



August 5, 2024

BSE Ltd. Corporate Relationship Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Ltd Listing Department, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Scrip Code – 530517	Scrip Code – RELAXO

Sub: Annual Report 2023-24 along with Notice convening the 40th Annual General Meeting ('AGM') of Relaxo Footwears Limited ('the Company') to be held on Thursday, August 29, 2024 at 10:30 A.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

Dear Madam / Sir,

Pursuant to the Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report for the Financial Year 2023-24 along with Notice of 40th AGM of the Company to be held on Thursday, August 29, 2024 at 10:30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

The same is for your information and record please.

Thanking You,

For **Relaxo Footwears Limited,**

Ankit Jain
Company Secretary & Compliance Officer

Encl. as stated above

RELAXO FOOTWEARS LIMITED

Registered Office: Aggarwal City Square, Plot No. 10, Manglam Place,
District Centre, Sector-3, Rohini, Delhi-110085. Phones: 46800 600, 46800 700
Fax: 46800 692 E-mail: rfl@relaxofootwear.com
CIN L74899DL1984PLC019097



www.relaxofootwear.com



RELAXO

COMMITTED TO PROVIDE
BEST-IN-CLASS FOOTWEAR

ANNUAL REPORT 2023 - 24

RELAXO FOOTWEARS LIMITED





COMMITMENT OF BEST IN CLASS

When it comes to achieving the best, we don't rest. We keep striving ahead and stop at nothing, as we believe that the best is always yet to come. This unwavering commitment has established us as India's best-in-class footwear manufacturer. Our relentless pursuit of excellence spans every aspect of our operations – from sourcing the finest raw materials and pioneering innovative designs to expanding our footprint in new markets. We at Relaxo are dedicated to revolutionizing the footwear industry by consistently innovating and excelling, every single day.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ramesh Kumar Dua	Chairman & Managing Director
Mukand Lal Dua	Whole time Director
Nikhil Dua	Whole time Director
Gaurav Kumaar Dua	Whole time Director
Sushil Batra (w.e.f. April 1, 2024)	Executive Director & CFO
Deepa Verma	Independent Director
Rajeev Rupendra Bhadauria	Independent Director
Kuldip Singh Dhingra	Independent Director
Yogesh Kapur (w.e.f. April 1, 2024)	Independent Director
Raj Kumar Jain (w.e.f. April 1, 2024)	Independent Director
Richa Arora (w.e.f. May 9, 2024)	Independent Director

CHIEF FINANCIAL OFFICER

Sushil Batra

COMPANY SECRETARY

Ankit Jain

AUDITORS

Gupta & Dua
Chartered Accountants
415, Ansal Chambers-II
6, Bhikaji Cama Place
New Delhi - 110066

SHARE TRANSFER AGENT

M/s KFin Technologies Limited
Selenium Building Tower-B,
Plot No. 31-32,
Gachibowli Financial District,
Hyderabad, Telangana - 500 032

BANKERS

State Bank of India
HDFC Bank
Kotak Mahindra Bank
Yes Bank
The Hongkong and Shanghai
Banking Corporation Ltd.

REGISTERED OFFICE

Aggarwal City Square,
Plot No. 10, Manglam Place,
District Centre, Sector 3,
Rohini, Delhi - 110 085
CIN: L74899DL1984PLC019097

PLANTS

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

CONTENTS

From MD's Desk	2
Financial Highlights	8
Board's Report	9
Corporate Governance Report	41
Management Discussion & Analysis	65
Business Responsibility & Sustainability Report (BRSR)	68
Independent Auditor's Report	102
Balance Sheet	110
Statement of Profit and Loss	111
Statement of Cash Flows	112
Notes Forming Part of Financial Statements	116



FROM THE MANAGING DIRECTOR'S DESK

Dear Stakeholders,

I am pleased to share that despite challenging market conditions and dampened consumer sentiments, your company has achieved a revenue of ₹2914 Crores with a growth of 5%, over the previous year. The company's EBITDA grew to ₹407 Crores with a growth of 21% over last year and PAT grew to ₹200 Crores with a growth of 30%. In line with our commitment to shareholders, your Board of Directors has recommended a final dividend of 300%, which translates to ₹3.00 per fully paid-up equity share of ₹1/- each for FY24.

We would also like to highlight that throughout the year, your company has taken several key initiatives which reflects the commitment towards improvement and excellence. The successful stabilization of our IT ERP (Enterprise Resource Planning) system-S4HANA has helped align our manufacturing, distribution, and retail operations onto a unified platform, thereby enhancing overall efficiency.

This year, your company has launched The 'Relaxo Parivaar' mobile application, our retail outreach program that will further improve our connect with retailers. This tech-driven platform will help our retail partners with timely information about the company and other benefits.

Quality assurance has remained a top priority for us and we implemented BIS Quality Control Orders, ensuring that all products are ISI marked. This initiative has significantly enhanced the company's credibility and strengthened customer trust, reinforcing our commitment to delivering high-quality products.

The company's persistent efforts to make distribution channels more robust and introduce new product lines have resulted in a notable upsurge in export figures. This unwavering commitment has merited the company the esteemed '3 Star Export House' status, cementing its dedication towards delivering high-quality products across international markets.

Your company has also taken multiple initiatives to strengthen the digital landscape, with a clear focus on leveraging this space to connect with the

audiences, enhance brand equity, and drive sales performance in FY24. By embracing the latest digital technologies, your company is well-positioned to expand its reach beyond geographical boundaries, showcase our latest product range, and cater to the new generation of consumers. We believe, this future-looking strategy will contribute to the company's continued success, as it remains at the forefront of innovation in the industry.

This year, we have also launched our direct selling model on e-commerce platforms; 'Brand as a Seller (BAS)' which has significantly improved our connect with the consumers. Furthermore, we have enhanced regional logistics by utilizing multiple warehouses, ensuring faster and efficient delivery of our products.

To cater to the ever-changing trends in the consumer buying behaviour, we have been proactively engaging in various market-sensing exercises and we have upgraded our technological infrastructure. This will help the company to address the evolving needs of the market.

Our manufacturing facilities have implemented the 5S methodology for workforce management aimed at enhancing and sustaining an organized work environment. We are pleased to announce that all of our facilities have achieved a commendable 3S standard by QCFI in February 2024, underscoring our unwavering commitment to operational excellence and continuous improvement.

Your company has continuously adapted to the changing consumer needs, with a particular focus on their preferences. By closely monitoring these preferences, we are well-prepared to capitalize on emerging opportunities and confident that our efforts will continue to yield positive results.

We are immensely grateful to all our Customers, Business Partners, Board of Directors, Bankers, Employees, and other Stakeholders for their unwavering support and belief in our company. We look forward to continuing this journey together and creating a brighter future ahead.

With Best Regards,

Ramesh Kumar Dua
Chairman & Managing Director

BEST IN PERFORMANCE

A journey that has moved upwards and touched many new milestones successfully year after year. This journey comprises a series of possibilities, overcoming challenges and achieving a collective brilliance. And yet, every success is still part of our learning curve.

- Launched 'Flite' and 'Sparx' brands
- First COCO store launched
- Commenced Exports

Revenue: ₹ 235.93 Crores

2005-07

Relaxo Footwears Limited was incorporated

Revenue: ₹ 1.78 Crores

1984

1976

Launched Relaxo brand

Revenue: ₹ 0.12 Crore

1995

IPO, to set up a plant in Haryana

Revenue: ₹ 38.17 Crores

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: ₹ 1,480.81 Crores

2012-15

- Acquisition of 30 acres land in Bhiwadi for future expansion
- Manufacturing capacity soared to 10.5 lacs pair per day

Revenue: ₹ 2,914.06 Crores

2022-24

2010

Renewable power capacity of 6.00MW

Revenue: ₹ 553.70 Crores

2017-18

- Corporate identity revamped
- Merger of 'RRPL' and 'MPPL' with your Company

Revenue: ₹ 1,948.57 Crores

BEST IN BRANDS

Proud to be the largest footwear manufacturer in India, Relaxo has been helping India strive ahead, since the last four decades. Today it is ranked among the top 300 Most Valuable Companies, an achievement that is no less than an incredible feat.

Our brands offer an array of footwear at compelling prices for consumers seeking comfort, style and durability, placing them in a position of reckoning and winning trust of millions of customers worldwide.

RELAXO

Think of trust and durability. Think of Relaxo. With over four decades of consumer trust across age, gender and economic class has made Relaxo an iconic household brand.

FLITE

When you are confident, when you look stylish, you can achieve the unachievable. Flite, India's leading footwear brand most popular among middle class reflects this spirit and aspiration of today's youth. A popular range of fashionable and semi- formal slippers for everyday wear, Flite enables people to take on the day with style and confidence.

Bahamas

Bahamas are a colourful and cool range of slippers that exude the spirit of freedom, fun and modernity of youth. With Salman Khan being the brand ambassador, Bahamas has become a popular brand amongst the youth looking to make a statement.



Sparx is all about attitude, style, taking on life and coming out as a winner. It connects with the youth and pushes them to challenge their inner potential. Endorsed by Bollywood's fitness hero Akshay Kumar, Sparx offers a range of sports shoes, sandals and slippers.



When it comes to dressing up as a gentleman, you need to step into Boston, a brand that offers excellent craftsmanship and comfort to men who like to turn heads wherever they go.



Times are changing. So are the styles. Stay ahead with the times with Mary Jane, a range of stylish and comfortable footwear for the modern woman to put her best foot forward, with panache.



Boredom and simple, have no place in the kids world. KidsFun range of footwear is exciting, brimming with colours, full of fun and high on energy just like the Li'l champs.



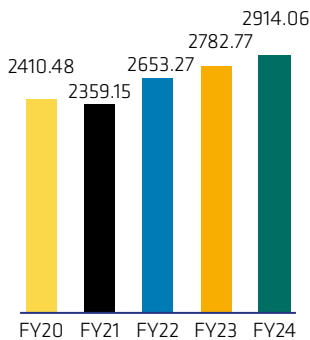
When every day can be challenging and tiring, you need to give comfort to your feet. Casualz offers foot-hugging, all-day comfort that make your feet cruise along.

FINANCIAL HIGHLIGHTS

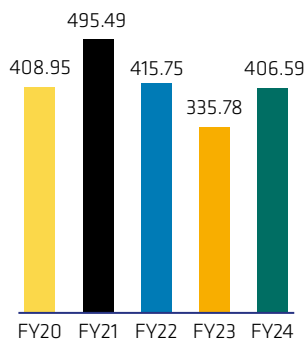
(₹ in Crores)

Particulars	FY 24	FY 23	FY 22	FY 21	FY 20
No. of Pairs sold (in Crores)	19.49	17.08	17.46	19.07	17.92
Revenue from Operations	2914.06	2782.77	2653.27	2359.15	2410.48
EBITDA	406.59	335.78	415.75	495.49	408.95
Finance Costs	18.69	19.24	15.33	17.08	16.87
Depreciation and Amortisation Expense	147.49	125.10	113.54	110.02	109.42
Tax Expense	68.80	55.54	77.92	99.60	65.46
Net Profit before OCI	200.47	154.47	232.68	291.56	226.25
Equity Share Capital	24.89	24.89	24.89	24.84	24.82
Net Worth	2001.11	1855.05	1760.12	1572.41	1272.40
Net Fixed Assets excluding ROU	1061.52	1043.60	946.91	872.41	836.67
Capital Employed	2043.39	1876.51	1799.97	1595.21	1316.31
Capital Expenditure	231.80	174.35	145.87	101.36	94.77
Revenue Growth (%)	4.72	4.88	12.47	(2.13)	5.17
EBITDA (%)	13.95	12.07	15.67	21.00	16.97
Face Value per Share (in ₹)	1.00	1.00	1.00	1.00	1.00
EPS - Basic (in ₹)	8.05	6.21	9.36	11.74	9.12
EPS - Diluted (in ₹)	8.05	6.21	9.35	11.72	9.10
Dividend(%)	300	250	250	250	125
Book Value per share (in ₹)	80.39	74.52	70.71	63.29	51.26
ROCE(%)	14.69	12.47	19.20	28.04	24.27
Market Capitalisation (As on March 31)	20345.75	21183.43	26544.23	21773.47	14868.72

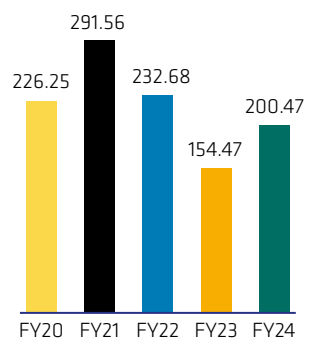
Revenue from Operations (₹ in Crores)



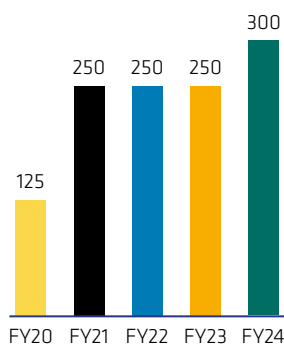
EBITDA (₹ in Crores)



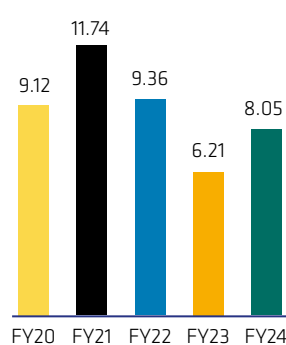
Net Profit (₹ in Crores)



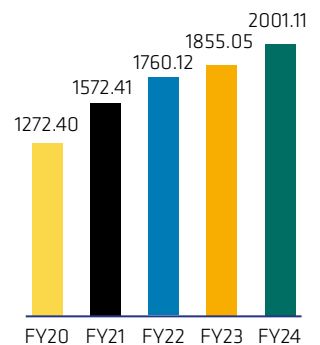
Dividend (%)



EPS - Basic (in ₹)



Net Worth (₹ in Crores)



Board's Report

Dear Members,

The Board of Directors ("Board") of your Company has pleasure in presenting 40th Annual Report on the Company's business and operations together with the Audited Financial Statements for the Financial Year 2023-24:

1. Company Overviews

Incorporated in 1984, Relaxo is the largest footwear manufacturer in India, serving the nation since four decades, and is today ranked among the top 500 Most Valuable Companies with its shares listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

2. Financial Highlights

In compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has prepared its financial statements as per the Indian Accounting Standards (Ind AS) for the Financial Year 2023-24. The financial highlights of the Company's operations are as follows:

(₹ in Crores)

Particulars	2023-24	2022-23
Revenue from Operations	2914.06	2782.77
EBITDA	406.59	335.78
Other Income	28.86	18.57
Less: Finance Costs	18.69	19.24
Less: Depreciation and Amortisation Expense	147.49	125.10
Profit before Tax	269.27	210.01
Less: Tax Expense	68.80	55.54
Profit after Tax	200.47	154.47
Balance brought forward from Previous year	80.64	63.40
Amount available for Appropriation	281.11	217.87
Appropriation:		
• Final Dividend	62.23	62.23
• Transfer to General Reserve	125.00	75.00
Balance carried to Balance Sheet	93.88	80.64
EPS-Basic (in ₹)	8.05	6.21
EPS-Diluted (in ₹)	8.05	6.21

3. Business Performance

a) Financial

The key highlights of the Company's financial performance during the Financial Year 2023-24 are given below:

- Revenue from operations increased by 4.72% to ₹2914.06 Crores from ₹2782.77 Crores in the last Financial Year.

