Income - Remeasurement Gains / (Losses) on Defined Benefit Plan (Net of Tax)	-	-	-	0.06	0.06
Total Comprehensive Income for the Year	-	-	-	175.50	175.50
Transfer from Retained Earnings to General Reserve	-	-	150.00	(150.00)	-
Retained Earnings under Scheme of Amalgamation	-	-	-	3.54	3.54

Statement of Changes in Equity for the year ended March 31, 2019 (contd.)

Other Equity (Refer Note 16)

(₹ in Crore)

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	Share Based Payment Reserve	General Reserve	Retained Earnings	
Transactions with Owners in their capacity as Owners					
Share Based Payments under "RFL Employee Stock Option Plan 2014"	-	4.68	-	-	4.68
Transferred from Share Based Payment Reserve to Securities Premium Reserve on issuance of 78,800 Equity Shares of face value of ₹ 1/- each issued under "RFL Employee Stock Option Plan 2014"	1.69	(1.69)	-	-	-
Securities Premium received on exercise of 78,800 Equity Shares of face value of ₹ 1/- each issued under "RFL Employee Stock Option Plan 2014"	3.16	-	-	-	3.16
Securities Premium against issuance of Equity Shares under Scheme of Amalgamation	178.37	-	-	-	178.37
Transferred from Share Based Payment Reserve to General Reserve on cancellation of Vested Options issued under "RFL Employee Stock Option Plan 2014"	-	(0.19)	0.19	-	-
Dividend on Equity Shares	-	-	-	(18.05)	(18.05)
Dividend Distribution Tax	-	-	-	(3.71)	(3.71)
As at March 31, 2019	193.76	7.60	850.01	41.30	1092.67

The accompanying notes are an integral part of financial statements.

As per our report of even date

For **B R Maheswari & Co LLP**

Chartered Accountants

Firm's Registration No. 001035N/N500050

Sudhir Maheshwari

Partner

Membership No. 081075

Delhi, May 10, 2019

For and on behalf of the Board of Directors

Ramesh Kumar Dua

Managing Director

DIN :00157872

Mukand Lal Dua

Whole Time Director

DIN :00157898

Sushil Batra

Chief Financial Officer

Vikas Kumar Tak

Company Secretary

Notes forming part of Financial Statements

Note 1: Property, Plant and Equipment & Capital Work-in-Progress

(₹ in Crore)

Particulars	Gross Carrying Amount				Depreciation / Amortisation				Net Carrying Amount	
	As at April 1, 2018	Additions	Additions under Amalgamation Scheme *	Deletions/ Adjustments	As at March 31, 2019	Depreciation	Deletions/ Adjustments	Adjustments under Amalgamation Scheme *	As at March 31, 2019	As at March 31, 2019
Property, Plant and Equipment										
Land										
Freehold	33.61	-	129.21	-	162.82	-	-	-	-	162.82
Leasehold	52.20	-	-	-	52.20	0.52	-	-	1.58	50.62
Buildings	164.01	117.16	23.95	-	305.12	10.01	-	0.92	22.37	282.75
Leasehold Improvements	13.84	2.10	-	0.90	15.04	1.96	0.21	-	5.26	9.78
Plant and Machinery	180.61	74.97	-	1.46	254.12	17.64	0.36	-	48.76	205.36
Moulds	38.27	15.15	-	0.18	53.24	11.12	0.10	-	30.41	22.83
Computers	9.21	3.06	-	0.23	12.04	2.37	0.20	-	5.84	6.20
Motor Vehicles-Other	8.45	2.51	-	0.45	10.51	1.43	0.35	-	3.48	7.03
Motor Vehicles-Transport	2.22	1.02	-	0.05	3.19	0.47	0.03	-	1.21	1.98
Furniture and Fixtures	12.45	5.15	-	0.09	17.51	1.82	0.05	-	4.93	12.58
Electrical Fittings	14.71	11.03	0.07	0.05	25.76	2.80	0.01	0.01	7.23	18.53
Office Equipments	9.05	1.55	-	0.29	10.31	1.76	0.19	-	4.82	5.49
Wooden Structure	1.55	0.41	-	0.06	1.90	0.44	0.03	-	1.14	0.76
Wind Power Generation Plant	17.32	-	-	-	17.32	1.20	-	-	3.60	13.72
	557.50	234.11	153.23	3.76	941.08	53.54	1.53	0.93	140.63	800.45
Capital Work-in-Progress ^	136.44	9.36	-	135.63	10.17	-	-	-	-	10.17
	136.44	9.36	-	135.63	10.17	-	-	-	-	10.17

Borrowing costs amounting to ₹ 0.89 crore (Previous year ₹ 5.58 crores) capitalised as part of property, plant and equipment & capital work-in-progress.

For contractual commitments towards acquisition of property, plant and equipment & capital work-in-progress, refer note 36.

The company has taken loans from banks which carry charge over certain assets. (Refer Note 17, Note 21 & Note 45)

^ Includes capital goods in transit ₹ 3.44 crores (Previous year Nil)

Capital work-in-progress primarily consists of machinery under installation.

* For details, refer note 53.

Notes forming part of Financial Statements

Note 1 Property, Plant and Equipment & Capital Work-in-Progress (Contd.)

(₹ in Crore)

Particulars	Gross Carrying Amount			Depreciation / Amortisation			Net Carrying Amount	
	As at April 1, 2017	Additions	Deletions/ Adjustments	As at March 31, 2018	As at April 1, 2017	Deletions/ Adjustments	As at March 31, 2018	As at March 31, 2018
Property, Plant and Equipment								
Land								
Freehold	33.61	-	-	33.61	-	-	-	33.61
Leasehold	52.20	-	-	52.20	0.53	0.53	1.06	51.14
Buildings	161.32	2.69	-	164.01	5.23	6.21	11.44	152.57
Leasehold Improvements	11.29	3.13	0.58	13.84	1.67	1.99	3.51	10.33
Plant and Machinery	171.17	9.69	0.25	180.61	15.72	15.81	31.48	149.13
Moulds	28.55	9.72	0.00	38.27	9.21	10.18	19.39	18.88
Computers	5.56	3.79	0.14	9.21	1.78	1.98	3.67	5.54
Motor Vehicles-Other	7.47	1.11	0.13	8.45	1.14	1.33	2.40	6.05
Motor Vehicles-Transport	1.88	0.38	0.04	2.22	0.40	0.39	0.77	1.45
Furniture and Fixtures	10.22	2.27	0.04	12.45	1.56	1.63	3.16	9.29
Electrical Fittings	13.67	1.05	0.01	14.71	2.16	2.27	4.43	10.28
Office Equipments	7.18	1.94	0.07	9.05	1.61	1.69	3.25	5.80
Wooden Structure	0.97	0.63	0.05	1.55	0.40	0.36	0.73	0.82
Wind Power Generation Plant	17.32	-	-	17.32	1.20	1.20	2.40	14.92
	522.41	36.40	1.31	557.50	42.61	45.57	87.69	469.81
Capital Work-in-Progress								
	61.91	76.25	1.72	136.44	-	-	-	136.44
	61.91	76.25	1.72	136.44	-	-	-	136.44

Notes forming part of Financial Statements

Note 2: Intangible Assets & Intangible Assets under Development

(₹ in Crore)

Particulars	Gross Carrying Amount			Amortisation			Net Carrying Amount	
	As at April 1, 2018	Additions	Deletions/ Adjustments	As at March 31, 2019	As at April 1, 2018	Amortisation	Deletions/ Adjustments	As at March 31, 2019
Intangible Assets								
Computer Software and Licences	10.11	1.32	-	11.43	4.03	2.14	-	5.26
Intellectual Property Rights	62.42	0.19	-	62.61	13.45	6.73	-	42.43
	72.53	1.51	-	74.04	17.48	8.87	-	47.69
Intangible Assets under Development	1.14	0.57	0.48	1.23	-	-	-	1.23
	1.14	0.57	0.48	1.23	-	-	-	1.23

Intangible assets under development primarily consists of cost related to intellectual property rights under registration.

Note 2: Intangible Assets & Intangible Assets under Development (Contd.)

(₹ in Crore)

Particulars	Gross Carrying Amount			Amortisation			Net Carrying Amount	
	As at April 1, 2017	Additions	Deletions/ Adjustments	As at March 31, 2018	As at April 1, 2017	Amortisation	Deletions/ Adjustments	As at March 31, 2018
Intangible Assets								
Computer Software and Licences	7.58	2.54	0.01	10.11	1.99	2.04	0.00	6.08
Intellectual Property Rights	62.35	0.07	-	62.42	6.72	6.73	-	48.97
	69.93	2.61	0.01	72.53	8.71	8.77	0.00	55.05
Intangible Assets under Development	0.51	0.69	0.06	1.14	-	-	-	1.14
	0.51	0.69	0.06	1.14	-	-	-	1.14

Notes forming part of Financial Statements

Note 3: Investments - Non Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in Unquoted Equity Instruments, carried at Fair Value through Other Comprehensive Income (FVTOCI)		
40 (Previous year - 40) Equity Shares of face value of ₹ 50000/- each Fully Paid up of Bahadurgarh Footwear Development Services Private Limited	0.20	0.20
Aggregate amount of Unquoted Investments	0.20	0.20

Note 4: Loans - Non Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good, measured at Amortised Cost		
Loans to Employees	0.00	0.02
Security Deposits	17.09	16.18
	17.09	16.20

Note 5: Other Financial Assets - Non Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good, measured at Amortised Cost		
Balances with Bank held as Margin Money *	0.12	0.13
Measured at Fair Value through Profit or Loss (FVTPL)		
Derivative Financial Instruments	-	0.48
	0.12	0.61

* Represents margin money against various bank guarantees and other commitments issued by banks on behalf of the company.