Relaxo is a Fortune 500 (India) Company, synonymous with quality products at affordable prices, manufacturing slippers, sandals, sports and casual shoes at 9 State of the Art manufacturing facilities at Bahadurgarh (Haryana), Bhiwadi (Rajasthan) and Haridwar (Uttarakhand).

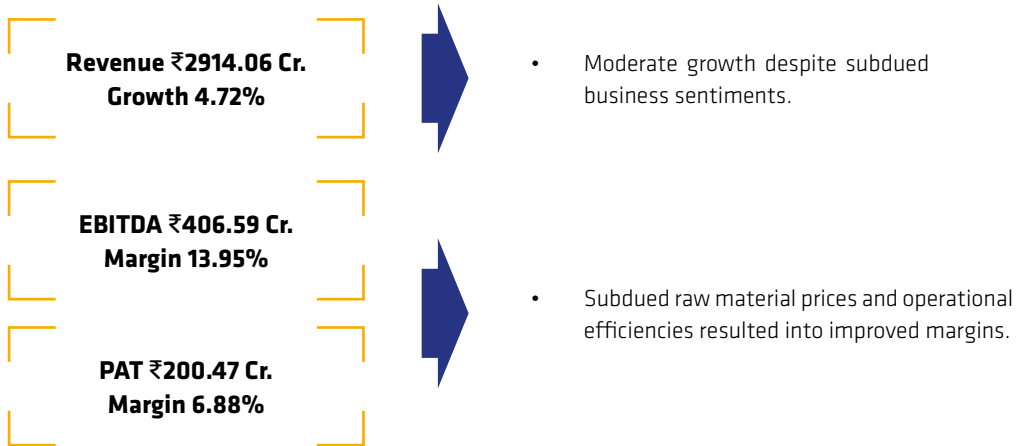
Your Company's most popular brands – Relaxo, Sparx, Flite & Bahamas are a leader in their space.

Having a pan India distribution footprint, the Company also operates 405 Exclusive Brand Outlets (EBOs), with availability on all major e-commerce portals as well. Further, during the year, Relaxo also launched its first Consumer experience store in Delhi.

- EBITDA is at ₹406.59 Crores as compared to ₹335.78 Crores in last Financial Year.
- Net profit is at ₹200.47 Crores as compared to ₹154.47 Crores in the last Financial Year.
- Net profit margins is 6.88%.
- Relaxo's Exclusive Brand Outlets (EBOs) were 405 as on March 31, 2024.

In FY24, we observed a modest revenue growth accompanied by improvement in profitability. This was primarily driven by a considerable increase in sales of open-footwear, demonstrating the effectiveness of our strategic measures to regain our market share. Our profit margins were largely boosted by the subdued raw material prices partially offset by increased fixed expenses.

To establish a direct connect with consumers, we have focused on retailing the products at various marketplaces alongside our Company's website. Additionally, we have also implemented a loyalty program through 'Relaxo Parivaar' Mobile application, establishing direct connect and offering incentives to retailers.



b) Non-Financials

Despite the challenges of last year, your Company is on track to achieve its long-term goals.

Sales & Marketing

During the fiscal year 2024, your Company executed numerous initiatives that have resulted into notable achievements. Our team has undergone a paradigm shift and have spearheaded the implementation of DMS 2.0, which has enhanced secondary tracking precision at the distributor level. Additionally, we have implemented innovative hardware management strategies that have amplified our market presence and impact.

Also, during the year 'Relaxo Parivaar' Mobile application, a tech-driven retail outreach program has facilitated quick and direct interactions between the Company and retailers. The application provides real-time updates on new products, pricing, and other vital information which are important for retailers. This application enabled us to build strong relationships with our retail partners and enhance our presence in the market.

Also the Company invested in digital marketing strategies which has assisted the brands to be closer to the targeted consumers. This innovative approach has allowed consumers to shop offline and online simultaneously. Thus, attracting a significant

number of customers, leading to increased sales and customer satisfaction.

Our organization will continue to undertake constructive initiatives that drive growth and success.

Retail

During the year, we enhanced our payment options and digital invoicing capabilities. Our continued focus on a paperless billing experience not only ensured a safer shopping experience for our customers but also helped us in contributing towards an eco-friendly environment by saving ~ 115 trees.

We prioritized customer engagement by introducing innovative initiatives such as personalized promotions, targeted events and interactive social media campaigns. Our collaboration with local influencers and effective use of geo-targeting technologies helped us in increasing our brand visibility and attract more foot traffic to our stores.

In FY24, we remained committed to expanding our retail network. We have 405 outlets as on March 31, 2024.

Exports

Your Company has a presence in 30+ countries across six continents. This success attests your ability to effectively penetrate diverse markets with products that are renowned for superior quality, durability and

value. A strong global brand presence is a testament to our commitment towards excellence and our expansion into new geographies such as LATAM and North Africa is a commendable achievement.

Furthermore, your Organization's recent milestone of achieving 3 Star Export House status is a noteworthy accolade that reflects your commitment to delivering high-quality products and services.

Procurement

The current market trend indicates a moderate demand for raw materials, leading to a balanced pricing strategy; however, during Q3 of FY24, logistic challenges arose concerning imported materials such as polymers, owing to the Red Sea issue. Nevertheless, we proactively managed the situation by maintaining adequate stock levels to fill the gap caused by delayed shipments.

The implementation of the BIS standard on footwear also posed a significant challenge, where your Company worked closely with vendors to develop BIS-compliant materials within the stipulated time to meet the government's timelines for certification. As we speak, the Company is using all BIS-compliant materials and successfully producing ISI-marked footwear.

We remain steadfast in our commitment to deliver high-quality products that meet our customers' expectations while adhering to industry standards.

Product Development

To flourish in the increasing dynamic and competitive business landscape, product development plays a pivotal role in driving innovation and determining success.

For understanding the latest trends and consumer preferences, it is essential to closely monitor the same to ensure successful product development; which is accomplished through constant market feedback from channel partners and consumers, which enables the launch of the right product at the right time.

There will be a strong emphasis on developing innovative products that stand out in the market through technological advancements, unique features and enhanced consumer's experience.

Manufacturing and Quality

The Company has demonstrated its commitment towards social responsibility by implementing green

fuel technology and transitioning to PNG for boilers used across all locations. The Company has also converted existing DG sets to run in hybrid mode using CNG and diesel to reduce pollution and conserve energy; resulting into cost savings and increased productivity.

To further promote energy conservation and cost rationalization, the Company has replaced conventional motors with servo motors and installed VFDs. The Company has obtained BIS certification for all of its footwear manufacturing plants and has actively collaborated with BIS technical committees. The Company has also established a state-of-the-art facility viz. 'Innovation Centre' to support research and development of footwear.

In its pursuit of continuous improvement in customer satisfaction, the Company has obtained various certifications,

- ISO 9001:2015 (Quality Management System)
- ISO 14001:2015 (Environmental Management System)
- ISO 45001:2018 (Occupational Health and Safety Management System)
- ISO 27001:2013 (Information Security and Management Service)

These certifications are a testament to the Company's unwavering commitment towards providing top-quality products and services to its customers.

Information Technology

In the year 2023-24, we stabilized our IT ERP system viz. S4HANA, which is widely considered to be the best-in-class technology solution available. This has enabled us to establish a robust digital foundation and make our organization well-prepared for the digital roadmap. As a result, we have been able to align our manufacturing, distribution and retail operations on a single platform, resulting into enhanced efficiency.

Furthermore, we have implemented an IT security system to safeguard all our sensitive information. We closely collaborated with industry experts to develop and deploy advanced defensive tools to ensure the data security. This has resulted in enhanced confidence of our employees, customers and various stakeholders.

Our digitization efforts have been a resounding success and we remain committed at the forefront of technology to continually improve our business operations and customer experience.

Human Resource

Throughout the year, several initiatives were implemented to enhance the human resource capabilities of the Company. The Sales Capability Programme, "Xcelerate" was launched to bolster the productivity and skill set of the sales force. This program was designed to cater the development needs of the participants and provide customized training including app-based modules, classroom sessions and personalized coaching. Additionally, the front-line sales force was trained to use sales automation and tracking systems effectively, thereby increasing their efficiency.

The Company has invested heavily in the development of its employees across all levels. To strengthen the managerial talent pipeline, the Company sourced management and graduate trainees from top-tier business schools and IITs. They underwent an intensive and structured induction program, which will help in succession planning process at various levels. These initiatives are expected to ensure that the Company is well-prepared for future in terms of talent readiness.

To retain critical talent, the Company offered Employee Stock Options under the RFL ESOP Plan 2014 to the eligible employees. This long-term incentive will motivate and encourage employees to remain with the Company and continue to contribute to its success.

4. Management Discussion and Analysis Report

Pursuant to Regulation 34(2)(e) of the Listing Regulations, a detailed Management Discussion and Analysis Report for the Financial Year under review is presented in a separate section, forming part of the Annual Report.

The state of the affairs of the business along with the financial and operational developments has been discussed in detail in the Management Discussion and Analysis Report.

5. Dividend

In line with the Dividend Distribution Policy of the Company, the Board of your Company in its meeting held on May 9, 2024 has recommended a final dividend @300% equivalent to ₹3.00/- (Rupees Three only) per equity share of ₹1/- (Rupee One Only) each for the Financial Year 2023-24 payable to those members whose names appear in the Register of members / list of beneficiaries as on August 22, 2024 i.e. the record date. The total final dividend payout will amount to ₹74.68 Crores (Rupees Seventy-Four Crores and Sixty-Eight Lakhs only). The payment of final dividend is subject to the approval of members in the Company's ensuing Annual General Meeting ("AGM").

Pursuant to the Finance Act, 2020 read with The Income Tax Act, 1961, the dividend paid or distributed by a Company shall be taxable in the hands of the shareholders w.e.f. April 1, 2020. Accordingly, in compliance with the said provisions, your Company shall make the payment of dividend after deduction of tax at source at the prescribed rates. For the prescribed rates of various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereto.

6. Dividend Distribution Policy

As per Regulation 43A of the Listing Regulations, top 1000 listed companies are required to formulate a Dividend Distribution Policy. Accordingly, your Company had accordingly formulated 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 amended Dividend Distribution Policy is available on the website of the Company at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/dividend-distribution-policy-1708068799.pdf

7. Transfer to Reserves

We have transferred ₹125 Crores (Rupees One Hundred and Twenty-Five Crores Only) to the general reserve from the net profits of the Company. An amount of ₹93.88 Crores (Rupees Ninety-Three Crores and Eighty-Eight Lacs only) is proposed to be retained in the Statement of Profit & Loss of the Company.

8. Public Deposits

Your Company has not invited or accepted any deposits within the meaning of Sections 73 and 74 of 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.

Further, no amount was remaining unpaid / unclaimed at the end of the year nor there has been any default in repayment of the deposits or payment of interest thereon.

Details of the deposits which are not in compliance with the requirements of Chapter V of the Act : Not Applicable

9. Compliance with Secretarial Standards

During the year under review, the Directors state that applicable Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI"), i.e., Secretarial Standard-1 ("SS-1") and Secretarial Standard-2 ("SS-2"),

relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied with by the Company.

10. **Subsidiary/ Joint Venture/ Associate Company**

Your Company does not have any subsidiary, joint venture or associate Company, as at the end of the Financial Year under review. Further, during the year, no Company became or ceased to be Subsidiary, Joint Venture or Associate Company.

11. **Changes in the nature of Business**

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

12. **Share Capital**

Authorised Share Capital:

The authorized share capital of your Company as on March 31, 2024 stood at ₹51,00,00,000 (Rupees Fifty-One Crores Only) divided into 51,00,00,000 (Fifty-One Crores) Equity Shares of ₹1/- (Rupee One Only) each.

Issued, Subscribed and Paid-up Share Capital:

As on March 31, 2024, the issued, subscribed and paid-up share capital of the Company was ₹24,89,38,586/- (Rupees Twenty-Four Crores Eighty-Nine Lacs Thirty-Eight Thousand Five Hundred and Eighty Six Only) consisting of equity shares of face value of ₹1.00/- each divided into 24,89,38,586 (Twenty Four Crores Eighty Nine Lacs Thirty Eight Thousand Five Hundred and Eighty Six) equity shares of ₹1/- (Rupee One Only) each.

13. **Disclosure relating to Remuneration of Directors and Key Managerial Personnel (KMP)**

Your 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 Nomination and Remuneration Committee had adopted principles for identification of Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs), Executive Directors and Non-Executive Directors including Independent Directors. Pursuant to Section 134(3)(e) and Section 178(3) of the Act, the Nomination and Remuneration Policy adopted by the Board also sets out the criteria for determining Qualifications, Positive Attributes and Independence while evaluating a person for appointment / re-appointment as Director or KMP or SMP with no discrimination on the grounds of gender, race or ethnicity, nationality or country of origin and also to determine the framework for remuneration of Directors, KMP, Senior Management Personnel and other Employees. The said policy was amended during the

year under review by the Board in order to align with the extant applicable regulations. The detailed Nomination and Remuneration Policy is available on the website of the Company at the link https://dxkylfvncvqr8.cloudfront.net/media/file/pdf/download_file/nomination-and-remuneration-policy-1708068892.pdf

14. **Particulars of Employees**

The information and disclosure required under Section 197(12) of the Act read with Rule 5(1), 5(2) and 5(3) of the 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 and Employees of your Company is set out in **Annexure-A** to this report.

15. **Directors and Key Managerial Personnel**

The Composition of the Board of Directors is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations; with an optimum combination of Executive Director, Non-Executive Non-Independent Directors, Independent Directors and Women Directors.

Pursuant to the Section 152(6) of the Act read with the Articles of Association of the Company, Mr. Nikhil Dua, Whole Time Director (DIN: 00157919) and Mr. Gaurav Kumar Dua, Whole Time Director (DIN: 09674786) of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offered themselves for re-appointment. The Board has recommended his re-appointment to shareholders.

The members of the Company in their 39th AGM held on August 24, 2023 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") have approved the re-appointment of the following Directors: -

- a) Mr. Ramesh Kumar Dua (DIN - 00157872) as Managing Director of the Company for a further period of 5 (five) years with effect from April 1, 2024, liable to retire by rotation.
- b) Mr. Mukand Lal Dua (DIN - 00157898) as a Whole Time Director of the Company for a further period of 5 (five) years with effect from April 1, 2024, liable to retire by rotation.
- c) Mr. Nikhil Dua (DIN - 00157919), as a Whole Time Director of the Company for a further period of 3 (three) years with effect from October 1, 2023 till September 30, 2026, liable to retire by rotation.
- d) Mr. Gaurav Kumar Dua (DIN - 09674786) as a Whole Time Director of the Company for a further period of 3 (three) years with effect from October 1, 2023 till September 30, 2026, liable to retire by rotation.