Note 6: Other Non Current Assets

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good		
Capital Advances	5.31	6.25
Advances other than Capital Advances		
Prepaid Expenses	0.73	1.87
Balances with Statutory / Government Authorities	1.46	0.52
	7.50	8.64

Note 7: Inventories

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Valued at the lower of Cost and Net Realisable Value *		
Raw Materials, including Packing Material (Includes in transit ₹ 18.85 Crores, Previous year ₹ 11.35 Crores)	107.29	76.13
Work-in-Progress	58.51	43.48
Finished Goods	151.67	135.70
Stock-in-Trade ** (Includes in transit ₹ 0.24 Crore, Previous year ₹ 2.81 Crores)	73.62	49.38
Stores and Spares (Includes in transit ₹ 0.02 Crore, Previous year ₹ 0.05 Crore)	10.45	9.24
	401.54	313.93

* Inventories are hypothecated by way of first pari passu charge against working capital facilities. (Refer Note 21)

** In respect of goods acquired for trading.

Notes forming part of Financial Statements

Note 8: Investments - Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Investments carried at Amortised Cost		
Nil (Previous year - 500) 6% Non-Convertible Redeemable Taxable Bonds of face value of ₹ 10000/- each Fully Paid up of National Highways Authority of India	-	0.50
Aggregate amount of Unquoted Investments	-	0.50

Note 9: Trade Receivables

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good	196.59	173.45
Unsecured, Considered Doubtful (Credit Impaired Trade Receivables)	2.98	2.43
	199.57	175.88
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance) (Refer Note 32 & 42)	2.98	2.43
	196.59	173.45
Current	196.59	173.45
Non Current	-	-

Note 10: Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks on Current Accounts	0.73	2.43
Cash on Hand	1.15	0.69
	1.88	3.12

There are no repatriation restrictions with regard to cash and cash equivalents.

Note 11: Other Bank Balances

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Bank held as Margin Money *	0.17	0.76
Earmarked Balances - Unpaid Dividends (Refer Note 22)	0.17	0.12
	0.34	0.88

* Represents margin money against various bank guarantees and other commitments issued by banks on behalf of the company.

Note 12: Loans - Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good, measured at Amortised Cost		
Loans to Employees	0.39	0.39
	0.39	0.39

Notes forming part of Financial Statements

Note 13: Other Financial Assets - Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good, measured at Amortised Cost		
Insurance Claims Receivable	0.35	0.11
Interest accrued on Deposits and Bonds	0.03	0.07
Export Incentives Receivable	2.64	1.77
Duty Credit Scripts	1.38	0.15
GST Refundable	37.31	19.54
Measured at Fair Value through Profit or Loss (FVTPL)		
Derivative Financial Instruments	1.36	1.07
	43.07	22.71

Note 14: Other Current Assets

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good		
Advances for Supply of Goods and rendering of Services	14.23	8.38
Prepaid Expenses	8.63	9.15
Input Tax Balances	53.44	29.23
	76.30	46.76

Note 15: Equity Share Capital

(C in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised		
20,75,00,000 (Previous year - 20,00,00,000) Equity Shares of ₹ 1/- each	20.75	20.00
Issued, Subscribed and Fully Paid up		
12,40,50,873 (Previous year - 12,03,53,620) Equity Shares of ₹ 1/- each	12.40	12.03
	12.40	12.03

Reconciliation of Share Capital (Equity Shares of face value of ₹ 1/- each)

(₹ in Crore)

Particulars	Number of Shares	Amount
As at April 1, 2017	12,01,30,250	12.01
Addition in Share Capital		
Issued under "RFL Employee Stock Option Plan 2014" (Refer Note 39)	2,23,370	0.02
As at March 31, 2018	12,03,53,620	12.03
Addition in Share Capital		
Issued under "RFL Employee Stock Option Plan 2014" (Refer Note 39)	78,800	0.01
Issued under Scheme of Amalgamation (Refer Note 53)	36,18,453	0.36
As at March 31, 2019	12,40,50,873	12.40

Rights, Preferences and Restrictions attached to Equity Shares

The company has only one class of equity shares having a face value of ₹ 1/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of the company being liquidated, since the equity shares of the company are fully paid-up, there would be no additional liability on the shareholders of the company. However, post settlement of the liabilities of the company, the surplus, if any, would be distributed to the shareholders in proportion to the number of shares held by each one of them.

Equity Shares reserved under Employee Stock Option Plan

For details of shares reserved under Employee Stock Option Plan (ESOP) refer note 39.

The equity shares of the company are listed at BSE Limited and National Stock Exchange of India Limited. The annual listing fee has been paid for the year.

Notes forming part of Financial Statements

Details of Equity Shares held by each Shareholder holding more than 5% Shares

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Ramesh Kumar Dua	2,99,08,872	24.11%	3,11,48,150	25.88%
Mukand Lal Dua	2,50,70,960	20.21%	2,64,45,700	21.97%
VLS Securities Limited	81,50,000	6.57%	81,50,000	6.77%
VLS Finance Limited	62,24,225	5.02%	62,86,791	5.22%

Aggregate number of Equity Shares issued as Bonus during the period of five years immediately preceding the reporting date

Board of Directors at their meeting held on July 3, 2015 allotted 6,00,06,000 fully paid up bonus shares in the ratio of 1:1.(i.e. one bonus share of ₹ 1/-each to every shareholder holding one equity share of ₹ 1/- each).

Aggregate number of Equity Shares issued under Scheme of Amalgamation

Board of Directors at their meeting held on Feb 2, 2019 allotted 36,18,453 fully paid up equity shares of ₹1/- each under scheme of amalgamation.(Refer Note 53)

Note 16: Other Equity

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Reserves and Surplus		
Securities Premium Reserve	193.76	10.54
Share Based Payment Reserve	7.60	4.80
General Reserve	850.01	699.82
Retained Earnings	41.30	34.02
	1092.67	749.18

Reconciliation of Other Equity

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Securities Premium Reserve		
Opening Balance	10.54	3.63
Transferred from Share Based Payment Reserve on issuance of Equity Shares issued under "RFL Employee Stock Option Plan 2014"	1.69	2.37
Securities Premium received on exercise of Equity Shares issued under "RFL Employee Stock Option Plan 2014"	3.16	4.54
Securities Premium against issuance of Equity Shares under Scheme of Amalgamation (Refer Note 53)	178.37	-
Closing Balance	193.76	10.54
Share Based Payment Reserve		
Opening Balance	4.80	3.16
Share Based Payments under "RFL Employee Stock Option Plan 2014" (Refer Note 29)	4.68	4.07
Transferred to Securities Premium Reserve on issuance of Equity Shares issued under "RFL Employee Stock Option Plan 2014"	(1.69)	(2.37)
Transferred to General Reserve on cancellation of Vested Options issued under "RFL Employee Stock Option Plan 2014"	(0.19)	(0.06)
Closing Balance	7.60	4.80
General Reserve		
Opening Balance	699.82	574.76
Transferred from Retained Earnings	150.00	125.00
Transferred from Share Based Payment Reserve on cancellation of Vested Options issued under "RFL Employee Stock Option Plan 2014"	0.19	0.06
Closing Balance	850.01	699.82

Notes forming part of Financial Statements

Reconciliation of Other Equity (contd.)

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Retained Earnings		
Opening Balance	34.02	12.81
Profit for the Year	175.44	161.07
Other Comprehensive Income - Remeasurement Gains / (Losses) on Defined Benefit Plan (Net of Tax)	0.06	(0.40)
Retained Earnings under Scheme of Amalgamation (Refer Note 53)	3.54	-
Dividend on Equity Shares (₹ 1.50 per share, Previous year ₹ 1.00 per share)	(18.05)	(12.01)
Dividend Distribution Tax	(3.71)	(2.45)
Transferred to General Reserve	(150.00)	(125.00)
Closing Balance	41.30	34.02
	1092.67	749.18

Nature and Purpose of Reserves

Securities Premium Reserve - Securities Premium Reserve represents the amount received in excess of par value of equity shares of the company. The same, inter alia, may be utilised by the company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013.

Share Based Payment Reserve - The company has Employee stock option plan under which option to subscribe for the company's equity shares have been granted to the permanent employees, existing and future including Whole-Time Director (but excluding the Independent Directors and Promoter Directors) of the company. This reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer note 39 for further details of this plan.

General Reserve - General Reserve represents the reserve created by apportionment of profit generated during the year or transferred from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings - Retained Earnings represents the undistributed profits of the company.

Note 17: Borrowings - Non Current

(₹ in Crore)

Particulars	Maturity Date	Interest Rate	As at March 31, 2019	As at March 31, 2018
Secured Term Loans from Banks				
Indian Rupee Loans	Nov-19	8.25% - 8.65%	11.25	41.25
Foreign Currency Loans	Feb-20	3m Libor+(2.10%-2.40%)	13.83	26.02
			25.08	67.27
Current Maturities of Non Current Borrowings (Refer Note 22)			25.08	28.01
			-	39.26

Nature of Securities and Terms of Repayment

(₹ in Crore)

Particulars of Loans	As at March 31, 2019	As at March 31, 2018	Nature of Securities
Indian Rupee Loans			
Repayable in 16 quarterly installments with last payment due on November 17, 2019 along with interest @ 8.25% - 8.65% per annum.	11.25	41.25	Exclusive Charge on Immovable and Movable Assets at Plot Nos. SP-6 & SP-7, Industrial Area, Kaharani (Bhiwadi Extension), District Alwar, Rajasthan and Personal Guarantee of Managing Director and Whole Time Director.
Foreign Currency Loans			
Repayable in 16 quarterly installments with last payment due on February 25, 2020 along with interest @ 3m Libor + (2.10%-2.40%) per annum. The Company has entered into Derivative Contracts to hedge Principal and Interest Rates. Effective hedged Interest Rate is 9.36% per annum.	13.83	26.02	Exclusive Charge on Immovable and Movable Assets at Plot No. 342-343, Footwear Park, Industrial Estate, Sector-17, Bahadurgarh, Haryana and Personal Guarantee of Managing Director and Whole Time Director.
	25.08	67.27	

Notes forming part of Financial Statements

Note 18: Other Financial Liabilities - Non Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Retention Money	0.01	0.71
	0.01	0.71

Note 19: Provisions - Non Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Employee Benefit Provisions		
Compensated Absences	9.00	7.48
	9.00	7.48

Note 20: Deferred Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets		
Borrowings	0.50	0.42
Expenses Allowable on Payment Basis	21.14	19.78
Derivative Financial Instruments	0.33	-
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance)	1.04	0.84
	23.01	21.04
Deferred Tax Liabilities		
Derivative Financial Instruments	-	0.53
Accumulated Depreciation/Amortisation on Property, Plant, Equipment and Intangible Assets	57.45	46.82
	57.45	47.35
Deferred Tax Liabilities (Net)	34.44	26.31

Deferred Tax Movement

(₹ in Crore)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Profit and Loss	Other Comprehensive Income	Profit and Loss	Other Comprehensive Income
Borrowings	(0.08)	-	1.16	-
Expenses Allowable on Payment Basis	(1.39)	0.03	(0.77)	(0.21)
Deferred Tax impact under Scheme of Amalgamation (Refer Note 53)	(1.20)	-	-	-
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance)	(0.20)	-	(0.25)	-
Derivative Financial Instruments	(0.86)	-	(0.41)	-
Accumulated Depreciation/Amortisation on Property, Plant, Equipment and Intangible Assets	10.63	-	1.29	-
Deferred Tax	6.90	0.03	1.02	(0.21)

Reconciliation of Deferred Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	26.31	25.50
Deferred Tax impact under Scheme of Amalgamation (Refer Note 53)	1.20	-
Deferred Tax (Credit) / Charge recognised in		
Profit and Loss	6.90	1.02
Other Comprehensive Income	0.03	(0.21)
Closing Balance	34.44	26.31

Notes forming part of Financial Statements

Note 21: Borrowings - Current

(₹ in Crore)

Particulars	Maturity Date	Interest Rate	As at March 31, 2019	As at March 31, 2018
Secured Working Capital facilities from Banks *				
Loans Repayable on Demand	On Demand	5.45% - 10.45%	86.92	86.09
			86.92	86.09

*Secured by way of first pari passu charge on entire current assets, movable fixed assets including plant & machinery and personal guarantee of Managing Director and Whole Time Director.

Note 22: Other Financial Liabilities - Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Financial Liabilities measured at Amortised Cost		
Current Maturities of Non Current Borrowings (Refer Note 17)	25.08	28.01
Interest accrued on Borrowings	0.22	0.50
Security Deposits received from		
Customers	8.13	8.63
Others	0.50	0.38
Unpaid Dividends * (Refer Note 11)	0.17	0.12
Payable to Employees	27.81	24.50
Director's Commission Payable (Refer Note 46)	24.83	21.50
Retention Money	6.06	4.60
Payable for Capital Goods	19.17	4.39
Financial Liabilities measured at Fair Value through Profit or Loss (FVTPL)		
Derivative Financial Instruments	2.30	-
	114.27	92.63

*Unpaid dividends shall be transferred to Investor Education and Protection Fund as and when due.

Note 23: Other Current Liabilities

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from Customers *	2.70	2.33
Statutory Liabilities		
Entry Tax	46.80	46.80
Others	8.68	6.84
	58.18	55.97

* Management expects that the entire transaction price allocated to the outstanding contracts at end of the year will be recognised as revenue during next year. Revenue recognised during the year includes the entire transaction price allocated to outstanding contracts at beginning of the year.

Note 24: Provisions - Current

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Employee Benefit Provisions		
Gratuity [Refer Note 38(b)]	0.83	0.34
Compensated Absences	2.86	2.30
	3.69	2.64

Note 25: Current Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Income Tax (Net of Advance Tax)	2.03	2.45
Interest on Income Tax	0.02	0.18
	2.05	2.63

Notes forming part of Financial Statements

Note 26: Revenue from Operations

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from contracts with Customers		
Manufactured and Traded		
Footwear (Refer Note 51)	2266.61	1930.21
Wind Power	4.31	3.79
Others *	6.14	5.26
	2277.06	1939.26
Other Operating Revenue		
Scrap Sale	9.37	5.89
Export Incentives	5.08	2.96
Other Operating Income	0.57	0.46
	15.02	9.31
	2292.08	1948.57

* Includes accessories, raw materials etc.

After implementation of Goods and Services Tax (GST) with effect from July 1, 2017, revenue from operations is required to be disclosed net of GST in accordance with the requirements of Ind AS. Accordingly, the revenue from operations for the year ended March 31, 2019 is not comparable with the corresponding number for year ended March 31, 2018 which is reported inclusive of Excise Duty.

Note 27: Other Income

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income on Fixed Deposits, Security Deposits and Bonds, measured at Amortised Cost	0.65	0.58
Dividend Income on Current Investments	1.15	-
Net Gain on Sale of Current Investments	1.06	0.50
Net Gain on Foreign Currency Transactions and Translations	8.19	3.08
Miscellaneous Income	1.93	0.30
	12.98	4.46

Note 28: Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the end of year		
Finished Goods	151.67	135.70
Stock-in-Trade *	73.62	49.38
Work-in-Progress	58.51	43.48
	283.80	228.56
Inventories at the beginning of year		
Finished Goods	135.70	127.05
Stock-in-Trade *	49.38	46.04
Work-in-Progress	43.48	42.27
	228.56	215.36
Net (Increase) / Decrease		
Finished Goods	(15.97)	(8.65)
Stock-in-Trade *	(24.24)	(3.34)
Work-in-Progress	(15.03)	(1.21)
	(55.24)	(13.20)
Increase/(Decrease) of Excise Duty	-	(0.42)
	(55.24)	(13.62)

* In respect of goods acquired for trading.

Notes forming part of Financial Statements

Note 29: Employee Benefits Expense

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, Wages and Other Benefits	221.17	183.06
Contribution to Provident and Other Funds [Refer Note 38(a)]	16.55	13.81
Gratuity Expenses [Refer Note 38(b)]	4.59	3.87
Share Based Payments (Refer Note 16)	4.68	4.07
Staff Welfare Expenses	11.67	9.27
	258.66	214.08

Note 30: Finance Costs

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on Financial Liabilities measured at Amortised Cost *	6.82	8.25
Exchange Difference to the extent regarded as adjustment to Borrowing Cost	-	0.09
Other Borrowing Costs	0.06	0.07
Interest on Income Tax	0.02	0.18
	6.90	8.59

* Excludes ₹ 0.89 crore (Previous year ₹ 5.58 crores) capitalised under property, plant and equipment & capital work-in-progress.

Note 31: Depreciation and Amortisation Expense

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation / Amortisation of Property, Plant and Equipment (Refer Note 1)	53.54	45.57
Amortisation of Intangible Assets (Refer Note 2)	8.87	8.77
	62.41	54.34

Note 32: Other Expenses

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Advertisement and Sales Promotion Expenses	76.76	73.93
Freight and Forwarding Charges	99.18	82.39
Power and Fuel	70.88	54.00
Stores Consumed	7.30	5.70
Processing Charges	194.76	148.48
Handling Charges	23.63	20.06
Repairs		
Building	1.73	1.41
Machinery (Including Spares)	13.90	10.70
Others	10.52	10.62
Rent (Refer Note 37)	43.34	47.10
Insurance	3.06	2.69
Rates and Taxes	0.87	0.62
Printing and Stationery	1.78	1.61
Travelling and Conveyance	20.62	17.12
Communication Expenses	3.57	3.75
Legal and Professional Expenses (Refer Note 49)	36.82	39.63
Security Expenses	9.58	8.45
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance) (Refer Note 9 & 42)	0.55	0.73
Bad debts Written off	0.02	0.30
Net loss on Disposal / Write off of Property, Plant, Equipment and Intangible Assets	1.22	0.55
Fair Valuation loss on Derivative Financial Instruments	2.49	0.27
Contribution towards CSR (Refer Note 48)	4.03	2.78
Miscellaneous Expenses	10.18	8.98
	636.79	541.87

Notes forming part of Financial Statements

Note 33: Tax Expense

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Tax		
Current Tax	85.64	81.53
Tax for Earlier years (Net)	0.00	0.00
	85.64	81.53
Deferred Tax		
Relating to Origination and Reversal of Temporary Differences	6.90	1.02
	6.90	1.02
Tax Expense reported in Statement of Profit and Loss	92.54	82.55
Deferred Tax on Other Comprehensive Income		
Income Tax effect	0.03	(0.21)
	0.03	(0.21)

Reconciliation of Tax Expense and Profit

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit Before Tax	267.98	243.62
Income Tax @ 34.944% (Previous year @ 34.608%)	93.64	84.31
Differences due to		
Deduction on Account of Tax Holiday Period and Employment of New Employees	(1.75)	(1.01)
Temporary Differences on account of Property, Plant and Equipment	2.08	0.67
Others	(1.43)	(1.42)
Tax for Earlier years (Net)	0.00	0.00
Tax Expense reported in Statement of Profit and Loss	92.54	82.55

Notes forming part of Financial Statements

Note 34: Company Information

Relaxo Footwears Limited ('the Company') is a Public Limited Company incorporated & domiciled in India. Its shares are listed at BSE Limited and National Stock Exchange of India Ltd. For details regarding Company's principal shareholders refer note 15.