The Board of Directors in its Meeting held on March 29, 2024, on the recommendation of Nomination and Remuneration Committee subject to the approval of members through Postal Ballot have approved the Appointment of the followings:

1. Appointment of Mr. Yogesh Kapur (DIN: 00070038) as Non-Executive Independent Director of the Company; not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years with effect from April 1, 2024 on such terms and conditions as set out in Explanatory Statement annexed to Postal Ballot notice dated May 9, 2024;
2. Appointment of Mr. Raj Kumar Jain (DIN: 01741527) as Non-Executive Independent Director of the Company; not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years with effect from April 1, 2024 on such terms and conditions as set out in Explanatory Statement annexed to Postal Ballot notice dated May 9, 2024;
3. Appointment of Mr. Sushil Batra (DIN: 09351823) continuing Chief Financial Officer of the Company, as a Whole Time Director designated as Executive Director of the Company for a period of 3 (three) consecutive years with effect from April 1, 2024 on such terms and conditions as set out in Explanatory Statement annexed to the Postal Ballot notice dated May 9, 2024.

Further, the Board of Directors in its meeting held on May 9, 2024 on the recommendation of Nomination and Remuneration Committee of the Company has approved the Appointment of Ms. Richa Arora (DIN: 07144694) as Non-Executive Women Independent Director of the Company; not liable to retire by rotation, to hold office for a first term with effect from May 9, 2024 for a period of 5 (five) consecutive years till May 8, 2029 (both days inclusive) on such terms and conditions as set out in Explanatory Statement annexed to the Postal Ballot notice dated May 9, 2024.

A brief resume of the Director(s) proposed to be appointed / re-appointed, his/her expertise in specific functional areas, names of companies in which he/she holds directorship, Committee membership/s / Chairmanship/s and shareholding etc. as stipulated under the Secretarial Standard-2 issued by the ICSI and Regulation 36(3) of the Listing Regulations, are appended as an Annexure to the Notice of the Postal Ballot or the Notice of ensuing AGM.

As on March 31, 2024, Mr. Ramesh Kumar Dua (DIN - 00157872) - Managing Director, Mr. Mukand Lal Dua (DIN - 00157898) - Whole-Time Director, Mr. Nikhil Dua (DIN-00157919) - Whole-Time Director, Mr. Gaurav Kumar

Dua (DIN:09674786)- Whole-Time Director, Mr. Sushil Batra (DIN - 09351823) - CFO, and Mr. Ankit Jain, Company Secretary, are the Key Managerial Personnel (KMP) of your Company.

During the year under review; below changes occurred in the Board of Directors of the Company:

1. Mr. Ramesh Kumar Dua (DIN: 00157872), being Managing Director of the Company was designated as Chairman of the Company with effect from April 1, 2024.
2. Mr. Deval Ganguly (DIN: 00152585) resigned from the position of Whole Time Director of the Company w.e.f. closure of the business hours on March 31, 2024.
3. Mr. Pankaj Shrimali (DIN: 00013142) and Mr. Vivek Kumar (DIN: 00206819) ceased from the position of Independent Director w.e.f. closure of business hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company.

Further, no directors / KMPs other than mentioned above were appointed or resigned during the year.

Therefore, your Board is maintained with optimum combination of Executive and Non-Executive/Independent Directors. As on March 31, 2024, the Company has 1 (One) Managing Director, 4 (Four) Whole Time Directors and 5 (Five) Non-Executive Independent Directors including 1 (One) Woman Independent Director. The composition of the Board represents an optimal mix of Professionalism, Knowledge, Experience and Expertise in varied fields enabling it to discharge its responsibilities and provide effective leadership for long term vision with highest standards of the governance.

Further, none of the Directors other than Mr. Ramesh Kumar Dua, Managing Director, Mr. Mukand Lal Dua, Mr. Nikhil Dua and Mr. Gaurav Kumar Dua, Whole time Directors of the Company are related inter-se, in terms of Section 2(77) of the Act including Rules framed there under.

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 the Listing Regulations. The Company has also received from them (Independent Directors), declaration of the compliance of Rule 6 (1) & 6 (2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding online registration with the Indian Institute of Corporate Affairs ("IICA") at Manesar, for inclusion/renewal of the name in the data-bank of the Independent

Directors. The Independent Directors have also confirmed that they have complied with the Company's Code for Independent Directors prescribed in Schedule IV of the Act.

17. Statement regarding opinion of the Board with regard to Integrity, Expertise and Experience (including the proficiency) of the Independent Directors appointed during the year

With regard to Integrity, Expertise and Experience (including the Proficiency) of the Independent Directors appointed/re-appointed during the FY24, the Board of Directors has taken on record the declarations and confirmations submitted by the Independent Directors and is of the opinion that all the Independent Directors are individuals of integrity and possess relevant expertise & experience and their continued association as Directors will be of immense benefit in the best interest of the Company. With regard to the proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the Institute (IICA), as notified under Sub-Section (1) of Section 150 of the Act, the Board of Directors has taken on record, the declarations submitted by Independent Directors that they are exempt from appearing in the test.

18. Annual Evaluation

In terms of the provisions of Section 178 of the Act read with Rules issued thereunder and Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Board of Directors in consultation with Nomination and Remuneration Committee, has formulated a framework recommended by the renowned consultants containing, *inter-alia*, the criteria for the performance evaluation of the Entire Board of the Company, its Committees and individual directors, for FY24.

During the reporting year, customized questionnaires were circulated to all the Board members in order to enhance the effectiveness of the evaluation process. The Board evaluation process was carried out to ensure that the Board and various Committees of the Board have appropriate composition and they have been functioning collectively to achieve the business goals of the Company. Directors were evaluated on their contribution in Board / Committee meetings, guidance & support to the management outside Board / Committee meetings and other parameters as specified by the Nomination and Remuneration Committee of the Company.

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

The performance evaluation of Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman of the Board and of 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.

19. Familiarization Programme

In terms of Regulation 25(7) of the Listing Regulations, 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 / re-appointment is available on our website at the link <https://www.relaxofootwear.com/terms-conditions-of-independent-director>

Sessions are conducted in the meetings of the Board and its various Committees on the relevant subjects such as strategy, Company's performance, financial performance, internal financial controls, risk management, plant's performance, retail, products, finance, human resource, capital expenditure, CSR, statutory and regulatory Compliances etc. All efforts are made to keep the Independent Directors aware of major developments being taken place in the industry, the Company's business model and relevant changes in the law governing the Company's business. The details of the programs/sessions conducted for familiarization of Independent Directors can be accessed on the Company's website at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/familiarisation-report-2023-2024-1722251751.pdf

20. Number of Meetings of the Board

During FY24, the Board of Directors met 5 (five) times on May 10, 2023, July 24, 2023, November 1, 2023, January 31, 2024 and March 29, 2024; 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 Board meetings was within the maximum time gap prescribed under the Act, Regulation 17 of the Listing Regulations and SS-1 issued by the ICSI.

21. Committees of the Board

During FY24, the Board had 5 (five) Committees, namely:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;

- Risk Management Committee; and
- CSR & ESG Committee.

All the recommendations made by the Committees of the Board including the Audit Committee were accepted by the Board. A detailed update on the Board, its composition, detailed charter including terms & reference of various Board Committees, number of Board & Committee meetings held during FY24 and attendance of the Directors at each meeting is provided in the report on Corporate Governance, which forms part of the Annual Report.

22. Director's Responsibility Statement

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Directors to the best of their knowledge and belief, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed, along with the proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and made judgments 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;
- proper and sufficient care has been taken 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;
- the annual accounts have been prepared on a going concern basis;
- Internal Financial Controls have been laid down to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. Statutory Auditors

In terms of the provisions of Section 139 of the Act read with provisions of the Companies (Audit and Auditors) Rules, 2014 (as amended), M/s Gupta & Dua, Chartered Accountants (ICAI Firm Registration No. -003849N) were appointed as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of 38th AGM till the conclusion of 43rd AGM of the Company.

24. Auditors' Report

The Board has duly examined the Statutory Auditors' Report to the accounts of the Company, which is self-explanatory. The Auditor's Report for FY24 does not contain any qualification, reservation or adverse remarks. The observation of the Statutory Auditors on the financial statements have been suitably explained in the Notes to Accounts and does not require any further clarification.

25. Details in respect of Frauds reported by the 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 of the Company under Section 143(12) of the Act.

26. Maintenance of Cost Records and Cost Audit

The Company does not fall under the category prescribed under sub-section (1) of Section 148 of the Act and Rules 3 and 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.

27. Internal Auditors

Pursuant to the provisions of Section 138 of the Act, the Company has appointed Mr. Rohit Khaneja as In-house Internal Auditors of the Company; also SNB India Pvt. Ltd. has been appointed as the Internal Auditors of the Company for Financial Year 2024-25 in co-sourcing model.

28. Secretarial Auditors

Pursuant to the provisions of Section 204(1) of the Act read with Rule 9 of The 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) and Regulation 24A of the Listing Regulations, the Board had appointed M/s Chandrasekaran Associates to conduct the Secretarial Audit of the Company for the Financial Year 2023-24 as recommended by the Audit committee.

The Secretarial Audit Report for the Financial Year 2023-24 is annexed as **Annexure-B** which forms part of this report. The Secretarial Audit Report for the Financial Year ended on March 31, 2024 does not contain any qualification, reservation or adverse remarks except few e-forms which have been delayed filed by the Company with the Registrar of Companies. The Board of Directors of the Company evaluated the facts and advised to file the statutory forms in due time.

29. Annual Return

Pursuant to Section 134 and Section 92(3) of the Act read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the annual return as on March 31, 2024 will be available on the website of the Company

at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/mgt--7-%E2%80%9331-1720678228.pdf

30. Contracts and Arrangements with Related Parties

During FY24, the Company has entered into various transactions with related parties. All the Contracts / arrangements / transactions entered into by the Company with its related parties during the Financial Year under review were in the ordinary course of the business, on the arm's length basis and were undertaken in compliance with the applicable provisions of the Act and the Listing Regulations.

During the Financial Year under review, 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 the Listing Regulations.

The updated Policy on materiality of Related Party Transactions is available on the website of the Company at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/policy-on-materiality-of-related-party-transactions-1646633287.pdf

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all the transactions between the Company and Related Parties.

The particulars of the material related party transactions are provided in Form AOC-2 as **Annexure-C**, which forms part of this Report. Further, disclosures as per Ind-AS 24 have been made in Note 39 of the financial statements for the year ended on March 31, 2024.

31. Details of Loans, Guarantees & Investments

In terms of Section 186 of the Act and Rules framed thereunder, details of the Loans given and Investments made by your Company have been disclosed under Note 4 of the Financial Statements for the financial year ended on March 31, 2024, which forms part of this Annual Report. Your Company has not given any guarantee or provided any security during the year under review.

32. Risk Management

Your Company has a Risk Management Policy consistent with the provisions of the Act and Listing Regulations. Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that may affect the achievement of its objectives. Further, it is embedded across all the major functions and revolves around the objectives of the organisation.

The Board of Directors has constituted its Risk Management Committee to assist the Board in fulfilling its responsibilities

relating to evaluation and mitigating of various risks exposures that potentially impact the Company.

The Board advised by the Risk Management Committee, wherever appropriate, regularly reviews the significant risks and decisions that could have a material impact on the Company. There are no risks which, in the opinion of the Board, threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

As per SEBI Listing Regulations, the Risk Management Committee shall meet at least twice in a year. The details pertaining to the composition, meetings and terms of reference of the Risk Management Committee are included in the Report on Corporate Governance which forms part of the 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 a pre-requisite 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 provisions prescribed under Section 135 of the Act, your Company had constituted a CSR & ESG Committee of the Board. The Board of Directors laid down the CSR Policy, covering the objectives, focus areas, governance structure and monitoring & reporting framework among others. The said policy was amended during the year under review by the Board in order to align with the extant applicable regulations.

The amended Corporate Social Responsibility Policy is available on the website of the Company at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/corporate-social-responsibility-policy-1716526796.pdf

During the year, the Company has continued its work on the long term CSR projects undertaken in FY24; the details of CSR activities are given in **Annexure-D** to this report.

The details of the composition of the CSR & ESG Committee, CSR policy, CSR initiatives and activities undertaken during the year are given in the Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 and explained in detail in **Annexure-D** to this report.

The details pertaining to the composition, meetings and terms of reference of the CSR & ESG Committee are

included in the Report on Corporate Governance which forms part of the Annual Report.

As per the requirement under Section 135 of the Act read with relevant Rules made thereunder, the composition of the CSR Committee & CSR Policy and Projects approved by the Board are available on the website of the Company at https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/corporate-social-responsibility-policy-1716526796.pdf

34. Composition of Audit Committee

In compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, 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 the Annual Report.

35. Vigil Mechanism

Your Company has established Vigil Mechanism/ Whistle Blower Policy for Directors and employees of the Company as required under Section 177 (9) of the Act and Regulation 22 of the Listing Regulations.

This Policy has been established with a view to provide a tool for Directors and Employees of the Company to report to the management / Board on the 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 adequate safeguards against victimization of Director(s) / Employee(s) who avail the mechanism and also provides 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 of the Company.

The Company has not received any complaint during the year. Your Company hereby affirms that no person of the Company has been denied access to the Chairman of the Audit Committee.

The Policy is available on the website of the Company at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/vigil---mechanism---policy-1607580776.pdf

36. Business Responsibility and Sustainability Report

In terms of the amended Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report for FY24, describing the initiatives taken by the Company for environmental, social and governance perspective, forms part of this Annual Report.

37. Policy on Prevention of Insider Trading

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place following policies/codes which are revised from time to time according to applicable laws or as per need:

- Code for Prohibition of Insider Trading
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")
- Policy and procedures for inquiry in case of leak of UPSI/ suspected leak of UPSI
- Policy on Penalties/Actions against Violation of Insider Trading Norms

All compliances related to the Code of Conduct for Prohibition of Insider Trading are being managed through a web-based portal installed by the Company. The Code, inter alia, lays down the procedures to be followed by Designated Person(s) (DP) while trading/ dealing in Company's shares and sharing UPSI. The Code includes the obligations and responsibilities of DPs, obligation to maintain the digital database and mechanism for prohibition of insider trading and handling of UPSI.

The said code is available on the website of the Company at https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/policy-on-code-of-insider-trading-1654173168.pdf

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

The Company is an equal employment opportunity employer and is committed to provide a safe and conducive work environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment. The Company always believes in transparency, honesty, equality, antiracism and fairness to all stakeholders including women employees of the Company. They have right to be treated with dignity and as per the Company's framework. Harassment of any kind including sexual harassment is forbidden. The Company has 'Zero Tolerance' approach towards any act of sexual harassment.

As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has framed the policy on Prevention of Sexual Harassment of Women at workplace and matters connected therewith and has also complied with the provisions related to the Constitution of Internal Committee (IC).

An IC is available at all the Plants and Offices of the Company as per the provisions of the law. The IC is responsible for redressal of complaints related to sexual harassment. The Company also conducts sessions for sensitization / awareness and also organizes the quarterly meetings to create a free and fair working environment. These matters are also being reported to the Audit Committee, if any.

No complaint was received by IC during FY24. It is our constant endeavor to ensure that we provide harassment free, safe and secure working environment to all employees.

39. Significant and Material Litigations / Orders

During the Financial Year under review, there were no significant and material orders passed by the regulator(s) or court(s) or tribunal(s) impacting the going concern status and Company's operations in future.

40. Credit Ratings

During FY24, ICRA has reaffirmed long term rating of the Company at [ICRA] AA (pronounced as ICRA Double A). The Outlook on the long-term rating was Stable.

Additionally, ICRA has also reaffirmed short term rating of the Company at [ICRA] A1+ (pronounced as ICRA A one plus) which is the highest rating for the category.

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

The details related 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-E** which forms part of this Report.

42. Employees Stock Option Plan

Presently, the Company has one Employee Stock Option Plan 2014 ("RFL ESOP PLAN-2014"/ "ESOP Plan"). This Plan helps to attract and retain talented employees in the Company and boost their morale. The Nomination and Remuneration Committee administers and monitors, the Company's ESOP Plan.

During the Financial Year under review, 53,300 (Fifty-Three Thousand and Three Hundred) options were granted to the employees and 1,18,500 (One Lac Eighteen Thousand and Five Hundred) options were cancelled due to resignation or retirement as per the Company's ESOP Plan.

Pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, a disclosure with respect to ESOP Plan of the Company as on March 31, 2024, is available on the website of the Company at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/esop-2023-24-1722245562.pdf

A certificate from M/s. Chandrasekaran Associates, Company Secretaries, Secretarial Auditor of the Company, with respect to the implementation of the Company's ESOP Plan would be made available to the members at the ensuing AGM. A copy of the same shall also be available for inspection at the registered office of the Company during business hours.

ESOP scheme of the Company is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The details as per the requirements of ESOP Regulations are annexed as **Annexure-F** which forms part of this Report.

43. 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 March 31, 2024 and as on the date of this Report.

44. Internal Financial Controls

Your Company has put in place adequate Internal Financial Controls ('IFC') with reference to the financial statements commensurate with the size, scale and complexity of operations.

IFC ensure orderly and efficient conduct of the business, including adherence to company's policies, safeguarding of assets, prevention and detection of frauds, errors, accuracy, completeness of accounting records and timely preparation of reliable financial information.

IFC framework is independently evaluated by the external agency apart from periodic evaluation by In-House Internal Audit function for necessary improvement, wherever required. Based on the results of such assessments, no reportable material weakness or significant deficiencies in the design or operation of Internal Financial Controls was observed.

Further, the Statutory Auditors of the Company also reviewed ICOFR ('Internal Financial Controls over Financial Reporting') of the Company as on March 31, 2024 and issued their report, which forms part of the Independent Auditor's report.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them. The Company has a strong Management Information System, which is an integral part of the control mechanism. The Company continues to strengthen its risk management and internal control capabilities by improving its policies and procedures.

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 IFC framework of the Company.

45. Managing Director and CFO Certification

The Certificate required under Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, duly signed by the Managing Director and CFO was placed before the Board is enclosed with the Annual Report.

Declaration by Managing Director under Regulation 34(3) read with Schedule V of the Listing Regulations in respect of compliance with the Company's Code of Conduct is annexed with Corporate Governance Report which forms part of this Annual Report.

46. Transfer of Unclaimed Shares / Dividend

As per the provisions of Regulation 39(4) read with Schedule VI 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 an '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. N.	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 April 1, 2023	29	72,195
2.	Number of shares transferred to the Suspense account during the year	-	-
3.	Number of shareholders who approached the Company for shares and to whom shares were transferred from the suspense account during the year	-	-
4.	Transfer of shares from the Suspense account to IEPF Account	2	4,010
5.	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on March 31, 2024	27	68,185

The voting rights on the equity share(s) in the suspense account shall remain freeze till the rightful owners of such

equity share(s) claim their equity share(s). Any corporate benefit in terms of securities accruing from such equity shares viz. Bonus shares and split etc., shall also be credited to such demat suspense account or unclaimed suspense account, as applicable in accordance with existing provisions.

In compliance with the statutory provisions, during the Financial Year under review, the Company transferred unclaimed dividend amounting to ₹1,98,991.20 (Rupees One Lac Ninety-Eight Thousand Nine Hundred Ninety-One and Twenty Paise Only) from the Final Dividend for the Financial Year 2015-16 to the Investor's Education and Protection Fund ("IEPF"). The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 24, 2023 (date of last AGM) on the website of the Company at the link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/relaxo_iepf_2_validated_file_31032023-1703572281.pdf

Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, during the FY24, the Company transferred 12,227 (Twelve Thousand Two Hundred and Twenty-Seven) equity shares to demat account with IEPF for which dividend was unpaid / unclaimed for 7 (seven) consecutive years.

The shareholders whose unpaid dividend / shares are transferred to the IEPF may request the Company / Registrar and Transfer Agent as per the applicable provisions in the prescribed form, IEPF-5, for claiming the unpaid dividend / shares from IEPF. The process and online 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. Ankit Jain, Company Secretary & Compliance Officer of the Company acts as the Nodal Officer as per the provisions of IEPF. The contact details of the Nodal Officer are available on the website of the Company at the link <https://www.relaxofootwear.com/investor-support>

47. 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 the Annual Report.

A certificate from M/s Gupta & Dua, Chartered Accountants, (ICAI Firm Registration No. -003849N), Statutory Auditors of the Company, confirming the compliance of the Corporate Governance, as stipulated under the Listing Regulations, is attached to the Report of Corporate Governance as **Annexure-G**.

48. Details of Non-Compliance with regard to Capital Market During the Last Three Years

There was no instance of non-compliance related to capital market during the last three years. No penalty / stricture was imposed on the Company by the Stock Exchange(s) or SEBI or any other statutory authority on such matters.

49. Other Disclosures

- a) The Company affirms that the Annual Listing fees for the Financial Year 2024-25 to National Stock Exchange of India Ltd. and BSE Ltd. is duly paid.
- b) The Board of Directors in its Meeting held on May 9, 2024, had sought the approval of members through Postal Ballot for:

S. N.	Particulars
1.	Adoption of amended Memorandum of Association of the Company
2.	Adoption of new set of Articles of Association of the Company
3.	Appointment of Mr. Yogesh Kapur (DIN: 00070038) as an Independent Director of the Company
4.	Appointment of Mr. Raj Kumar Jain (DIN: 01741527) as an Independent Director of the Company
5.	Appointment of Mr. Sushil Batra (DIN: 09351823) Continuing Chief Financial Officer, as an Executive Director of the Company
6.	Appointment of Ms. Richa Arora (DIN: 07144694) as an Independent Director of the Company

50. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with its status at the end of the financial year

Not Applicable

51. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

Not Applicable.

52. Acknowledgement

We take this opportunity to thank our employees for their dedicated service and contribution to the Company.

We would like to place on record, sincere thanks and appreciation to all our customers, partners, vendors, investors, bankers and also wish to thank the government authorities and other regulatory bodies for their co-operation, support, encouragement and assistance extended to the Company during the year.

For and on behalf of the Board of Directors

	Ramesh Kumar Dua	Mukand Lal Dua
Delhi	Chairman & Managing Director	Whole Time Director
May 9, 2024	DIN: 00157872	DIN: 00157898

Annexure 'A'

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) 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).

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the Financial Year 2023-24 is as follows:

Name of Director	DIN	Ratio of Remuneration of Director to the Median Remuneration
Mr. Ramesh Kumar Dua	00157872	677.90
Mr. Mukand Lal Dua	00157898	677.90
Mr. Nikhil Dua	00157919	74.08
Mr. Gaurav Kumaar Dua	09674786	74.08
Mr. Deval Ganguly*	00152585	91.13
Ms. Deepa Verma	06944281	3.14
Mr. Rajeev Rupendra Bhadauria	00376562	3.20
Mr. Kuldip Singh Dhingra	00048406	2.40
Mr. Pankaj Shrimali**	00013142	3.89
Mr. Vivek Kumar**	00206819	3.70

* Mr. Deval Ganguly, Whole Time Director of the Company, has resigned from the Office of Director effective from closure of business hours of March 31, 2024.

** Mr. Pankaj Shrimali and Mr. Vivek Kumar have completed their consecutive 2nd term as Non-Executive Independent Directors and ceased to be the Directors of the Company effective from closure of business hours of March 31, 2024.

- The aforesaid details are calculated on the basis of remuneration for the Financial Year 2023-24.
- The remuneration includes commission and sitting fee paid to the Directors for attending Board & Committee meetings.
- Median Remuneration for all employees is ₹1,87,692/- for the Financial Year 2023-24.

B. Details of percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year 2023-24 as compared to last financial year are as follows: -

Name	Designation	% Increase / Decrease
Mr. Ramesh Kumar Dua	Managing Director	31.17
Mr. Mukand Lal Dua	Whole Time Director	31.17
Mr. Nikhil Dua		5.53
Mr. Gaurav Kumaar Dua		5.53
Mr. Deval Ganguly*		27.12

Name	Designation	% Increase / Decrease
Ms. Deepa Verma	Independent Director	-1.67
Mr. Rajeev Rupendra Bhadauria		3.45
Mr. Kuldip Singh Dhingra		50.00
Mr. Pankaj Shrimali**		1.39
Mr. Vivek Kumar**		-
Mr. Sushil Batra#	Chief Financial Officer	6.55
Mr. Ankit Jain###	Company Secretary	-

* Mr. Deval Ganguly, Whole Time Director of the Company, has resigned from the Office of Director effective from closure of business hours of March 31, 2024.

** Mr. Pankaj Shrimali and Mr. Vivek Kumar have completed their consecutive 2nd term as Non-Executive Independent Directors and ceased to be the Directors of the Company effective from closure of business hours of March 31, 2024.

Mr. Sushil Batra, Chief Financial Officer, was also appointed as Additional Director under the Category of Executive Director & Chief Financial Officer of the Company for a period of 3 years effective from April 1, 2024 to March 31, 2027 subject to the approval of shareholders of the Company within a period of 3 months from the date of appointment.

No revision is done to the remuneration of Mr. Ankit Jain during the Financial year ending on March 31, 2024 as he was appointed as Company Secretary of the Company w.e.f. February 4, 2023, therefore % Increase/Decrease is not applicable to him during the year.

Note:

- The remuneration to Directors is within the overall limit approved by the shareholders. During the current Financial Year commission to the tune of ₹2.50 Lacs was paid to each Independent Director(s) after approval of financial statements by the shareholders.
- Median is calculated on the basis of actual remuneration paid.

C. Percentage increase in the median remuneration of all employees in Financial Year 2023-24:

There is increase of 3.94% in median remuneration of all employees in Financial Year 2023-24.

D. Number of Permanent Employees on the rolls of the Company as on March 31, 2024:

Particulars	No. of Employees
Staff	2,565
Sub Staff	5,143
Total	7,708

E. Comparison of average percentile increase made in the salaries of employees other than Managerial Personnel and percentile increase in the Managerial Remuneration and justification thereof and point out if there is any exceptional circumstances for increase in the managerial remuneration

The aggregate remuneration of employees excluding Key Managerial Personnel (“KMPs”) grew by 10.47% over the previous year. The aggregate increase in salary for Whole Time Directors and other KMP’s was 26.48% in FY24 over FY23. This was based on the recommendation of Nomination and Remuneration Committee of the Company, therefore there was no exceptional circumstances for increase in the managerial remuneration.

F. The key parameters for any variable component of remuneration availed by the directors

In addition to the remuneration as detailed herein above the Whole Time Director / Executive Directors are also eligible for the following perquisites, treatment of which

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

i. Top 10 Employees of the Company (in terms of remuneration drawn):

S. N.	Employee Name	Designation	Date of joining	Age (Years)	Remuneration (₹ in Lacs)	Nature of Employment	Qualification	Experience (Years)	Last Employment	Percentage of equity shares held	Relative of Director/ Manager
1	Mukand Lal Dua	Whole Time Director	13-Sep-84	75	1272.37	Permanent	B.Sc.	51	Relaxo Rubber Pvt. Ltd.	20.39%	Related to MD
2	Ramesh Kumar Dua	Chairman & Managing Director	13-Sep-84	70	1272.37	Permanent	B.Com., Licentiate of LPRI London	48	Relaxo Rubber Pvt. Ltd.	23.47%	Related to Director
3	Deval Ganguly	Whole Time Director	05-Nov-12	65	171.04	Permanent	B. Tech.	43	JK Tyre & Industries Ltd.	-	NA
4	Sushil Batra	Executive Director & Chief Financial Officer	30-Jul-07	59	164.72	Permanent	B.Com., FCA	33	A2Z Infra Engg. Ltd.	0.03%	NA
5	Hans Raj Sapra	Senior Vice President (Material)	16-Oct-93	75	147.42	Permanent	BE, Dip. Mech. Engg.	51	India Meterological Dept.	0.03%	NA

shall be evaluated as per Income Tax Act, 1961 and rule made thereunder, as applicable and in absence of any such provisions/ rules, perquisite shall be evaluated at actual cost to the Company:

- Contribution to Retirement funds, Superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- Gratuity payable at a rate not exceeding half month’s salary for each completed year of service;
- Encashment of leave as per Rules of the Company; &
- Perquisites include use of Company’s Car with driver, Medical Insurance, Group Personal Accidental coverage, Group Term Life Insurance and all other benefits as may be applicable to all employees of the Company from time to time and reimbursement of entertainment and all other expenses incurred by the directors for business of Company as per the Company Rules.