The Company is a market leader in the Footwear Industry. The Company has 'state of the art' manufacturing facilities at Bahadurgarh (Haryana), Bhiwadi (Rajasthan) and Haridwar (Uttarakhand). The selling arrangements are through its Wholesale Distribution, Export, Modern Trade and Retail Network. The registered office of the Company is located at Aggarwal City Square, Plot No.10, Manglam Place, District Centre, Sector 3, Rohini, Delhi-110085.

The financial statements are authorised for issue by the Board of Directors at their meeting held on May 10, 2019.

Note 35: Significant Accounting Policies

a. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto along with other provisions of the Act and relevant guidelines issued by the Securities and Exchange Board of India (SEBI).

The financial statements have been prepared on historical cost basis except for following assets and liabilities which have been measured at fair value.

- Certain financial assets and liabilities, including derivative financial instruments
- Defined benefit plans
- Employee Share Based Payments

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets / liabilities.

Figures have been rounded off to the nearest crore of rupees upto two decimal places, unless otherwise stated. The figure 0.00 wherever stated represents value less than ₹ 50,000.

b. Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with Ind AS requires the Company's Management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The following are the critical judgements, estimations & assumptions that have been made by the Management in the process of applying the Company's accounting policies.

- Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognised on closure of assessment or in the period in which they are agreed.
- Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.
- When the fair value of financial assets and financial liabilities recorded in these financial statements cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques. The inputs to these valuation techniques are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility etc.
- The Company makes allowances for doubtful trade receivables (Expected Credit Loss Allowance) based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.
- The determination of depreciation and amortisation charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation/amortisation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.
- Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.
- Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.
- The Company has taken various premises under operating lease agreements. The lease agreements generally have an escalation clause and there are no subleases. These leases are generally cancellable/renewable on mutually agreed terms. The Company based on an evaluation of the terms and conditions of the agreements assessed that the escalations are structured to increase in line with expected general inflation and hence the operating lease payments are recognised as an expense in the Statement of Profit and Loss based on the terms and conditions of the agreements.
- The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as incentives and cash discounts etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Significant Accounting Policies

c. Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost, net of accumulated depreciation/amortisation and impairment, if any. Freehold land is disclosed at cost less impairment, if any. The cost comprises its purchase price, import duties, other non-refundable taxes and any directly attributable costs of bringing the asset to its working condition for its intended use.

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The Company identifies and determines cost of each component of the asset separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The present value of the expected cost for decommissioning of an asset, if any, after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost of self-constructed assets includes the cost of materials & direct labour, borrowing costs any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Advances given towards acquisition / construction of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under other non-current assets. Expenses incurred related to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expense and disclosed under capital work-in-progress.

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

d. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment loss, if any. The cost comprises its purchase price, import duties, other non-refundable taxes and any directly attributable costs of bringing the asset to its working condition for its intended use.

Intangible Assets under development are shown separately at cost incurred in bringing the asset to its present condition.

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's commercial feasibility has been established, in which case such expenditure is capitalised.

Intangible asset initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (difference between the net disposal

proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

e. Depreciation and Amortisation

Depreciation is provided pro-rata to the period of use on Straight Line Method (SLM) based on the estimated useful lives of the assets, which have been determined as per Schedule II of Companies Act, 2013.

The useful lives in respect of the below assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013, which are as under.

Asset description	Useful Life estimated by the Management (Years)
Plant and Machinery	30
Moulds	6
Wind Power Generation Plant	20
Mobiles	3

The useful lives of above assets have been assessed by the management considering the technical study, technological obsolescence, actual usage, historical data regarding breakdown, maintenance and industry data available on record. Components having useful lives different from the life of parent assets are depreciated over the useful life of the components within overall useful life of the parent asset.

Leasehold lands accounted under finance lease are amortised over the period of lease except where the lease is renewable.

Leasehold improvements are amortised on straight line basis over the period of lease or useful life whichever is lower.

Intellectual Property Rights are amortised over their useful life. Computer software and licenses are amortised over the period of five years on straight line basis.

The residual values, useful lives and methods of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Impairment of Non-Financial Assets

The carrying amount of assets are reviewed at each reporting date if there is any indication of impairment based on internal and external factors.

An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

A previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been

Significant Accounting Policies

recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

g. Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets. These include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, other financial assets and investments.

Classification and Subsequent Measurement

Financial assets are subsequently measured at amortised cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the asset contractual cash flow characteristics.

Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Profit or Loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and does not retain control of the asset.

Impairment of Financial Assets

Financial assets, other than those at Fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Classification and Subsequent Measurement

The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at Fair Value through Profit or Loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit or loss. It includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships. All changes in the fair value of such liability are recognized in the statement of profit and loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward contracts, currency and interest rate swaps to hedge its foreign currency and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken to Statement of Profit and Loss.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument.

Equity Instruments

An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognized at the proceeds received, net of direct

Significant Accounting Policies

issue cost. Dividend paid on equity instruments is directly reduced from equity.

h. Inventories

Raw Materials including packing material, stores and spares are valued at lower of cost and net realisable value. The costs of inventories comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase consist of the purchase price including non-refundable taxes, freight inward and other costs incurred in bringing the inventories to their present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on moving weighted average basis.

Work-in-Progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour costs and a proportion of manufacturing overheads based on normal operating capacity.

Stock-in-Trade is valued at moving weighted average basis and comprises all costs of purchase, duties, non-refundable taxes and all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

i. Revenue from Contracts with Customers

The Company derives revenues primarily from the following major sources.

- Sale of footwear and related products
- Sale of generated wind power

The Company recognises revenue from sale of footwear and related products at a point in time when control of the goods is transferred to the customer.

The Company recognises revenue from sale of generated wind power at a point in time on the basis of net power delivered as per power purchase agreement signed with the Discom(s).

Revenue is disclosed net of GST, discounts / incentives and returns as applicable.

j. Other Income

Dividend income is recognised when the right to receive the payment is established. Interest is recognised using the Effective Interest Rate (EIR) method. Difference between the sale price and carrying value of investment is recognised as profit or loss on sale/ redemption.

k. Borrowing Costs

Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and charged to Statement of Profit and Loss on the basis of effective interest rate (EIR).

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost that are attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use.

All other borrowing costs are expensed in the period in which they occur.

l. Earnings Per Share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for events i.e. bonus issue, share splits and further issue of share capital.

Diluted earnings per share is computed by dividing the profit after tax for the period attributable to equity shareholders by the weighted-average number of shares outstanding during the period and adjusted for the effects of all dilutive potential equity shares.

m. Leases

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating lease. In all other cases, it is accounted as a finance lease. Payments made under operating leases (net of any incentives received from the lessor) are charged in the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

n. Employee Share Based Payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered. Under employee share based payments, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period.

o. Taxes

Income tax expense represents the sum of current and deferred tax (including MAT). Tax expense is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such case the tax expense is also recognised directly in equity or in other comprehensive income. Any subsequent change in income tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is measured on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Significant Accounting Policies

Deferred tax asset and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) paid in terms of section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each reporting date.

p. Foreign Currency Transactions and Translations

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate between the functional & foreign currency prevailing at the date of transaction.

Monetary current assets and liabilities at the reporting date are translated at the rate prevailing on reporting date. The difference thereon and also the exchange difference on settlement of foreign currency transactions during the year is recognised as income or expense in Statement of Profit and Loss.

Non-monetary items are carried at historical cost and reported using the exchange rate at the date of transaction.

q. Statement of Cash Flows

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

r. Employee Benefits

Contribution towards provident fund and employee state insurance is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Such contributions are charged to the Statement of Profit and Loss for the period of service rendered by the employees.

The Company has a defined benefit gratuity plan and pays annual contribution to Life Insurance Corporation of India (LIC) through a Trust, namely Trustees Relaxo Footwears Limited Employee Group Gratuity Scheme. Company's liability is determined using the Projected Unit Credit Method at the end of each year.

Re-measurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding

amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated absences which are expected to be availed or encashed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating leaves as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Compensated absences which are expected to be availed or encashed beyond twelve months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year.

Actuarial gains/losses on compensated absences are immediately taken to the Statement of Profit and Loss.

s. Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. The expense relating to any provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

t. Corporate Social Responsibility (CSR)

Contribution towards CSR under section 135 of the Companies Act 2013 is recognised as an expense in the Statement of Profit and Loss in the period in which it is incurred.

u. Government grants

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with.

Where the government grant / subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are

Significant Accounting Policies

intended to compensate. Government grant and subsidy receivable against an expense are deducted from such expense.

Where the grant or subsidy relates to an asset, Government grant and subsidy receivable against an asset are deducted from the carrying value of such asset.

v. Recent Accounting Pronouncements

In March 2019, the Ministry of Corporate Affairs issued Companies (Indian Accounting Standards) Amendments Rules, 2019, notifying the following amendments to Ind AS.

Ind AS 116 – Leases

This new Ind AS replaces the existing standard Ind AS 17 'Leases'. The core requirement under Ind AS 116 for lessee is to recognise the asset for the right of use received and liability for the obligations under each lease contract for lease term (as defined under Ind AS 116) except for short period leases or low value leases.

Amendment to Ind AS 109 – Financial Instruments

Amendment provides additional guidance in relation to prepayment features with reasonable compensation that changes the contractual cash flow. Amendment also provides the transitional provision in Ind AS 109 as a consequence of issuance of prepayment features with negative compensation.

Amendment to Ind AS 12 – Income Taxes

As part of amendment, Appendix C 'Uncertainty over Income Tax Treatments' has been inserted in the standard which clarifies the recognition and measurement requirements of Ind AS 12 in case of uncertainty over income tax treatment and reflect the effect of such uncertainty in accounting treatment.