G. 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.

S. N.	Employee Name	Designation	Date of joining	Age (Years)	Remuneration (₹ in Lacs)	Nature of Employment	Qualification	Experience (Years)	Last Employment	Percentage of equity shares held	Relative of Director/ Manager
6	Nikhil Dua	Whole Time Director	01-Oct-08	49	139.04	Permanent	B.Com., Course in Shoe Making (Czech Republic)	28	Marvel Polymers Pvt. Ltd.	3.71%	Related to Director
7	Gaurav Kumar Dua	Whole Time Director	01-Apr-01	44	139.04	Permanent	B.Com., MBA	23	Relaxo Footwears Ltd.	3.75%	Related to MD
8	Ritesh Dua	Executive Vice President (Finance)	01-Jun-00	47	139.04	Permanent	B.Com., PGDBM	24	Relaxo Footwears Ltd.	3.75%	Related to Director
9	Nitin Dua	Executive Vice President (Retail)	01-Apr-04	43	139.04	Permanent	B.Com., PGDBM	20	Relaxo Footwears Ltd.	3.75%	Related to Director
10	Rahul Dua	Executive Vice President (Manufacturing)	01-Jul-10	36	133.04	Permanent	B. Com.	14	Relaxo Footwears Ltd	3.75%	Related to MD

- ii. List of employees who are on the rolls of the Company and were employed throughout the Financial Year 2023-24 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 2023-24 at a rate which in aggregate was not less than ₹8.50 lacs per month:

S. N.	Employee Name	Designation	Date of joining	Age (Years)	Remuneration (₹ in Lacs)	Nature of Employment	Qualification	Experience (Years)	Last Employment	Percentage of equity shares held	Relative of Director/ Manager
1	Deepak Kumar Bagga	Vice President, Project	16-Oct-95	58	116.39	Permanent	B. TECH, Diploma Civil Engg., DIP. RUBBER TECH.	34	East coast contracting Co.	0.00%	NA
2	Deval Ganguly*	Whole Time Director	05-Nov-12	65	171.04	Permanent	B. Tech.	43	JK Tyre & Industries Ltd.	-	NA
3	Gaurav Kumar Dua	Whole Time Director	01-Apr-01	44	139.04	Permanent	B.Com., MBA	23	Relaxo Footwears Ltd.	3.75%	Related to MD
4	Hans Raj Sapra	Senior Vice President (Material)	16-Oct-93	75	147.42	Permanent	BE, Dip. Mech. Engg.	51	India Meterological Dept.	0.03%	NA
5	Jagbir Singh	VP -Manufacturing	04- Apr-22	60	104.08	Permanent	B.S.C, M.Sc.	34	Lakhani Footwear P. Ltd	0.00%	NA
6	Mukand Lal Dua#	Whole Time Director	13-Sep-84	75	1272.37	Permanent	B.Sc.	51	Relaxo Rubber Pvt. Ltd.	20.39%	Related to MD

S. N.	Employee Name	Designation	Date of joining	Age (Years)	Remuneration (₹ in Lacs)	Nature of Employment	Qualification	Experience (Years)	Last Employment	Percentage of equity shares held	Relative of Director/Manager
7	Nikhil Dua	Whole Time Director	01-Oct-08	49	139.04	Permanent	B.Com., Course in Shoe Making (Czech Republic)	28	Marvel Polymers Pvt. Ltd.	3.71%	Related to Director
8	Nitin Dua	Executive Vice President (Retail)	01-Apr-04	43	139.04	Permanent	B.Com., PGDBM	20	Relaxo Footwears Ltd.	3.75%	Related to Director
9	Rahul Dua	Executive Vice President (Manufacturing)	01-Jul-10	36	133.04	Permanent	B. Com.	14	Relaxo Footwears Ltd	3.75%	Related to MD
10	Ramesh Kumar Dua [#]	Chairman & Managing Director	13-Sep-84	70	1272.37	Permanent	B.Com., Licentiate of LPRI London	48	Relaxo Rubber Pvt. Ltd.	23.47%	Related to Director
11	Ritesh Dua	Executive Vice President (Finance)	01-Jun-00	47	139.04	Permanent	B.Com., PGDBM	24	Relaxo Footwears Ltd.	3.75%	Related to Director
12	Sushil Batra	Executive Director & Chief Financial Officer	30-Jul-07	59	164.72	Permanent	B.Com., FCA	33	A2Z Infra Engg. Ltd.	0.03%	NA
13	Verinder Kumar	Senior Vice President, Manufacturing	16- Jan-95	61	106.33	Permanent	PGDM	42	Relaxo Rubber Pvt. Ltd	0.01%	NA
14	Vikas Dogra	VP Sales, Sales	08-May-23	56	112.66	Permanent	B.Com.	30	Aqualite Industries	0.00%	NA

Note:

[#] 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. Mr. Ramesh Kumar Dua is also related to Mr. Gaurav Kumaar Dua, Promoter Director of the Company.

^{*} Remuneration paid to Mr. Deval Ganguly includes Gratuity and other perquisites as on March 31, 2024.

iii. List of employees who were employed throughout the Financial Year 2023-24 or part thereof, and was in receipt of remuneration in Financial Year 2023-24, which, in the aggregate, or as the case may be, is at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. - Nil

For and on behalf of the Board of Directors

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Mukand Lal Dua
Whole Time Director
DIN: 00157898

Delhi, May 9, 2024

Annexure 'B'

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To,
The Members

Relaxo Footwears Limited

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Relaxo Footwears Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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.

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2024 ("**period under review**") 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 to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) The 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; **Not Applicable during the period under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**PIT Regulations**);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review;**
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable during the period under review.**
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/ Industry are:
 - (a) The Rubber Act,1947

We have also examined compliance with the applicable clauses/Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except few e-forms have been delayed filed by the Company with the Registrar of Companies.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, 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 except in cases where meetings were convened at a shorter notice, 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

We further report that during the audit period no major events have happened, which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 4186/2023

Date : May 9, 2024
Place : Delhi

Note :

- i. 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.

Shashikant Tiwari
Partner
Membership No. F11919
Certificate of Practice No. 13050
UDIN: F011919F000329335

Annexure 'A'

To,
The Members

RELAXO FOOTWEARS LIMITED

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

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our examination was limited to the verification of procedures on random 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 Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 4186/2023

Shashikant Tiwari

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919F000329335

Place : Delhi

Date : May 9, 2024

Annexure 'C'

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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis during Financial Year 2023-24:

(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 2023-24:

(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	

For and on behalf of the Board of Directors

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Mukand Lal Dua
Whole Time Director
DIN: 00157898

Delhi, May 9, 2024

Annexure 'D'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2023 - 24

(Pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the Company's CSR Policy, including an overview of projects/ programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects/programs.

CSR is a constructive way to work with a variety of stakeholders to undertake community development projects that have an impact, rather than just a legal requirement. Your Company's promoters have supported society through its initiatives even before corporate social responsibility (CSR) began, and they have done so through partnering with non-governmental organizations. All across the Company, this culture is ingrained.

In accordance of Schedule VII of the Companies Act, 2013, your Company has chosen to impact the lives of beneficiaries in the long term through well curated CSR projects over "Education & Skill Development", "Health & Hygiene" and "Environment Conservation".

The CSR Policy of your Company was updated to that extent incorporating all changes in the CSR provisions, in the Board Meeting held on May 9, 2024 and is available at following link:

https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/corporate-social-responsibility-policy-1716526796.pdf

The 8 CSR projects covering the 3 states viz. Delhi, Rajasthan and Uttarakhand, are positively impacting the lives of approx. 3.40 lacs people directly or indirectly.

Key initiatives under each thematic area are mentioned below: -

A. Education & Skill development

I. "Parivartan" Model School Project-

Parivartan Model School Project is a flagship initiative of your Company which primarily focuses over to provide equal learning opportunities to all students living in the remote areas. This project has two major indicators; i.e. to build / renovate the current school infrastructure and to enhance the capacity / developing the skills of the stakeholders like Teacher, Student, School Management Committee (SMC) Member, Parent as well as Community, with the following Goal and Objectives;

Project Goal: To develop a supportive equitable model for all children, especially girls in government schools, by improving the quality and accessibility of education leading to overall development of the individual and the community.

Project Objectives:

- To renovate/repair/build the school infrastructure facilities in-line with BaLA (Building as a Learning Aid) concept, for making school an interesting and attractive place for children.
- To facilitate the teachers in improving classroom transactions by following techniques of positive discipline, joyful learning etc.
- To develop the overall personality of students through Life Skills, Health & Hygiene, Sports, Co-curricular activities etc.
- To build capacity of SMC Members for their active involvement in the management of target schools.
- To sensitize parents over the child's education, health, nutrition etc.
- To improve school governance and education status in target areas through a participatory approach with all stakeholders including teachers, government department officials, students, school management committees, parents and community as well.

During the year your Company, in co-ordination with Samagra Shiksha Abhiyan, Uttarakhand, has added 27 schools of Laksar Block, Haridwar Uttarakhand under the Phase IV of this project in the year of 2023-24.

Through this project your Company is directly impacting the lives of approx. 9,367 students studying in 104 Schools (77 GPS, 22 GUPS & 5

GHSS) of Khanpur and Laksar Blocks- District Haridwar, Uttarakhand. Detail of all phases is given herein below:

Phase	Time period	Brief details	Total project cost (₹ in Lacs)
Phase- I	2018-2023	Undertaken 13 [12 Govt. Primary School (GPS) and 1 Govt. Upper Primary School (GUPS)] Schools in Khanpur block.	Through implementing agency "Relaxo Foundation"
Phase- II	2021-2024	Undertaken 32 GPS in Khanpur block.	542.71
Phase- III	2022-2025	Undertaken 32 [13 GUPS & 3 Govt. Higher Secondary School (GHSS)]- Khanpur and (14 GPS & 2 GUPS) at Laksar Block.	644.48
Phase- IV	2023-2026	Undertaken 27 (19 GPS, 6 GUPS & 2 GHSS)- of Laksar Block.	455.50

In the reporting period, your Company has completed infrastructure development works in 20 Schools of Phase II & III. Out of total 104 schools, 62 schools have been renovated under Parivartan Project till now.

The initiatives undertaken by your Company are surely developing better infrastructure, helping teachers, SMC's, students, parents to have an enabling environment, and thus supporting the Government School Education Department. It is noteworthy to mention that this project is also engaging the community for addressing issues and leveraging their support for the betterment of government education system in these villages.

II. Remedial Education Program

Through this project the support has been provided to 151 students (62 boys & 89 girls) studying in class X & XI of Government schools at Bawana slums. Remedial classes have been conducted with a blend of the curriculum studies, moral values along with scientific knowledge.

III. Vocational Training Program

Your Company in association with GMR Varalakshami Foundation is imparting employable skills to the dropout youths. Apart from the ongoing course of Customer Service Associate (CSA), a new course of Front Office Assistant (FOA) is also added in this year, to support 120 more people under the skill development program.

Details of student passed and placed are as follows;

S. N.	Course Name	Students passed	Student Placed
1	Customer Service Associate (CSA)	95	95
2	Front Office Assistant course (FOA)	114	114
Total		209	209

B. Health & Hygiene

I. Comprehensive Health Project- Mobile Health Unit

A mobile health unit project is being implemented in 11 villages around Bhiwadi, District Khairthal in Rajasthan, to provide primary health care services at the doorstep of villagers, is equipped with qualified professionals like MBBS Doctor, Pharmacist, ANM, Lab Technician, and Community Mobilizer, with the basic testing kits and equipment.

Progress under this project is as follows;

No. of camps	No. of OPD's	No. of Tests	No. of ANC/PNC check-ups	No. of Awareness sessions
529	18,751	1,519	185	250

II. Project 'NAYAN' Giving Sight to the Underprivileged

Your Company has extended the Project Nayan, covering 194 villages in Tijara Block of Khairthal District, Rajasthan since 2018 and also decided to continue the Phase-III of this initiative, with the support of Dr. Shroffs Charity Eye Hospital-Delhi, your Company is running this project to reduce the burden of avoidable blindness at early stage.

As a new initiative in phase III, screening of approx. 64,000 students studying in 281 Government Schools and within the community is planned in a phased manner in next 3 years.

The main focus areas are identification, awareness, counselling and treatment of avoidable blindness. A week long events and awareness sessions were also organized in villages on World Sight Day, World Retinoblastoma Day, World Glaucoma Day etc.

The progress made under this project is as under:

Details	Screenings	Surgeries	
		Cataract	Speciality
Vision Center	9,551	937	92
School Level	13,611	2	11
Total	23,162	939	103

C. Environment Conservation

Environmental conservation has become one of the core issue that needs to be addressed to battle climate change and global warming. Sustainable development is the need of the hour that can save mother earth from the repercussions of industrialization. Your Company has taken up some initiatives to contribute in the vast need of conserving the environment and maintaining the ecological balance.

Following initiatives are taken up in the reporting period:

I. Water Conservation

Your Company started water conservation project in 2022-23 and constructed / renovated 3 new (2 Anicuts & 1 Earthen Pond) and 2 old structures (1 Anicut and 1 Earthen Pond) at Gram Panchayat Lalpur & Buffer area of Sariska Tiger Reserve, Thanagazhi Block of District Alwar, Rajasthan, which were completed in the reporting year. The total water holding capacity is approx. 83,000 cubic meter in single filling and during the year it is reported that these structures has filled by 5 times, benefitting approx. 2100 people and impacting approx. 455 hectares of land.

Further in the reporting year 2 new structures has been taken up at Mejud and Shyampura Panchayat of Thanagazhi block, Alwar district, having total water holding capacity of approx. 63,000 cubic meter in single filling.

The above initiatives are being implemented in co-ordination with Watershed Development & Soil Conservation Department and Sariska Tiger Reserve, Alwar, Rajasthan.

II. Plantation

Plantation work over 2 road dividers covering of approx. 10025 sq. mtr. area in Bhiwadi, Rajasthan is completed and is under maintenance also the development of a new green belt is initiated at Lovakhurd, Bahadurgarh, Jhajjar covering of approx. 11,500 sq. mtr. area.

III. Improved Cook Stove

Despite the robust development in the country still many households in rural India uses the firewood in the traditional Chulha to meet their daily needs of cooking. Your Company has identified the need of replacement of the traditional means of cooking by providing the Improved Cook Stove. This Cook Stove emits approx. 3000-4000 kg. less CO₂ per year as it functions with approx. 50% of less firewood and generates 40% of less smoke; taking less cooking time and easy to use in comparison to the traditional mud Chulha. In the reporting year total 2,800 stoves have been distributed to the households of Khanpur & Laksar Blocks of Haridwar District and Thanagazhi block of Alwar District.

2. Composition of CSR & ESG Committee:

The Composition and attendance of members at the meetings held during the Financial Year 2023-24 is as following:

S. N.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ramesh Kumar Dua	Chairman / Managing Director	2	2
2	Mr. Mukand Lal Dua	Member / Whole Time Director	2	2
3	Mr. Pankaj Shrimali ¹	Member /Independent Director	2	2
4	Ms. Deepa Verma	Member /Independent Director	2	2
5	Mr. Vivek Kumar ¹	Member /Independent Director	2	2

1. Mr. Pankaj Shrimali and Mr. Vivek Kumar, ceased as member of the Committee w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company;
2. Mr. Rajeev Rupendra Bhadauria and Mr. Yogesh Kapur were inducted as Member to the Committee w.e.f. April 1, 2024; and
3. Ms. Richa Arora was inducted as Member to the Committee w.e.f. May 9, 2024

CSR & ESG Committee meetings were held on July 24, 2023 and January 31, 2024.

3. Provide the web-link (s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

The web-link for the composition of CSR committee as part of the CSR Policy and CSR projects approved by the board are disclosed on https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/corporate-social-responsibility-policy-1716526796.pdf and https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/annual-action-plan-2024-1704801726.pdf respectively.

4. Provide the executive summary along with web-link (s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Your Company does not fall under the criteria of Impact assessment as per sub-rule (3) of rule 8 of the CSR Rules.

5.	(a)	Average net profit of the Company as per sub-section (5) of Section 135:	₹31049.29 lacs
	(b)	Two percent of average net profit of the Company as per sub-section (5) of Section 135:	₹621.00 lacs
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	Nil
	(d)	Amount required to be set off for the financial year, if any:	Nil
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]:	₹621.00 lacs
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹147.97 lacs
	(b)	Amount spent in Administrative Overheads	₹3.84 lacs
	(c)	Amount spent on Impact Assessment, if applicable:	Nil
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]:	₹151.81 lacs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lacs)	Amount Unspent (₹ in Lacs)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
151.81	469.19	29-04-2024	NA	NA	NA

(f) Excess amount for set off, if any

S. N.	Particular	Amount (₹ in Lacs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	621.00
(ii)	Total amount spent for the Financial Year	151.81
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

S. N.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ in Lacs)	Balance Amount in unspent CSR account under sub-section (6) of 135 (₹ in Lacs)	Amount spent in the Financial Year 2023-24 (₹ in Lacs)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (₹ in Lacs)	Deficiency, if Any (₹ in Lacs)
					Amount (₹ in Lacs)	Date of transfer		
1	2020-21	542.71	226.29	226.29	-	-	-	Nil
2	2021-22	644.48	580.46	140.30	-	-	440.16	Nil
3	2022-23	634.92	634.92	156.72	-	-	478.20	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

During the year, your Company has spent ₹151.81 lacs in the projects such as Remedial Education, Skill Development, Mobile Health Unit, Project Nayan and Environment Conservation. The balance amount of ₹469.19 lacs has been transferred to the Unspent CSR Account on April 29, 2024, which will be spent over the Health and Environment Conservation projects approved by the Board of Directors, as recommended by the CSR & ESG committee on July 24, 2023,

Your Company also continued its social initiatives undertaken in yester years, through its dedicated society viz. Relaxo Foundation. Relaxo Foundation has spent ₹33.18 Lacs, towards different projects from the CSR funds available of yester years. The details are given in the below table:

Details of CSR Activities undertaken by the Company:					
S. N.	CSR Projects/ activity identified	Sector in which the project is covered/ Relevant Section of Schedule VII in which the project is covered	Locations	Amount spent on the projects or programs (₹ in Lac)	Amount spent: Direct or through implementing agency
1	Parivartan' Model School Project Phase I- 13 Schools	Education	Haridwar, Uttrakhand	12.46	Plan International (India Chapter), SBMA & AYUS
2	Comprehensive Health Project- Mobile Health Unit	Healthcare	Bhiwadi, Rajasthan	20.72	Smile Foundation
Sub Total				33.18	
3	Administrative Expenses			0.0016	Direct
Total				33.18	

Note: All the above projects have been implemented by Relaxo Foundation (CSR00004306) through the partner agencies as mentioned above.