Amendment to Ind AS 19 – Employee Benefits

The standard is amended to provide the guidance for measurement of defined benefit obligation in case of plan amendment, curtailment or settlement.

Amendment to Ind AS 23 – Borrowing Cost

The amendment clarifies that borrowing cost applicable to borrowing made specifically for the purpose of obtaining a qualifying asset shall be excluded while determining general capitalization rate only till substantially all the activities necessary to prepare that specific asset for its intended use or sale are completed.

The effective date for application of above amendments is April 1, 2019. The Company is evaluating the effects of the above amendments on its financial statements.

Notes forming part of Financial Statements

Note 36: Contingent Liabilities and Commitments

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent Liabilities		
Claims against the Company not acknowledged as debt in respect of *		
Sales Tax Matters	0.85	1.47
Income Tax Matters	2.28	2.06
	3.13	3.53
Others*		
Interest on Entry Tax, Haryana**	46.36	37.24
	46.36	37.24
Commitments		
Capital Commitments		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advance)	12.45	35.92
Others		
Export Obligation under Export Promotion Capital Goods (EPCG) scheme against duty saved of ₹ 17.92 Crores (Previous year ₹ 16.15 Crores)	107.55	124.73

*Cash outflows related to disputed tax matters are determinable only on outcome of the pending cases at various forums/authorities. The potential undiscounted amount of total payments for taxes that the Company may be required to make if there was an adverse decision related to these disputed demands of regulators are as stated above.

** The matter was decided in favour of the Company and department preferred appeal before Hon'ble Supreme Court of India. The Hon'ble Court directed petitioner to file fresh appeal in High Court. Matter is pending at High Court since May 31, 2017.

The lawsuits in respect of certain Intellectual Property Rights are pending in Courts. The proceedings are going on before appropriate authorities and the ultimate outcome of the matter can not presently be determined.

Note 37: Disclosure on Operating Leases

The Company has entered into operating leases for land and building premises. These lease arrangements range for a period between 11 months to 20 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
The Future Minimum Lease Payment under Non-Cancellable Operating Leases		
Not later than one year	0.32	0.01
Later than one year but not later than five years	0.23	-
	0.55	0.01

Lease rentals charged to Statement of Profit and Loss ₹ 43.34 crores. (Previous year ₹ 47.10 crores) (Refer Note 32)

Note 38: Disclosure on Employee Benefits

Disclosure is hereby given in pursuant to Ind AS19 "Employee Benefits".

(a) Defined Contribution Plan

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss. (Refer Note 29)

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Employer's Contribution to Provident and Other Fund	12.98	10.94
Employer's Contribution to ESIC Scheme	3.57	2.87
	16.55	13.81

Notes forming part of Financial Statements

(b) Defined Benefit Plan - Gratuity (Funded) :

The Company pays annual contribution to Life Insurance Corporation of India (LIC) through a Trust, namely Trustees Relaxo Footwears Limited Employee Group Gratuity Scheme. Under the gratuity plan, every employee who has completed atleast five years of service, gets gratuity at the time of separation or retirement, whichever is earlier @ 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the projected unit credit method.

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Reconciliation of Opening and Closing balance of Defined Benefit Obligation		
Present Value of Defined Benefit Obligation at the beginning of year	23.41	18.60
Current Service Cost	4.56	3.82
Interest Cost	1.70	1.38
Benefit Paid	(1.29)	(1.11)
Remeasurement (Gains)/Losses		
Actuarial (Gains)/Losses arising from changes in Demographic Assumptions	-	(2.08)
Actuarial (Gains)/Losses arising from changes in Financial Assumptions	(0.38)	0.24
Actuarial (Gains)/Losses arising from Experience Adjustments	0.45	2.56
Present Value of Defined Benefit Obligation at the end of year	28.45	23.41
Reconciliation of Opening and Closing balance of the Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of year	23.07	17.99
Interest Income	1.68	1.33
Remeasurement Gains/(Losses)		
Return on Plan Assets Gains/(Losses) (Excluding amounts included in net interest cost)	0.16	0.11
Contribution by the Company	4.00	4.75
Benefits Paid	(1.29)	(1.11)
Fair Value of Plan Assets at the end of year	27.62	23.07
Major Category of Plan Assets as percentage to total Plan Assets		
Asset Invested in Insurance Scheme with LIC (%)	100	100
Amount Recognised in Balance Sheet as Liability (Refer Note 24)		
Present Value of Defined Benefit Obligation at the end of year	28.45	23.41
Fair Value of Plan Assets at the end of year	27.62	23.07
	0.83	0.34
Expenses Recognised in Statement of Profit and Loss (Refer Note 29)		
Current Service Cost	4.56	3.82
Net Interest Cost	0.03	0.05
	4.59	3.87
Remeasurements of the net defined benefit liability (asset) Recognised in Other Comprehensive Income		
Actuarial (Gains)/Losses arising from changes in Demographic Assumptions	-	(2.08)
Actuarial (Gains)/Losses arising from changes in Financial Assumptions	(0.38)	0.24
Actuarial (Gains)/Losses arising from experience Adjustments	0.45	2.56
Return on Plan Assets (Gains)/Losses (Excluding amounts included in net Interest Cost)	(0.16)	(0.11)
	(0.09)	0.61
Expected Contribution to the Fund in next year		
Gratuity	5.29	3.90
Actuarial Assumptions		
Discount Rate (per annum %)	7.50	7.30
Withdrawal Rate (All Ages) (per annum %)	12	12
Retirement Age		
For Employees of Group A (In years)	58	58
For Employees of Group B (in years)	70	70
Rate of Escalation in Salary (per annum %)	10	10
Method of Computation	Projected Unit Credit Method	
Demographic Assumption: Mortality Rates	IALM (2006-2008)	

Notes forming part of Financial Statements

Quantitative Sensitivity Analysis for Significant Assumptions is as shown below

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Present Value of Defined Benefit Obligation at the end of year	28.45	23.41
Change in Discount Rate		
Increase by 1%	(1.78)	(1.51)
Decrease by 1%	2.02	1.71
Change in Salary Escalation		
Increase by 1%	1.95	1.65
Decrease by 1%	(1.76)	(1.49)

Changes in defined benefit obligation due to 1% increase / decrease in mortality rate is negligible.

The above sensitivity analysis have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in significant assumptions occurring at the end of the reporting period if all other assumptions remain constant.

Maturity Profile of Defined Benefit Obligation

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Weighted Average Duration of the Defined Benefit Obligation (In years)	11	11
Expected Payment in future years		
Within next 12 months	3.23	2.49
Between 1 and 5 years	9.92	8.13
More than 5 years	15.30	12.79
	28.45	23.41

The estimates of escalation in salary takes into account inflation, seniority, promotion and other relevant factors.

Risk Exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such, Company is exposed to various risks as follows.

Investment Risk - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bonds yield. If plan liability is funded and return on plan assets is below this rate, It will create a plan deficit.

Interest Risk (Discount Rate Risk) - A decrease in the bond interest rate (discount rate) will increase the plan liability.

Mortality Risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report, Indian assured lives mortality (2006-08) ultimate table has been used. A change in mortality rate will have a bearing on the plan's liability.

Salary Risk - The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Note 39: Employee Stock Option Plan

RFL Employee Stock Option Plan 2014 (hereinafter referred to as the "ESOP 2014" / "The Plan"), was approved by the shareholders through postal ballot on August 5, 2014. The plan entitles the permanent employees, existing and future, including the Whole-Time Director (but excluding the Independent Directors and Promoter Directors) of the Company to exercise the option granted for purchase of equity shares in the Company at the exercise price i.e. the market price of the equity shares as on date of grant, subject to compliance with vesting conditions.

Particulars	Details
Name of the Plan	RFL Employee Stock Option Plan 2014
Method used to account for the Employee Share Based Payment Plan	Fair Value
Stock Options approved (No. of Shares)	18,00,180
Persons Entitled	Whole-Time Director and Employees
Options Grant Date During the year	11 May 2018, 4 August 2018 & 3 November 2018
Vesting Period	1-4 years from Grant Date
Exercise Period	Maximum 4 years from the date of vesting of options
Lock-in-Period	No lock-in-period after exercise

Notes forming part of Financial Statements

Details of options granted during the year

Particulars	Options granted		
	May 11, 2018	Aug 4, 2018	Nov 3, 2018
Vesting Schedule (%)	10, 25, 65 at each year	10, 25, 65 at each year	10, 25, 65 at each year
Exercise Period (In years)	4	4	4
Exercise Price (In ₹)	682.05	817.10	792.10
Market price on the date of grant (In ₹)	682.05	817.10	792.10

The Details of activity under the scheme are summarized below

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	No. of Options	WAEP (in ₹)	No. of Options	WAEP (₹)
Outstanding at the beginning of the year	5,42,090	443.61	3,33,800	245.46
Granted during the year	61,900	708.88	4,94,200	464.68
Vested during the year	43,350	464.88	2,80,790	333.66
Forfeited during the year	55,760	404.06	62,540	406.28
Exercised during the year (Refer Note 15)	78,800	401.82	2,23,370	204.20
Outstanding at end of the year	4,69,430	490.48	5,42,090	443.61
Exercisable at end of the year	36,550	376.30	86,690	333.66

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2019 is 5.52 years. (Previous year 5.95 years)

The weighted average exercise price (WAEP) for stock options outstanding as at March 31, 2019 is ₹ 490.48 per option. (Previous year ₹ 443.61 per option)

The weighted average fair value of stock options granted during the year ended on March 31, 2019 is ₹ 300.27 per option. (Previous year ₹ 327.05 per option)

The Black Scholes valuation model has been used for computing weighted average fair value of stock options granted during the year considering the following inputs.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Stock Price (In ₹)	708.88	464.68
Volatility (%)	35.73	85.40
Risk Free Rate (%)	7.75	6.50
Exercise Price (In ₹)	708.88	464.68
Time to Maturity (In years)	4.69	5.15
Dividend Yield (%)	0.21	0.22

Note 40: Disclosure on Earnings Per Share (EPS)

As per requirement of Ind AS 33 - "Earnings Per Share", following is the disclosure.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the Year (₹ in Crore)	175.44	161.07
Weighted average number of Equity Shares used in calculating Basic EPS	12,40,04,241	12,02,20,822
Dilutive impact for Employee Stock Options (No. of Equity Shares)	1,84,378	1,46,592
Weighted average number of Equity Shares used in calculating Diluted EPS	12,41,88,619	12,03,67,414
Earnings Per Equity Share of ₹ 1/- each (In ₹)		
Basic	14.15	13.40
Diluted	14.13	13.38

Notes forming part of Financial Statements

Note 41: Foreign Currency Exposure

The details of foreign currency (FCY) exposure are given below.