Delhi, May 9, 2024

Ramesh Kumar Dua

Managing Director & Chairman of CSR Committee
DIN: 00157872

Sushil Batra

Executive Director & Chief Financial Officer
DIN: 09351823

Annexure 'E'

1. CONSERVATION OF ENERGY

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

Your Company has taken many initiatives in Energy conservation and Technology absorption. As a part of Company's endeavor, it is an ongoing drive/ process and Your Company is committed to invest in the latest/ efficient technologies.

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 Auto Harmonic Filter Device in some of the LT panels to improve power factor resulting in power saving.
 - Imported new EVA injection machines with preinstalled VFDs and servo motors as against conventional motors, thereby saving power.
 - Sue Moto insulation of PVC Horizontal machine barrels resulting in energy conservation.
 - Changeover to PNG from LPG in some of the Canteen facilities.
 - Many of our existing DG sets converted to run in a hybrid / dual fuel mode by installing special kit which will be fitted on existing high speed diesel engine to allow use of methane rich natural gas with diesel as fuel to ensuring energy conservation and comparatively low pollution.
- 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: -
 - Conducted a regular energy audit, for identifying power losses at the retail outlets and exploring appropriate steps to reduce power consumption without affecting the operations.

- Reduced energy consumption through using Inverter air conditioner with higher star rating in new Retail outlets and replacement of old units at existing outlets.
- Replacement of conventional lights fitting by Efficient lighting fixtures in renovation and repair.
- Prompted to retail outlet staff regarding awareness of energy saving.

b) Steps taken by the Company for utilizing alternate sources of energy:

Switched to Battery Operated fork lifts against Diesel operated thereby ensuring energy conservation and comparatively low pollution.

c) Capital investment on energy conservation:

There was no major capital investment except for new EVA Injection machines and Conversion of DG sets.

2. TECHNOLOGY ADOPTION

a) Efforts made towards technology absorption

- Switched to Automatic Textile cutting machine from Manual Travel Head clickers thereby saving in RM cost & resulting in productivity improvement.
- Setting up of PVC Lamination plant to cater synthetic leather requirement of featured PU and Shoe products.
- Setting up of captive fly-knit upper Manufacturing facility, to cater to huge demand in Shoe & PU Division for Knitted uppers.

b) Benefit derived as a result of the above efforts

1. Better environment friendly fuel.
2. Better Quality of products and improved productivity.
3. Better shop floor environment in plants.
4. Less reliance on vendors.

c) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): None

d) the expenditure incurred on Research and Development:

Nil

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, Australia, Africa, South America & Oceania and these markets will increase overall export of Company in coming years. The branch office is operational in Dubai for strategizing export

plans and expand its business to newer geographies. Furthermore, achieving 3 Star Export House status is yet another accolade for the organization.

b) Total Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows

(₹ in Crores)

Particulars	2023-24	2022-23
Outflow	283.61	309.56
Inflow	132.55	121.24

For and on behalf of the Board of Directors

Ramesh Kumar Dua

Chairman & Managing Director
DIN: 00157872

Mukand Lal Dua

Whole Time Director
DIN: 00157898

Delhi, May 9, 2024

Annexure 'F'

EMPLOYEE STOCK OPTION PLAN (“ESOP”)

The Company had instituted the Employee Stock Option Plan 2014 (the “Plan”) for employees of the Company by granting stock options convertible into equity shares of the Company. The Plan was formulated in accordance with the SEBI (ESOS & ESPS) Guidelines, 1999, which were prevailing at the time of institution of the Plan. The SEBI (ESOS & ESPS) Guidelines, 1999 stood repealed upon introduction of the SEBI (Share Based Employee Benefits) Regulations, 2014 which have been further replaced by the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Plan was approved by the shareholders of the Company, on August 5, 2014, through postal ballot. The Plan provides for issue and allotment of not exceeding 9,00,090 Equity Shares to the eligible employees of the Company and subsequent to the Bonus Issue in July 2015 and June 2019, the number of options available increased to 31,79,940. Further, the Company hereby submits that it is in compliance with the

provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and during the year, there is no material change in the Scheme/ Plan.

Disclosures in compliance with Employee Stock Option Plan of the Company, are set below:

- I. The information pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, erstwhile SEBI (Share Based Employee Benefits) Regulations, 2014, read with ‘Guidance note on accounting for Employee share-based payments’ issued by ICAI have been provided in Annexure-1 to this Report.
- II. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with Ind AS 33 - Earnings Per Share issued by ICAI have been provided in Annexure-1 to this Report.

Annexure 1: Details related to ESOS

Requirements under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under:

S. N.	Particulars	ESOP Scheme
A.	Summary	
1	Date of Shareholders Approval	August 5, 2014
2	Total number of options reserved under the scheme	31,79,940
3	Date of Grants	August 9, 2014, May 9, 2015, July 25, 2015, October 31, 2015, May 14, 2016, July 30, 2016, November 5, 2016, August 5, 2017, November 4, 2017, May 11, 2018, August 4, 2018, November 3, 2018, May 10, 2019, August 3, 2019, November 2, 2019, June 6, 2020, August 1, 2020, October 31, 2020, November 1, 2021, May 11, 2022, July 26, 2022, November 2, 2022, March 14, 2023, May 10, 2023, July 24, 2023 and November 1, 2023.
4	Options Granted	29,41,530
5	Vesting Schedule	1 - 3 years from the date of Grant
6	Pricing Formula	Closing Market Price prior to the date of the meeting of the Nomination and 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	
1	Options Outstanding at the Beginning of the Year	7,82,110
2	Number of Options Granted during the Year	53,300
3	Number of options vested during the Year	0
4	Number of options exercised during the Year	0

S. N.	Particulars	ESOP Scheme
5	Total number of shares arising as a result of exercise of options	0
6	Number of options Cancelled during the Year	1,18,500
7	Number of Options outstanding at the end of the year	7,16,910
8	Number of Options exercisable at the end of the year	10,910
9	Money realised by exercise of options during the year(₹)	0
10	Loan repaid by the trust during the year from the exercised price received	N.A.

C. Employee-wise details of options granted to:

(i) Senior managerial personnel

Name (Designation)	No. of options granted
Ankit Jain (Company Secretary)	2,500
Vikas Dogra (Vice President –Sales)	8,300
Sachin Chhabra (Vice President- Marketing)	6,500
Nilanjan Chakrabarty (General Manager- PD)	2,200
Total	19,500

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

Name (Designation)	No. of options granted
Kaustav Basu	4,000
Rajesh Kumar Pachouri	2,700
Sachin Chhabra	6,500
Shambhu Lal Agrawal	2,900
Sourav Sengupta	3,700
Sudarshan K S	3,600
Vikas Dogra	8,300
Total	31,700

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

Name	No. of options granted
Nil	

D.

(i) Weighted average exercise price of Options granted during the year whose

(a)	Exercise price equals market price (₹)	885.67
(b)	Exercise price is greater than market price (₹)	Nil
(c)	Exercise price is less than market price (₹)	Nil

(ii) Weighted average fair value of options whose

(a)	Exercise price equals market price (₹)	220.55
(b)	Exercise price is greater than market price (₹)	Nil
(c)	Exercise price is less than market price (₹)	Nil

E. Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with IND AS 33

Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with IND AS 33	8.05
---	------

F. Method and Assumptions used to estimate the fair value of options granted during the year:

S. N.	Particulars	ESOP Scheme
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 (₹)	885.67
	Volatility (%)	25.23
	Risk free Rate (%)	7.01
	Exercise Price (₹)	885.67
	Time to Maturity (In Years)	2.83
	Dividend yield (%)	0.29
b)	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	
c)	There are no market conditions attached to the grant and vest.	

For and on behalf of the Board of Directors

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Mukand Lal Dua
Whole Time Director
DIN: 00157898

Delhi, May 9, 2024

Annexure 'G'

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
THE MEMBERS OF
RELAXO FOOTWEARS LIMITED

1. We, Gupta & Dua, 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 March 31, 2024, 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 controls 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 March 31, 2024.
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 Gupta & Dua

Chartered Accountants
Firm's Registration No.003849N

Mukesh Dua

Partner
Membership No. 085323
UDIN: 24085323BKCTVE6130

New Delhi, May 9, 2024

CORPORATE GOVERNANCE REPORT

Corporate Governance is about our commitment to human values in business which translates into ethical corporate conduct. Corporate Governance is about balancing economic goals with greater responsibilities towards society and creating valuable impact with practices and policies embedded within Company's value system, management ethos, and business practices. Corporate Governance practices 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 impacts 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 encourage a sense of trustworthiness amongst the society at large, influence the immediate corporate environment positively and have an overall healthy impact on the national economy.

At Relaxo Footwears Limited ("Relaxo"), we believe that good Corporate Governance is a continuing exercise and that each one at Relaxo is equally responsible and committed to support this cause in all management and operational activities. Integrity and transparency are key to our Corporate Governance practices helping us earn trust of our stakeholders and facilitate effective and prudent management to come up to their expectations. Your Company is conscious of the fact that success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to regulatory compliance, your Company endeavours to meet highest standards of ethical and responsible conduct throughout the organisation in letter and in spirit.

To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for our Stakeholders.

The Board of Directors (the "Board") are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders.

1. GOVERNANCE PHILOSOPHY

Corporate Governance has occupied pivotal position at Relaxo since inception. The business has, since then, been conducted in most transparent and ethical manner. Relaxo's governance framework is driven by the objective of enhancing long term stakeholder value without

compromising on ethical standards and corporate social responsibilities. The Company continuously endeavors to maintain pace 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 voluntarily adopted and evolved various practices of Governance conforming to highest ethical and responsible standards of business. 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. DATE OF REPORT

The information provided in this Report on Corporate Governance is as on March 31, 2024. Further, information as on date of this report on have also been provided for certain sections.

3. BOARD OF DIRECTORS

Composition

In terms of Regulation 17 of the Listing Regulations, the composition of the Board of your Company is well diverse. Every member of the Board is having experience and expertise in their respective fields. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company.

The Company's policy is to maintain an optimum combination of Executive and Non-Executive/Independent Directors based on Chairman being executive/ non-executive as required under Listing Regulations. As on March 31, 2024, the Company has 1 (One) Managing Director, 4 (Four) Whole Time Directors and 5 (Five) Non-Executive Independent Directors including 1 (One) Woman Independent Director.

Further till the date of report following changes were occurred in the Board of Directors, which are summarized as under:

1. Mr. Pankaj Shrimali and Mr. Vivek Kumar Ceased from the position of Independent Director w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company.
2. Mr. Deval Ganguly resigned from the position of Whole Time Director of the Company w.e.f. closure of working hours on March 31, 2024.

3. Mr. Yogesh Kapur and Mr. Raj Kumar Jain were appointed as Independent Director of the Company w.e.f. April 1, 2024.
4. Mr. Sushil Batra, Chief Financial Officer of the Company was appointed as Executive Director and Chief Financial Officer of the Company w.e.f. April 1, 2024.
5. Ms. Richa Arora was appointed as an Independent Director of the Company w.e.f. May 9, 2024.

The composition of the Board represents an optimal mix of professionalism, knowledge, experience and expertise in varied fields enabling it to discharge its responsibilities and provide effective leadership for long-term vision with highest standards 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 Financial Year ended March 31, 2024, the Board of Directors of the Company met 5 (Five) times. The intervening period between the Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013 (hereinafter referred as the "Act") and Regulation 17 of the Listing Regulations.

The composition of the Board during the Financial Year under review and position held by Directors on the Board / Committees of the Company as on March 31, 2024 along with their attendance at Board meetings and Annual General Meeting ("AGM") of the Company during the Financial 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 (August 24, 2023) attended through VC/ OAVM	No. of positions held as on March 31, 2024			No. of equity shares and convertible instruments held as on March 31, 2024	
				No. of other Directorship ¹	Committee ² (including the Company)			
					Membership	Chairmanship		
Ramesh Kumar Dua ³⁶⁴	Promoter Managing Director- Executive	4(5)	Yes	1	1	-	-	5,84,27,744 ⁴
Mukand Lal Dua ³	Promoter Whole Time Director- Executive	4(5)	Yes	-	1	-	-	5,07,53,160 ⁴
Nikhil Dua ³	Promoter Whole Time Director- Executive	4(5)	Yes	-	1	-	-	92,43,674
Gaurav Kumaar Dua ³	Promoter Whole Time Director- Executive	4(5)	Yes	-	-	-	-	93,43,674
Deval Ganguly ⁶	Whole Time Director- Executive	4(5)	Yes	-	-	-	-	-

The details are as follows:

Meeting Number	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors Present	No. of Independent Directors Present
1	May 10, 2023	10	10	5
2	July 24, 2023	10	10	5
3	November 1, 2023	10	5	4
4	January 31, 2024	10	10	5
5	March 29, 2024	10	9	5

Necessary disclosures regarding Directorship and Committee positions in other Companies as on March 31, 2024 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 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all listed companies in which he / she is a Director (for the said purpose, the term Committee shall only include Audit Committee and Stakeholders' Relationship Committee in terms of Regulation 26 of the Listing Regulations). Also, none of the Directors serve as a Director in more than 7 (Seven) Listed Companies.