(Amount in Crore)

Nature of Foreign Currency Exposure	UoM	As at March 31, 2019		As at March 31, 2018	
		FCY	₹	FCY	₹
Unhedged Foreign Currency Exposure					
Import Payables	USD	0.08	5.80	0.08	5.19
Import Payables	EURO	-	-	0.00	0.06
Import Payables	AED	0.01	0.27	0.00	0.07
Export Receivables	USD	0.07	4.66	0.27	17.59
Export Receivables	EURO	0.01	0.52	-	-
Bank Balance	AED	0.02	0.28	0.00	0.05
Bank Balance	USD	0.00	0.35	-	-
Hedged Foreign Currency Exposure					
Currency Rate Swaps	USD	0.20	13.83	0.40	26.02
Interest Rate Swaps	USD	0.00	0.06	0.00	0.10
Number of Buy Forward Contracts	Nos	99		70	
Import Payables	USD	0.42	29.06	0.28	18.44
Import Payables	EURO	0.17	13.32	-	-
Import Orders	USD	0.90	62.50	0.74	48.22
Import Orders	EURO	-	-	0.21	17.02
Number of Sell Forward Contracts	Nos	19		Nil	
Export Receivables	USD	0.45	30.79	-	-

Note 42: Financial Risk Management

The Company's principal financial liabilities other than derivative financial instruments comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes trade and other receivables, security deposits, cash & cash equivalents and loans that are derived directly from its operations. The Company also hold investments carried at fair value through other comprehensive income (FVTOCI) / amortised cost. The Company is exposed to credit risk, liquidity risk and market risk that are summarised as under.

Nature	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash Equivalents, Trade Receivables, and other Financial Assets	Ageing analysis	Trade Receivables are reviewed and assessed for Impairment losses at every reporting period, fixing of Credit Limits and dealing with high credit rating Banks
Liquidity Risk	Borrowings, Trade Payables and other Financial Liabilities	Annual Projected Cash Flow with periodic review	Availability of committed credit lines and borrowing facilities
Market Risk			
Foreign Exchange Risk	Recognised Financial Assets and Liabilities not denominated in Indian rupees	Sensitivity analysis	Risk coverage through Forward exchange contracts/Currency swaps
Interest Rate Risk	Term Loan & Working Capital Facilities from Bank	Sensitivity analysis	Foreign Currency interest rate swaps
Price Risk	Investments in Equity Securities and Non-Convertible Redeemable Taxable Bonds	Sensitivity analysis	Portfolio diversification

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily, trade receivables) and from its financing activities, including cash & cash equivalents and derivative financial instruments.

Management of Credit Risk

Concentration of credit risk with respect to trade receivables are limited, due to the customer base being large across all regions. All trade receivables are reviewed and assessed at every reporting period.

Historical experience of collecting receivables of the Company is supported by low level of past defaults and hence the credit risk is perceived to be low.

Notes forming part of Financial Statements

The Company maintains exposure in cash & cash equivalents and derivative financial instruments with financial institutions as per details given below. The Company has set counter-party limits based on multiple factors including financial position, credit rating, etc.

(₹ in Crore)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
Financial Assets for which Allowances are measured using 12 Months Expected Credit Loss			
Non Current			
Investments	3	0.20	0.20
Loans	4	17.09	16.20
Other Financial Assets	5	0.12	0.61
		17.41	17.01
Current Assets			
Investments	8	-	0.50
Cash and Cash Equivalents	10	1.88	3.12
Other Bank Balances	11	0.34	0.88
Loans	12	0.39	0.39
Other Financial Assets	13	43.07	22.71
		45.68	27.60
Financial Assets for which Allowances are measured using life time Expected Credit Loss			
Current Assets			
Trade Receivables	9	196.59	173.45

Ageing Analysis of Trade Receivables

(₹ in Crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Up to 30 days past due	155.23	139.06
31 to 90 days past due	29.89	23.87
91 to 180 days past due	7.30	6.96
181 to 365 days past due	3.11	2.63
More than 365 days past due	1.06	0.93
	196.59	173.45

Reconciliation of Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance)

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Balance	2.43	1.70
Addition during the year (Refer Note 32)	0.55	0.73
Closing Balance (Refer Note 9)	2.98	2.43

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's main source of liquidity is cash & cash equivalents and the cash flows that are generated from operations. The Company's approach to manage liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast with actual cash flows and matching the maturity profiles of the financial assets and liabilities.

Notes forming part of Financial Statements

The table below provides the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Crore)

Particulars	Note No.	Carrying Amount	Maturity Profile of Financial Liabilities			
			Within 1 year	Between 1 and 5 years	More than 5 years	Total
As at March 31, 2019						
Non-Current Liabilities						
Financial Liabilities						
Other Financial Liabilities	18	0.01	-	0.01	-	0.01
Current Liabilities						
Financial Liabilities						
Borrowings	21	86.92	86.92	-	-	86.92
Trade Payables						
Micro Enterprises and Small Enterprises		13.68	13.68	-	-	13.68
Other than Micro Enterprises and Small Enterprises		177.25	177.25	-	-	177.25
Other Financial Liabilities*	22	114.27	114.27	-	-	114.27
		392.13	392.12	0.01	-	392.13
As at March 31, 2018						
Non-Current Liabilities						
Financial Liabilities						
Borrowings	17	39.26	-	39.26	-	39.26
Other Financial Liabilities	18	0.71	-	0.71	-	0.71
Current Liabilities						
Financial Liabilities						
Borrowings	21	86.09	86.09	-	-	86.09
Trade Payables						
Micro Enterprises and Small Enterprises		13.75	13.75	-	-	13.75
Other than Micro Enterprises and Small Enterprises		161.15	161.15	-	-	161.15
Other Financial Liabilities*	22	92.63	92.63	-	-	92.63
		393.59	353.62	39.97	-	393.59

* Security deposit received from customers are repayable on termination of agreement.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign exchange risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. Financial instruments affected by market risk includes Indian rupee loans, foreign currency loans.

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (When revenue or expense is denominated in a foreign currency). The Company uses forward exchange contracts to mitigate foreign exchange related risk exposures. The Company's exposure to unhedged foreign currency risk as at March 31, 2019 and March 31, 2018 has been disclosed in note 41. Currency risks related to the principal amounts of the Company's US dollar bank loans, have been hedged using currency swaps that mature when due for repayment.

Foreign Exchange Risk Sensitivity

The following table demonstrate the sensitivity analysis on profit before tax due to change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities is given below.

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Impact on Profit Before Tax due to change in USD rate*		
Increase by 2%	(0.02)	0.25
Decrease by 2%	0.02	(0.25)

* Figures in bracket denotes reduction in profit

The Company's unhedged foreign currency exposure denominated in Euro & AED are insignificant, hence sensitivity analysis has not been disclosed.

Notes forming part of Financial Statements

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.

Exposure to Interest Rate Risk

As at March 31, 2019, the exposure to interest rate risk due to variable interest rate borrowings amounted to ₹ 98.17 crores. (Previous year ₹ 127.34 crores)

Interest Rate Risk Sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in interest rate with all other variables held constant. The impact on the Company's profit before tax due to changes in the interest rates on variable rate portion of loans & borrowings is given below.

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Impact on Profit Before Tax due to change in Interest Rate*		
Increase by 0.50%	(0.37)	(0.25)
Decrease by 0.50%	0.37	0.25

* Figures in bracket denotes reduction in profit

Price Risk

Equity Price Risk

The Company's unquoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment. The investment in unquoted equity instruments is not significant.

Commodity Price Risk

The key raw materials used in the manufacturing of footwear are natural rubber, synthetic rubber, EVA and PU material. Price volatility of these commodities depend mainly on the international market conditions and fluctuation in the price of crude oil and its derivative financial instruments. To mitigate the risk, the Company constantly monitors the price trend in domestic and international market and has adopted proactive vendor development processes.

Note 43: Capital Management

Capital includes equity share capital and other equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximise the shareholder's value. The Company has complied with those covenants throughout the reporting period.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions to meet requirements of the financial covenants. To maintain or adjust the capital structure, the Company may review the dividend payment to shareholders, return capital to shareholders or issue new shares.

Debt to Equity Ratio

(₹ in Crore)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
Equity Share Capital	15	12.40	12.03
Other Equity	16	1092.67	749.18
		1105.07	761.21
Non Current- Borrowings	17	-	39.26
Debt to Equity Ratio		NA	0.05

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019.

Note 44: Events Occurring after the Balance Sheet Date

The Board of Directors at its meeting held on May 10, 2019 have recommended issue of Bonus Shares in the ratio of 1:1 (i.e. one bonus equity share for every equity share held) on the record date subject to approval of the shareholders of the Company.