Name of Directors	Category of Directors	No. of Board Meetings attended (total held during tenure)	Attendance at last AGM (August 24, 2023) attended through VC/ OAVM	No. of positions held as on March 31, 2024			No. of equity shares and convertible instruments held as on March 31, 2024	
				No. of other Directorship ¹	Committee ² (including the Company)			Name of Listed Entity where the person is a Director (Category)
					Membership	Chairmanship		
Vivek Kumar ⁵	Independent Director- Non-Executive	5(5)	Yes	-	2	1	-	-
Pankaj Shrimali ⁵	Independent Director- Non-Executive	5(5)	Yes	-	1	1	-	16,050
Rajeev Rupendra Bhadauria	Independent Director- Non-Executive	5(5)	Yes	1	1	-	-	-
Deepa Verma	Independent Director- Non-Executive	5(5)	Yes	-	-	-	-	-
Kuldip Singh Dhingra	Independent Director- Non-Executive	4(5)	No	3	-	-	1	10,457

Notes:

- For the purpose of considering the limit of the number of directorship and Chairman/member of committees, all Public Companies (whether listed or unlisted) shall be included and all other companies including Private Limited Companies, Foreign Companies, High Value Debt Listed Entities, and Companies under Section 8 of the Act are excluded which is in line with the requirement of relevant conditions of Regulation 26 of the Listing Regulations. Further, the directorships held by Directors as mentioned above do not include the directorships held in Relaxo Footwears Limited.
- Committees 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.
- Mr. 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, Whole Time Director of the Company. Mr. Ramesh Kumar Dua is also related to Mr. Gaurav Kumaar Dua, Whole Time Director of the Company. None of the Directors other than above have any relationship with any Director of the Company as per Sec 2(77) of the Act including rules thereunder.
- Mr. Ramesh Kumar Dua, Managing Director of the Company designated as Chairman of the Company w.e.f. April 1, 2024.
- Mr. Pankaj Shrimali and Mr. Vivek Kumar ceased from the position of Independent Director w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company.
- Mr. Deval Ganguly resigned from the position of Whole Time Director of the Company w.e.f. closure of working hours on March 31, 2024.
- Mr. Yogesh Kapur and Mr. Raj Kumar Jain were appointed as Independent Director of the Company w.e.f. April 1, 2024.
- Mr. Sushil Batra, Chief Financial Officer of the Company was appointed as Executive Director and Chief Financial Officer of the Company w.e.f. April 1, 2024.
- Ms. Richa Arora was appointed as an Independent Director of the Company w.e.f. May 9, 2024.

The below matrix summarizes the skills, expertise and competencies possessed by our individual directors, which are key to corporate governance and board effectiveness as on March 31, 2024:

Name of Directors	Skills, expertise and competencies identified by the Board			
	Strategy & Planning - Business strategy and Corporate Management	Governance - 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 - finance, investment & commercial banking, institution affairs, human resource, marketing & sales
Ramesh Kumar Dua	√	√	√	√
Mukand Lal Dua	√		√	
Nikhil Dua	√		√	
Gaurav Kumaar Dua	√		√	√
Deval Ganguly ²	√		√	
Pankaj Shrimali ¹	√	√		√
Vivek Kumar ¹	√	√	√	
Rajeev Rupendra Bhadauria	√			√
Deepa Verma	√			√
Kuldip Singh Dhingra	√	√		√

Notes:

1. Mr. Pankaj Shrimali and Mr. Vivek Kumar ceased from the position of Independent Director w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company.
2. Mr. Deval Ganguly resigned from the position of Whole Time Director of the Company w.e.f. closure of working hours on March 31, 2024.

Familiarization Program

In order to encourage active participation of Independent Directors and in order to understand the business of the Company, programs are conducted for the Independent Directors with detailed presentations covering all aspects of information that they need to possess/update. The details of the programs/sessions conducted for familiarization of Independent Directors can be accessed on the Company website at https://dxkvlfnvcvqr8.cloudfront.net/media/file/pdf/download_file/familiarisation-report-2023-2024-1722251751.pdf

Board Support

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board and its Committees and acts in the capacity of Secretary of the Committees. The Company Secretary advises / assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the Meetings.

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 / re-appointment have been issued to the 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 / re-appointment are disclosed on the Company's website in the investor section at <https://www.relaxofootwear.com/terms-conditions-of-independent-director>

At the time of appointment and thereafter at the beginning of each financial year or whenever there is any change in the circumstances which may affect their status, 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 aforesaid eligibility criteria. All such declarations are placed before the Board for its information. All Independent Directors of the Company have submitted the declarations with the Company that they are exempt from appearing in the test as required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

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

Further, no Independent Director resigned before the expiry of his/her tenure during the year under review.

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 of the Board.

During the Financial Year 2023-24, the Independent Directors of the Company met once on February 29, 2024.

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 Independent Directors inter-alia discuss the issues arising out of Committee meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Familiarization program imparted to Independent Directors is available on the Company's website at https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/familiarisation-report-2023-2024-1722251751.pdf

Company Secretary

Mr. Ankit Jain is the Company Secretary and Compliance Officer of the Company.

4. 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 Board 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. The Board-level Committees constituted in the Company are:

- i. Audit Committee
- ii. Stakeholder Relationship Committee ("SRC")
- iii. Nomination and Remuneration Committee ("NRC")
- iv. CSR & ESG Committee ("CSR")
- v. Risk Management Committee ("RMC")

The Company Secretary acts as the Secretary of all 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 Act, and Regulation 18 read with Part C of Schedule II of Listing Regulations and as a measure for good Corporate

Governance and to provide assistance to the Board 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 the Act 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 Act.
 - 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 public issue or rights issue or preferential issue or qualified institutions placement, 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) Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 on quarterly basis;
 - u) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the listed entity and its shareholders; and
 - v) 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 Act.
- 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 considers appropriate for discharging its various functions.
- The Audit Committee shall mandatorily review the following information:
- a) Management discussion and analysis of financial condition and results of operations;
 - b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - c) Internal audit reports relating to internal control weaknesses;
 - d) Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
 - e) Statement of deviations;
 - f) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); and
- Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Composition and Attendance

As on March 31, 2024, the Audit Committee comprised of 4 (Four) members namely Mr. Pankaj Shrimali Chairman, Mr. Vivek Kumar, Mr. Rajeev Rupendra Bhadauria and Mr. Nikhil Dua - Members.

During the Financial Year under review, the Audit Committee met 5 (Five) times i.e. May 10, 2023, July 24, 2023, November 1, 2023, January 31, 2024 and March 29, 2024. All the Audit Committee meetings were held within the period of 120 days.

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 ¹	Chairman	Non-Executive & Independent Director	5	5
Mr. Rajeev Rupendra Bhadauria	Member	Non-Executive & Independent Director	5	5
Mr. Vivek Kumar ²	Member	Non-Executive & Independent Director	5	5
Mr. Nikhil Dua	Member	Whole Time Director	5	4

Notes:

1. Mr. Pankaj Shrimali and Mr. Vivek Kumar ceased as member of the Audit Committee w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company;
2. Mr. Yogesh Kapur and Mr. Raj Kumar Jain were inducted as Member to the Audit Committee w.e.f. April 1, 2024; and
3. Ms. Richa Arora was inducted as Member to the Audit Committee w.e.f. May 9, 2024.

Members of the Audit Committee have requisite Financial and Management expertise. The meetings of Audit Committee were also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor of the Company as special invitees, as and when required. The Chairman of the Committee was present at the last AGM held on August 24, 2023 through VC/OAVM. The Company Secretary of the Company acts as the Secretary to this Committee.

II. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act, the Company has constituted Stakeholders' Relationship Committee.

The role of the Committee *inter-alia* includes 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; and
- (e) Any allied matter out of and incidental to these functions.

Composition and Attendance

As on the Financial Year ended March 31, 2024, the Stakeholders' Relationship Committee comprised of 3 (Three) members. Mr. Vivek Kumar, a Non-Executive Independent Director of the Company is the Chairman of the Committee. The other members of the Committee are Mr. Ramesh Kumar Dua and Mr. Mukand Lal Dua.

During the Financial Year under review, the Stakeholders' Relationship Committee met 2 (two) times i.e., May 11, 2023 and September 21, 2023. The composition and attendance of members at the meetings held during the Financial Year under review is as follows:

Name of Members	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. Vivek Kumar ¹	Chairman	Non-Executive & Independent Director	2	2
Mr. Ramesh Kumar Dua	Member	Managing Director	2	2
Mr. Mukand Lal Dua	Member	Whole Time Director	2	2

Notes:

1. Mr. Vivek Kumar ceased as member of the Stakeholders' Relationship Committee w.e.f. closure of working hours on March 31, 2024 due to completion of his 2nd term as Independent Director of the Company; and
2. Mr. Rajeev Rupendra Bhadauria was inducted as Chairman to the Stakeholders' Relationship Committee w.e.f. April 1, 2024.

Status of total complaints received during the Financial Year ended March 31, 2024:

S. N.	Particulars	No. of Complaints
1	Complaints, and grievances received during the year	118
2	Complaints resolved within 15 days	119*
3	Complaints not solved to the satisfaction of shareholders	0
4	Complaints pending on March 31, 2024	0

*One Complaint, pending on March 31, 2023 was resolved.

The Chairman of the Committee was present at the last AGM held on August 24, 2023 through VC/OAVM. The Company Secretary of the Company acts as the Secretary to this Committee.

III. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations. The role of the Nomination and Remuneration Committee *inter-alia* includes the following:

- (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) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description;

- (c) Formulation of criteria for effective evaluation of performance of the Board, Independent Directors and other individual directors and review its implementation and compliance thereof;
- (d) Devising a policy on diversity of board of directors;
- (e) 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;
- (f) 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;
- (g) 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; and
- (h) Reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria.

As required under SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021, erstwhile SEBI (Share Based Employee Benefits)

Regulations, 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

As on March 31, 2024 the Committee comprised of 3 (Three) members. Ms. Deepa Verma, Non-Executive Independent Director of the Company is the Chairperson of the Committee. The other members of the Committee are Mr. Pankaj Shrimali and Mr. Vivek Kumar.

During the Financial Year under review, the Committee met 5 (Five) times i.e. May 10, 2023, July 24, 2023, November 1, 2023, January 31, 2024 and March 29, 2024.

The Chairman of the Committee was present at the last AGM held on August 24, 2023 through VC/OAVM. The Company Secretary of the Company acts as the Secretary to this Committee.

The composition and attendance of members at the meetings held during the Financial Year under review is as follows:

Name of Members	Designation	Category	No. of Meetings held	No. of Meetings attended
Ms. Deepa Verma	Chairperson	Non-Executive & Independent Director	5	5
Mr. Vivek Kumar ¹	Member	Non-Executive & Independent Director	5	5
Mr. Pankaj Shrimali ¹	Member	Non-Executive & Independent Director	5	5

Notes:

1. Mr. Pankaj Shrimali and Mr. Vivek Kumar ceased as member of the Nomination and Remuneration Committee w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company;
2. Mr. Rajiv Rupendra Bhadauria and Mr. Yogesh Kapur were inducted as Member to the Nomination and Remuneration Committee w.e.f. April 1, 2024; and
3. Ms. Richa Arora was inducted as Member to the Nomination and Remuneration Committee w.e.f. May 9, 2024.

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 https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/nomination-and-remuneration-policy-1708068892.pdf

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board of Directors, in consultation with NRC, has formulated a Board evaluation framework containing inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors including Independent Directors.

The NRC has specified the manner for effective evaluation of performance of Board, its Committee and individual Director including Independent Directors. The Board 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 for the Board Meetings was also evaluated by 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 of 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.

REMUNERATION DETAILS

The details of remuneration paid to Executive and Non-Executive Directors during the Financial Year 2023-24 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 subject to such other statutory approvals as may be necessary. Details of remuneration paid to the Executive Directors in the Financial Year 2023-24 is as follows: (₹ in Lacs)

Particulars	(Managing Director)	(Whole-Time Directors)			
	Mr. Ramesh Kumar Dua ¹	Mr. Mukand Lal Dua ¹	Mr. Nikhil Dua	Mr. Gaurav Kumar Dua	Mr. Deval Ganguly ⁴
Salary	180.00	180.00	101.97	101.97	113.98
Commission Payable	1066.00	1066.00	-	-	-
Contribution to Provident Fund	21.60	21.60	5.33	5.33	5.96
Perquisite value of Stock Options	-	-	-	-	-
Gratuity*	-	-	-	-	26.25
Allowance/ Perquisites	4.77	4.77	4.10	4.10	5.46
Performance Incentive*	-	-	27.64	27.64	19.39
Total	1,272.37	1,272.37	139.04	139.04	171.04

* On the Payment basis.

Notes:

- Mr. Ramesh Kumar Dua and Mr. Mukand Lal Dua, were re-appointed as Managing Director and Whole-Time Director of the Company, respectively, for a period of five (5) years with effect from April 1, 2024 and are related to each other.
- No severance fee is payable to Managing Director and Whole-Time Directors.
- Notice period for the Executive Directors is up to three (3) months.
- Mr. Deval Ganguly resigned from the position of Whole Time Director of the Company w.e.f. closure of working hours on March 31, 2024 and due to his resignation 24,200 options were cancelled as granted to Mr. Deval Ganguly under RFL Phase IV as per ESOP Scheme of the Company.

ii) Non-Executive Directors: -

The Company has formulated the criteria of making payments to non-executive Directors which is also available on the website of the Company at the following link <https://www.relaxofootwear.com/terms-conditions-of-independent-director>

The details of remuneration paid by way of sitting fees and commission to the Non-Executive and Independent Directors for attending Board and its Committees Meetings during the Financial Year ended March 31, 2024 and the number of shares held by the Non-Executive and Independent Directors as on March 31, 2024 are as under: (₹ in Lacs)

Name of Directors	Category	Sitting Fees	Commission	Total	No. of shares held
Mr. Pankaj Shrimali ¹	Non –Executive & Independent Director	4.80	2.50	7.30	16,050
Mr. Vivek Kumar ¹	Non –Executive & Independent Director	4.45	2.50	6.95	-
Mr. Rajeev Rupendra Bhadauria	Non –Executive & Independent Director	3.50	2.50	6.00	-
Ms. Deepa Verma	Non –Executive & Independent Director	3.40	2.50	5.90	-
Mr. Kuldip Singh Dhingra	Non –Executive & Independent Director	2.00	2.50	4.50	10,457

Notes:

- Mr. Pankaj Shrimali and Mr. Vivek Kumar ceased from the position of Independent Director w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company.
- The remuneration to Directors is within the overall limit approved by shareholders.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from sitting fees and commission. The Company has not granted any stock options to any of its Non-Executive Independent Directors.

IV. CSR & ESG COMMITTEE

The Company has constituted CSR & ESG Committee which functions according to its terms of reference in accordance with Section 135 of the Act which, *inter alia*, include:

- Formulate and recommend to the Board, a CSR Policy indicating the activity(ies) to be undertaken by the Company as specified in Schedule VII of the Act.

- b) Recommend the amount to be spent on the CSR activities.
- c) Monitor the Company's CSR Policy periodically.
- d) 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 following link: https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/corporate-social-responsibility-policy-1716526796.pdf

The Report on CSR activities for the Financial Year 2023-24 forms a part of the Board's Report.

Composition and Attendance

As on March 31, 2024, the Committee comprised of 5 (Five) members namely Mr. Ramesh Kumar Dua- Chairman, Mr. Mukand Lal Dua, Mr. Pankaj Shrimali, Ms. Deepa Verma and Mr. Vivek Kumar- Members.