The Board of Directors at its meeting held on May 10, 2019 have recommended final dividend at the rate of ₹ 1.80 per share of face value of ₹ 1/- each for the approval of shareholders aggregating to ₹ 26.92 crores including dividend distribution tax of ₹ 4.59 crores for the year ended March 31, 2019. The effective rate of dividend per equity share, post issuance of bonus share if approved by shareholders would be ₹ 0.90 each.

Notes forming part of Financial Statements

Note 45: Collaterals

The Company has hypothecated/mortgaged its current assets, property plant & equipment as collateral against its borrowing. (Refer Note 17 & 21)

Note 46: Related Party Transactions

Disclosure is hereby given in pursuant to Ind AS 24 "Related Party Disclosures".

i) Names of Related Parties and Related Party Relationship

(a) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and Key Management Personnel (KMP).

Ramesh Kumar Dua, Managing Director

Mukand Lal Dua, Whole Time Director

(b) Key Management Personnel (KMP)

Nikhil Dua, Whole Time Director

Deval Ganguly, Whole Time Director

(c) Entities where Individuals and Key Management Personnel (KMP) as defined in Note 46 (i) (a) and 46 (i) (b) above exercise significant influence.

Marvel Polymers Private Limited (Refer Note 53)

Relaxo Rubber Private Limited (Refer Note 53)

Patel Oil Mills

Ramesh Kumar Dua (H.U.F.)

Mukand Lal Dua (H.U.F.)

Mool Chand Dua (H.U.F.)

Relaxo Foundation

Shrimati Ram Ditti Dua Memorial Society

Shri Mool Chand Dua Memorial Society

(d) Relatives of individuals owning directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and relatives of Key Management Personnel (KMP)

Lalita Dua, wife of Managing Director

Gaurav Dua, son of Managing Director

Sakshi Dua, daughter of Managing Director

Rahul Dua, son of Managing Director

Usha Dua, wife of Whole Time Director

Ritesh Dua, son of Whole Time Director

Nitin Dua, son of Whole Time Director

(e) Independent Directors

Pankaj Shrimali

Kuruvila Kuriakose (Up to March 26, 2019)

Vivek Kumar

Deepa Verma

(f) Employee Group Gratuity Scheme

Trustees Relaxo Footwears Limited Employee Group Gratuity Scheme

Notes forming part of Financial Statements

ii) Related Party Transactions

(₹ in Crore)

Particulars	Individuals having Significant Influence over the Company and KMP	KMP	Entities where KMP and Individuals exercise Significant Influence	Relatives of Individuals and KMP	Independent Directors	Trustees Relaxo Footwears Limited Employee Group Gratuity Scheme	Total
Sale	-	-	0.08	-	-	-	0.08
	-	-	(0.01)	-	-	-	(0.01)
Rent	1.12	0.76	0.92	2.89	-	-	5.69
	(1.01)	(0.73)	(7.31)	(2.84)	-	-	(11.89)
Dividend	8.64	0.67	0.04	4.05	0.01	-	13.41
	(5.82)	(0.45)	(0.03)	(2.70)	(0.00)	-	(9.00)
Short-Term Employee Benefits (Salary)	2.41	2.08	-	3.65	-	-	8.14
	(2.41)	(2.71)	-	(3.28)	-	-	(8.40)
Post-Employment Benefits (Provident Fund and Gratuity)	0.29	0.14	-	0.27	-	-	0.70
	(0.29)	(0.17)	-	(0.23)	-	-	(0.69)
Long-Term Employee Benefits (Compensated Absences)	-	0.03	-	-	-	-	0.03
	-	(0.03)	-	-	-	-	(0.03)
Contribution to Post Employment Benefit Plan (Gratuity)	-	-	-	-	-	4.00	4.00
	-	-	-	-	-	(4.75)	(4.75)
Commission	24.76	-	-	-	0.07	-	24.83
	(21.50)	-	-	-	-	-	(21.50)
Sitting Fees	-	-	-	-	0.11	-	0.11
	-	-	-	-	(0.14)	-	(0.14)
Contribution towards CSR	-	-	3.53	-	-	-	3.53
	-	-	(2.78)	-	-	-	(2.78)
Issue of Shares under "RFL Employee Stock Option Plan 2014" (No. of Shares)	-	-	-	-	-	-	-
	-	(24480)	-	-	-	-	(24480)
Issue of Shares under Scheme of Amalgamation (No. of Shares)	22,65,982	1,71,387	-	11,81,084	-	-	36,18,453
	-	-	-	-	-	-	-
Guarantees and Collaterals taken*	293.88	-	-	-	-	-	293.88
	(304.61)	-	-	-	-	-	(304.61)

Previous year figures are given in brackets

* Off Balance Sheet item

Note 47: Fair Value Measurements

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The following methods, assumptions and valuation techniques were used to estimate the fair values.

- The fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, borrowings and other financial assets and liabilities are considered same as their carrying amount due to their short term nature.
- Financial assets and liabilities with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty.

Notes forming part of Financial Statements

- c) The Management assessed that fair values of above financial assets and liabilities approximate their carrying value due to amortised cost being calculated based on the effective interest rates.
- d) The fair value of cross currency interest rate swaps is determined as the present value of the estimated future cash flows based on observable yield curves.
- e) The fair value of forward exchange contracts and currency swaps is determined using forward exchange rates at the balance sheet date.

Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value or amortised cost for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed as per Ind AS 113 "Fair Value Measurement".

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The below table provides comparison by class of carrying amount and fair value of the Company's financial instruments along with fair value hierarchy.

(₹ in Crore)

Particulars	Note No.	As at March 31, 2019			As at March 31, 2018		
		Carrying Amount	Fair Value	Fair Value Hierarchy	Carrying Amount	Fair Value	Fair Value Hierarchy
Financial Assets carried at Amortised Cost							
Non-Current Assets							
Loans	4						
Loans to Employees		0.00	0.00	Level 3	0.02	0.02	Level 3
Security Deposits		17.09	17.09	Level 3	16.18	16.18	Level 3
Other Financial Assets							
Balances with Bank held as Margin Money	5	0.12	0.12	Level 2	0.13	0.13	Level 2
		17.21	17.21		16.33	16.33	
Current Assets							
Investments	8	-	-		0.50	0.50	Level 3
Trade Receivables	9	196.59	196.59	Level 3	173.45	173.45	Level 3
Cash and Cash Equivalents	10	1.88	1.88		3.12	3.12	
Other Bank Balances	11	0.34	0.34	Level 2	0.88	0.88	Level 2
Loans							
Loans to Employees	12	0.39	0.39	Level 3	0.39	0.39	Level 3
Other Financial Assets	13						
Insurance Claims Receivable		0.35	0.35	Level 3	0.11	0.11	Level 3
Interest accrued on Deposits and Bonds		0.03	0.03	Level 3	0.07	0.07	Level 3
Export Incentives Receivable		2.64	2.64	Level 3	1.77	1.77	Level 3
Duty Credit Scripts		1.38	1.38	Level 3	0.15	0.15	Level 3
GST Refundable		37.31	37.31	Level 3	19.54	19.54	Level 3
		240.91	240.91		199.98	199.98	
Financial Assets carried at Fair Value through Profit or Loss							
Non-Current Assets							
Other Financial Assets							
Derivative Financial Instruments	5	-	-		0.48	0.48	Level 2
Current Assets							
Other Financial Assets							
Derivative Financial Instruments	13	1.36	1.36	Level 2	1.07	1.07	Level 2

Notes forming part of Financial Statements

(₹ in Crore)

Particulars	Note No.	As at March 31, 2019			As at March 31, 2018		
		Carrying Amount	Fair Value	Fair Value Hierarchy	Carrying Amount	Fair Value	Fair Value Hierarchy
Financial Assets carried at Fair Value through Other Comprehensive Income							
Non-Current Assets							
Investments							
Unquoted Equity Instruments	3	0.20	0.20	Level 3	0.20	0.20	Level 3
Financial Liabilities carried at Amortised Cost							
Non-Current Liabilities							
Borrowings	17	-	-		39.26	39.26	Level 2
Other Financial Liabilities							
Retention Money	18	0.01	0.01	Level 3	0.71	0.71	Level 3
		0.01	0.01		39.97	39.97	
Current Liabilities							
Borrowings	21	86.92	86.92	Level 2	86.09	86.09	Level 2
Trade Payables							
Micro Enterprises and Small Enterprises		13.68	13.68	Level 3	13.75	13.75	Level 3
Other than Micro Enterprises and Small Enterprises		177.25	177.25	Level 3	161.15	161.15	Level 3
Other Financial Liabilities	22						
Current Maturities of Non Current Borrowings		25.08	25.08	Level 2	28.01	28.01	Level 2
Interest accrued on Borrowings		0.22	0.22	Level 3	0.50	0.50	Level 3
Security Deposits received from							
Customers		8.13	8.13	Level 3	8.63	8.63	Level 3
Others		0.50	0.50	Level 3	0.38	0.38	Level 3
Unpaid Dividend		0.17	0.17	Level 3	0.12	0.12	Level 3
Payable to Employees		27.81	27.81	Level 3	24.50	24.50	Level 3
Director's Commission Payable		24.83	24.83	Level 3	21.50	21.50	Level 3
Retention Money		6.06	6.06	Level 3	4.60	4.60	Level 3
Payable for Capital Goods		19.17	19.17	Level 3	4.39	4.39	Level 3
		389.82	389.82		353.62	353.62	
Financial Liabilities carried at Fair Value through Profit or Loss							
Current Liabilities							
Other Financial Liabilities							
Derivative Financial Instruments	22	2.30	2.30	Level 2	-	-	

There were no transfers between any levels during the year.

The sensitivity analysis of inputs to fair valuation of investment carried at fair value through other comprehensive income, is not significant, hence no disclosure is made.

Note 48: Corporate Social Responsibility (CSR)

Company implements its CSR activities through a registered society, namely Relaxo Foundation whose vision is to ensure sustained human development of the most deprived communities primarily under two thematic areas viz. 'Education & Skill Development' and 'Health & Hygiene'.

Company has formed a CSR committee under section 135 of the Companies Act 2013 for implementation of CSR policy.

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Amount required to be spent by the Company in accordance with Section 135 of Companies Act, 2013	4.03	3.34
Amount spent during the year (on purpose other than construction/acquisition of assets controlled by the Company) (Refer Note 32)	4.03	2.78

Notes forming part of Financial Statements

Note 49: Payments to Auditor*

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
As Auditor		
Statutory Audit Fees	0.12	0.11
In Other Capacity		
Limited Review and Other Services	0.07	0.07
	0.19	0.18

* Included in legal & professional expenses (Refer Note 32)

Note 50: The Micro, Small and Medium Enterprises Development Act, 2006

The information regarding Micro and Small Enterprises as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" ("The Act") has been determined to the extent such parties have been identified on the basis of information received by the Company. There is no principal amount due to Micro & Small Enterprises that is remaining unpaid at the year end.

During the year ended March 31, 2019, an amount of ₹ 14.33 crores was paid beyond the appointed day as defined in the Act.

Note 51: Segment Reporting

Operating Segment

Based on guiding principles given in Ind AS 108 on "Operating Segments", the Company's business activity falls within a single operating segment namely, "Footwear and Related Products", hence, the disclosure requirements relating to "Operating Segments" of Ind AS 108 are not applicable.

Entity-wide Disclosure under Ind AS 108 "Operating Segments"

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Geographical Area wise Revenue (Footwear)*		
Within India	2180.85	1882.81
Outside India	85.76	47.40
	2266.61	1930.21

* Refer Note 26

There is no customer having revenue amounting to 10% or more of Company's total revenue.

Note 52: Impact of application of Ind AS 115 "Revenue from Contracts with Customers"

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the full retrospective transitional approach without using the practical expedients. In accordance with this approach, previous year numbers have been adjusted. The Company's accounting policy for its revenue streams are disclosed in note 35 (i). The application of Ind AS 115 did not have a significant impact on the financial statements of the Company.

Note 53: Amalgamation

The scheme of amalgamation under Section 230/232 of the Companies Act, 2013 of Marvel Polymers Private Limited (MPPL) and Relaxo Rubber Private Limited (RRPL) with the Company has been approved by the National Company Law Tribunal (NCLT) with appointed date April 1, 2017 and the certified copy of the NCLT order received on January 4, 2019 approving the scheme has been filed with the Registrar of Companies, NCT of Delhi and Haryana (ROC) on January 22, 2019 ("Effective Date").

The title deeds for immovable properties, licenses, agreements, bank accounts, etc. of the transferor companies are in the process of being transferred in the name of the Company.

As per the scheme of amalgamation and order of Hon'ble NCLT, the authorised share capital of the Company will automatically increase by merging the authorised share capital of transferor companies with the Company without any further act of deed on part of the Company.

As per our report of even date

For **B R Maheswari & Co LLP**

Chartered Accountants

Firm's Registration No. 001035N/N500050

Sudhir Maheshwari

Partner

Membership No. 081075

Delhi, May 10, 2019

For and on behalf of the Board of Directors

Ramesh Kumar Dua

Managing Director

DIN :00157872

Mukand Lal Dua

Whole Time Director

DIN :00157898

Sushil Batra

Chief Financial Officer

Vikas Kumar Tak

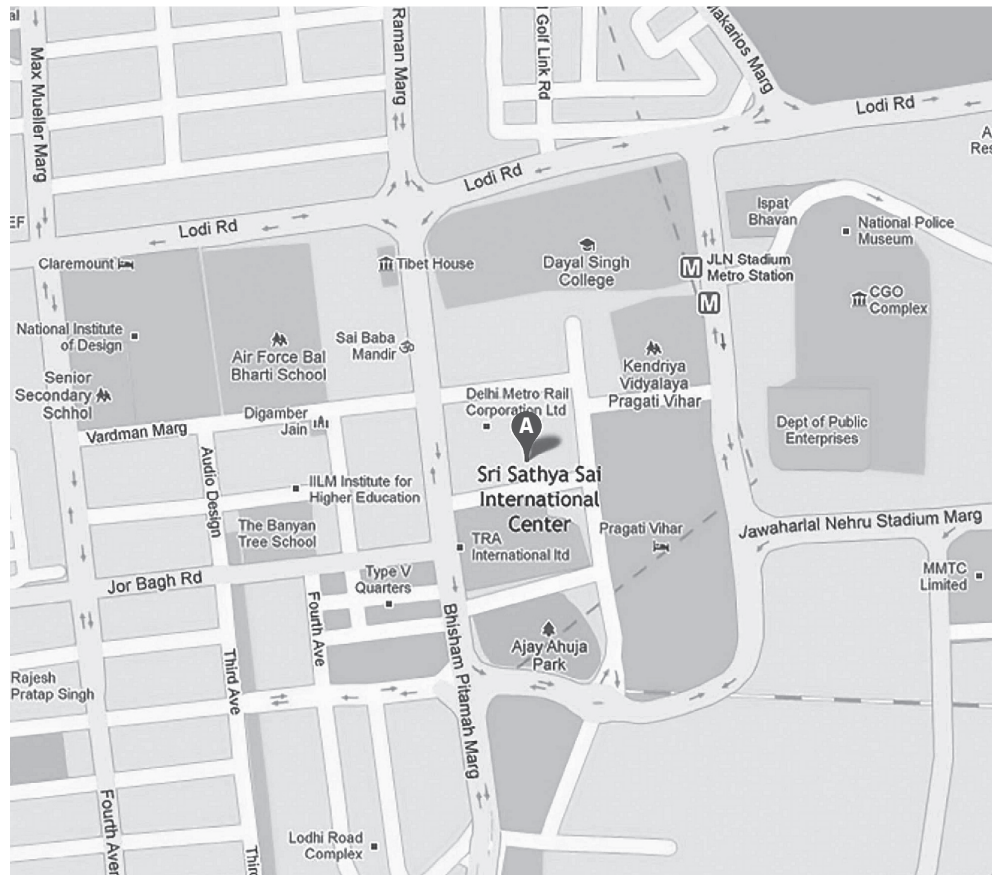
Company Secretary



PROUD
MILESTONES



Route Map of AGM Venue



A Sri Sathya Sai International Centre,
Lodhi Road, Institutional Area,
Pragati Vihar, New Delhi-110003



RELAXO FOOTWEARS LIMITED

Corporate Identity No. L74899DL1984PLC019097

Registered Office : Aggarwal City Square Plot No. 10 Manglam Place, District Centre, Sector-3 Rohini Delhi -110085, India
Tel. No.: +91-11-46800500, 46800600 Fax No.: 91-11-46800692 E-mail: rfl@relaxofootwear.com, Website: www.relaxofootwear.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of The Companies (Management and Administration) Rules, 2014]

Name of Member	:	
Registered Address	:	
Email id	:	
Folio No / Client No	:	
DP ID	:	

I/ We, being the Member(s) of _____ shares of the above named Company, hereby appoint:

(1) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him;

(2) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him;

(3) Name: _____ Address: _____

E-mail Id: _____ Signature: _____;

as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the THIRTY FIFTH ANNUAL GENERAL MEETING of the Company, to be held on Thursday, the 26th September, 2019 at 10.30 a.m. at Sri Sathya Sai International Centre, Lodhi Road Institutional Area, Pragati Vihar, New Delhi -110 003 and at any adjournment thereof in respect of the resolutions as are indicated below :

Resolution No.	Resolution
Ordinary Business	
1	To consider, approve and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019, which includes Balance Sheet as at 31st March, 2019 and the statement of Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2	To declare final dividend @ 180% equivalent to ₹1.80/- per equity share of the Face Value of ₹1/- each for the Financial Year 2018-19. (If the proposed bonus issue in the ratio of 1:1 is approved by the members, dividend will be accordingly adjusted i.e. @ 90% equivalent to ₹ 0.90/- per equity share of face value of ₹1/ each.)
3	To re-appoint Mr. Nikhil Dua (DIN - 00157919) who retires by rotation and being eligible offers himself for reappointment.
Special Business	
4	Re-appointment of Ms. Deepa Verma (DIN - 06944281) as Non-Executive Independent Director of the Company.
5	Appointment of Mr. Rajeev Rupendra Bhaduria (DIN - 00376562) as Non-Executive Independent Director of the Company.

Signed this _____ day of _____ 2019

Signature of Shareholder: _____

Signature of Proxyholder: _____

NOTES:

1. This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at Aggarwal City Square Plot No. 10 Manglam Place, District Centre, Sector-3 Rohini Delhi -110085, not less than FORTY-EIGHT (48) HOURS before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice and Addendum Notice of the THIRTY FIFTH ANNUAL GENERAL MEETING of the Company.





INDIA LEGA FLITE.



FL-341



FL-330



PUL-85



PUG-71



PUG-81



Ranveer is wearing PUG-84

RELAXO

RELAXO FOOTWEARS LIMITED




Registered Office: Aggarwal City Square, Plot No. 10, Manglam Place, District Centre, Sector-3, Rohini, Delhi-110085 (India)

Phone: 91-11-46800600, 46800700 Fax: 91-11-46800692

Email: rfl@relaxofootwear.com | www.relaxofootwear.com

CIN No: L74899DL1984PLC019097

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