During the Financial Year under review, the Committee met 2 (Two) times on July 24, 2023 and January 31, 2024. The composition and attendance of members at the meetings held during the Financial 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	2	2
Mr. Mukand Lal Dua	Member	Whole Time Director	2	2
Mr. Pankaj Shrimali ¹	Member	Non -Executive & Independent Director	2	2
Ms. Deepa Verma	Member	Non -Executive & Independent Director	2	2
Mr. Vivek Kumar ¹	Member	Non -Executive & Independent Director	2	2

Notes:

- Mr. Pankaj Shrimali and Mr. Vivek Kumar ceased as member of the CSR & ESG Committee w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company.
- Mr. Rajiv Rupendra Bhadauria and Mr. Yogesh Kapur were inducted as Member to the CSR & ESG Committee w.e.f. April 1, 2024.
- Ms. Richa Arora inducted as Member to the CSR & ESG Committee w.e.f. May 9, 2024.

V Risk Management Committee

In compliance with the Regulation 21 of the Listing Regulations, the Company has constituted Risk Management Committee.

The role of Risk Management Committee is to focus on risk management including determination of Company's risk appetite, risk tolerance, risk assessments (risk identification, risk evaluation, risk management and mitigation) etc. including cyber security. The risk management policy is available at the website of the Company at following link https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/risk-management-policy-1708068852.pdf

As on March 31, 2024, the Committee comprised of 5 (Five) members namely Mr. Ramesh Kumar Dua- Chairman, Mr. Deval Ganguly, Mr. Pankaj Shrimali, Mr. Ritesh Dua and Mr. Sushil Batra- Members.

As per SEBI (LODR) (Second Amendment) Regulations, 2021, the Risk Management Committee shall meet at least twice in a year. During the Financial Year under review, the Committee met 2 (Two) times on July 24, 2023 and January 16, 2024. All the Risk Management Committee meetings were held within the period of 180 days. The attendance of each member at the meeting held during the Financial 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	2	2
Mr. Deval Ganguly ²	Member	Whole Time Director	2	2
Mr. Pankaj Shrimali ¹	Member	Non-Executive & Independent Director	2	2
Mr. Ritesh Dua	Member	Executive Vice President (Finance)	2	2
Mr. Sushil Batra	Member	Chief Financial Officer	2	2

Notes:

- Mr. Pankaj Shrimali ceased as member of the Risk Management Committee w.e.f. closure of working hours on March 31, 2024 due to completion of 2nd term as Independent Director of the Company.
- Mr. Deval Ganguly ceased as member of the Risk Management Committee w.e.f. closure of working hours on March 31, 2024 due to resignation from office of Director.
- Mr. Raj Kumar Jain and Mr. Yogesh Kapur were inducted as Member of the Risk Management Committee w.e.f. April 1, 2024.

5. SENIOR MANAGEMENT

During the year, Mr. Sachin Chhabra was appointed as Vice President- Marketing w.e.f. August 7, 2023 and Mr. Rajiv Bhatia, Assistant Vice President, superannuated from the Company w.e.f. closing of working hours on September 30, 2023.

Further Due to change in role and responsibility, Mr. Ashish Srivastava Vice President- Human Resources was designated as Senior Management Personnel ("SMP") w.e.f. November 1, 2023 and Mr. Shravan Kumar Singh, Vice President- Product Development, has ceased to be SMP w.e.f. November 1, 2023.

As on March 31, 2024, the following officials of the Company are categorized as Senior Management in terms of the provisions of the SEBI Listing Regulations.

S. N.	Name	Designation
1	Mr. Ritesh Dua	Executive Vice President Finance
2	Mr. Nitin Dua	Executive Vice President -Retail
3	Mr. Rahul Dua	Executive Vice President -Manufacturing
4	Mr. Ashish Bansal	General Manager -Strategy & Internal Audit
5	Mr. Ashish Srivastava	Vice President - Human Resources
6	Mr. Nilanjan Chakraborty	General Manager -PD
7	Mr. H R Sapra	Sr. Vice President - CPD
8	Mr. Vikas Dogra	Vice President -Sales
9	Mr. Sachin Chhabra	Vice President -Marketing
10	Mr. Verinder Kumar	Vice President -Manufacturing
11	Mr. R Lakshmanan	Vice President-Manufacturing
12	Mr. Jagbir Singh	Vice President-Manufacturing
13	Mr. Vijay Wadhvani	Asst. Vice President -SCML
14	Mr. Rishi Mutreja	Sr. General Manager SCM-P
15	Mr. Rajesh Manuja	General Manager -Maintenance
16	Mr. SS Farhat	General Manager -CM
17	Mr. PN Tiwari	DGM-Tools
18	Mr. Pratikshit Gupta	AGM-S. H. E.
19	Mr. Sushil Batra	Chief Financial Officer
20	Mr. Ankit Jain	Company Secretary & Compliance Officer

Further, Mr. Sushil Batra, Chief Financial Officer was appointed as Executive Director & CFO with effect from April 1, 2024 and Mr. Ashish Bansal, General Manager - Internal Audit resigned w.e.f. closing of working hours on April 18, 2024 and due to change in internal re-structuring of the Company, following officials of the Company were designated / ceased as SMP w.e.f May 9, 2024 in addition to above list.

S. N.	Name	Designation	Remark
1	Mr. Shravan Singh	Vice President -Product Development	Designated as SMP
2	Mr. Raghubir Singh	Asst. Vice President -IT	
3	Mr. Kaustav Basu	Asst. Vice President -New Channel	
4	Mr. Ashish Nigam	Asst. Vice President -Corp. Quality	
5	Mr. Supriyam Vatsa	Sr. General Manager - Accounts	
6	Mr. Sandeep Singh	Sr. General Manager- Export	
7	Mr. Ayan Bhattacharya	General Manager -Retail	
8	Mr. Navin Trivedi	General Manager - Legal	
9	Mr. Ajay Kumar Agarwal	General Manager -Banking	
10	Mr. Rishi Mohan Nayyar	General Manager -Costing	
11	Mr. Gambhir Agarwal	Mr. Gambhir Agarwal - Sr. Manager- CSR	
12	Mr. R Lakshmanan	Vice President - Manufacturing	Ceased as SMP
13	Mr. Jagbir Singh	Vice President - Manufacturing	
14	Mr. SS Farhat	General Manager -CM	
15	Mr. Rajesh Manuja	General Manager - Maintenance	
16	Mr. PN Tiwari	Dy. General Manager- Tools	
17	Mr. Pratikshit Gupta	Asst. General Manager- S. H. E	

6. VENUE & TIME OF ANNUAL GENERAL MEETINGS

The last 3 (Three) AGMs 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
2022-23	AGM held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in compliance with various circulars issued by MCA and SEBI.	7	Thursday, August 24, 2023	10.30 a.m.
2021-22	AGM held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), due to COVID-19 pandemic in compliance with various circulars issued by MCA and SEBI.	2	Thursday, August 25, 2022	10.30 a.m.
2020-21	AGM held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), due to COVID-19 pandemic in compliance with various circulars issued by MCA and SEBI.	2	Thursday, August 26, 2021	10.30 a.m.

7. EXTRA ORDINARY GENERAL MEETING

During the Financial Year 2023-24, no Extra Ordinary General Meeting was held.

8. POSTAL BALLOT

No Special Resolution was passed through Postal Ballot during the Financial Year ended on March 31, 2024.

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

The following resolutions are proposed to be passed through Postal Ballot:

S.N.	Particulars
1.	Adoption of amended Memorandum of Association of the Company
2.	Adoption of new set of Article of Association of the Company
3.	Appointment of Mr. Yogesh Kapur (DIN: 00070038) as an Independent Director of the Company
4.	Appointment of Mr. Raj Kumar Jain (DIN: 01741527) as an Independent Director of the Company
5.	Appointment of Mr. Sushil Batra (DIN: 09351823) continuing Chief Financial Officer, as Executive Director of the Company
6.	Appointment of Ms. Richa Arora (DIN: 07144694) as an Independent Director of the Company

Mr. Baldev Singh Kashtwal (FCS No. 3616, C.P. No. 3169), a Practicing Company Secretary, had been appointed as the Scrutinizer to scrutinize the Postal Ballot processes being conducted through Remote E-voting in a fair and transparent manner.

Procedure for postal ballot:

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Section 108 and Section 110 of the Act read with the Rules, the MCA Circulars and SS-2, the Company is providing remote e-Voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. The Company has engaged

the services of kfin Technologies Limited (R&TA of the Company) for the purpose of providing remote e-Voting facility to its Members. The Company in compliance with the provisions of General Circular Nos. Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 respectively ('MCA Circulars') issued by Ministry of Corporate Affairs, will send the Postal Ballot Notices dated May 9, 2024 in electronic form only on Thursday, May 16, 2024. The Company shall also publish Public Notices in Newspaper dated May 10, 2024 requesting the shareholders for registration of their e-mail addresses with the Company/ Depository as the notices of postal ballot were being sent through electronic mode only. The Company will also publish in Newspaper declaring the details of dispatch on May 17, 2024 for Postal Ballot Notices dated May 9, 2024 and other requirements as mandated under the applicable rules. The results of Postal Ballot will be put on the website of the Company at <https://www.relaxof footwear.com> and on the website of Kfin Technologies Limited at <https://www.kfintech.com/> after the same shall also be communicated to the Stock Exchanges.

9. 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 2023-24, there was no materially significant related party transaction entered into by the Company that may have potential conflict with the interests of your Company at large.

All transactions entered into with related parties as defined under the Act 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 Act.

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. 39 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 / Board, 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 Act 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 Updated Policy is posted on the website of the Company at following link: https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/policy-on-materiality-of-related-party-transactions-1646633287.pdf

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

Disclosure of related party transactions on a standalone basis is also sent to the Stock Exchanges after publication of financial results for the half year.

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(s) or 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 except some form/returns with slight delay due to operational non-working of V3 Portal of Ministry of Corporate Affairs.

d) Vigil Mechanism/ Whistle Blower Policy

In accordance with the requirement of Section 177 of the Act 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 website of the Company at following link: https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/vigil---mechanism---policy-1607580776.pdf

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. This is affirmed that no personnel has been denied access to the Chairman of the Audit Committee.

e) Compliance of Regulation 27 of the Listing Regulations

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 Listing Regulations and Quarterly compliance report on Corporate Governance, in the prescribed format duly signed by the compliance officer, is submitted quarterly with the Stock Exchanges where the shares of the Company are listed. 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 the Listing Regulations, relating to Corporate Governance. In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements i.e.

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, 2024.
- ii. Reporting of Internal Auditors**
- Internal Auditors directly reports 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 Code for Prohibition 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 of the Company. The Code, inter alia, lays down the procedures to be followed by Designated Persons (DPs) while trading/ dealing in Company shares and while sharing Unpublished Price Sensitive Information (UPSI). The Code includes the obligations and responsibilities of DPs, obligation to maintain the digital database, mechanism for prevention of insider trading and handling of UPSI.
- 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 or foreign exchange 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 the Financial Year 2023-24, Company had foreign exchange exposure towards the import and export. However, the Company has hedged major part of the import transactions.
- i) Policy for Determining Material Subsidiary Companies**
- The Company does not have any subsidiary, therefore, there is no policy for determining material subsidiary 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 as specified under Regulation 32 (7A) of the Listing Regulations.

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. 42 of Financial Statements.

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

As per the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), your Company has a robust mechanism in place to redress complaints reported under it. Status of Complaints during the year are as follows:-

- number of complaints pending at the start of the Financial Year - Nil
- number of complaints filed during the Financial Year - Nil
- number of complaints disposed of during the Financial Year - Nil
- number of complaints pending as on end of the Financial Year - Nil

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.

10. RECONCILIATION OF SHARE CAPITAL

A qualified Practicing Company Secretary carried out quarterly examination of Secretarial Records to reconcile the total admitted share capital with NSDL and 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.

11. 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. https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/code-of-conduct-for-directors-and-senior-management-compressed-1687243242.pdf 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 by Board members and Senior Management for the Financial Year ended March 31, 2024, is enclosed with this report.

12 MEANS OF COMMUNICATION

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

Publication of financial results:

During the Financial Year, Company's quarterly, half-yearly and annual audited financial results were published in Economic Times (in English Language- Mumbai and Delhi); and Navbharat Times (in Hindi Language- Delhi). Also, the results were filed with the Stock Exchanges and uploaded on the website of the Company. i.e. <https://www.relaxofootwear.com/financial-results>

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. <https://www.relaxofootwear.com/investor-relations>

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 fillings, 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.

13. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting

Date : August 29, 2024

Day : Thursday

Time : 10.30 a.m.

Venue : The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular bearing no. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021, 02/2022 dated May 5, 2022 and General Circular No.10/2022 dated December 28, 2022 and accordingly there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

b) Financial Year

The Company follows April to March as its Financial Year i.e., April 1, 2023 - March 31, 2024. The results for every quarter, beginning from April, will be declared within 45 days of the end of quarter, except for the last quarter, which will be submitted, along with the annual audited results within 60 days of the end of the last quarter or such extended date prescribed by SEBI from time to time.

c) Cut-off Date:

Thursday, August 22, 2024

d) Dividend Payment Date:

On or before September 27, 2024 (subject to approval of 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 2024-25
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

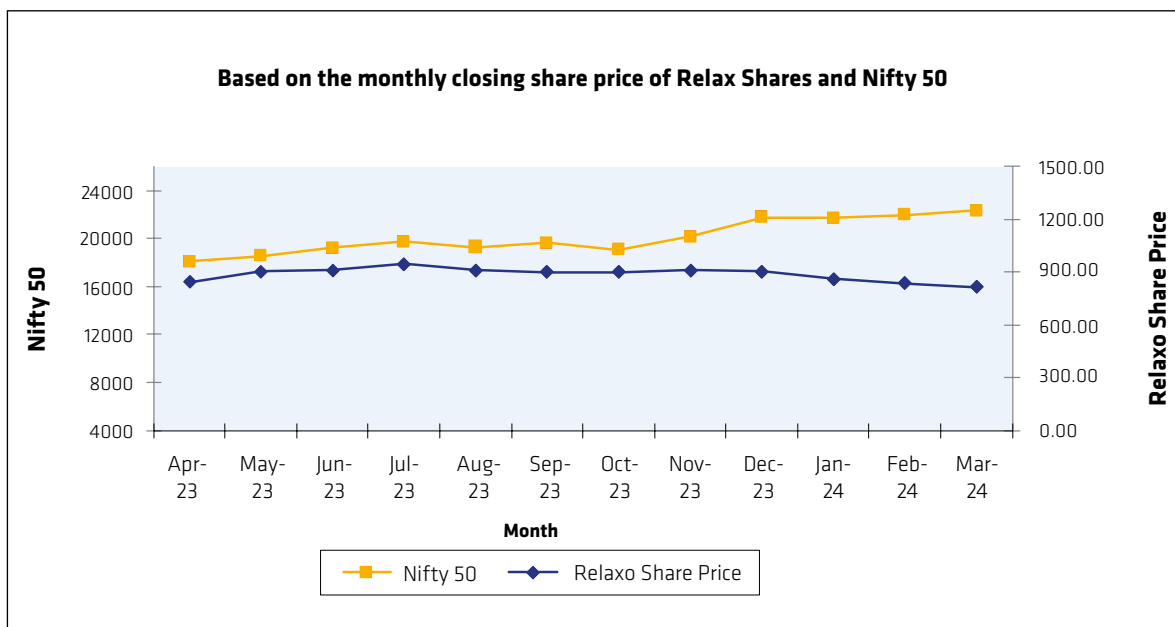
Further, the trading in the securities of the Company were not suspended during the year under review on any of the exchange.

g) Market Price Data

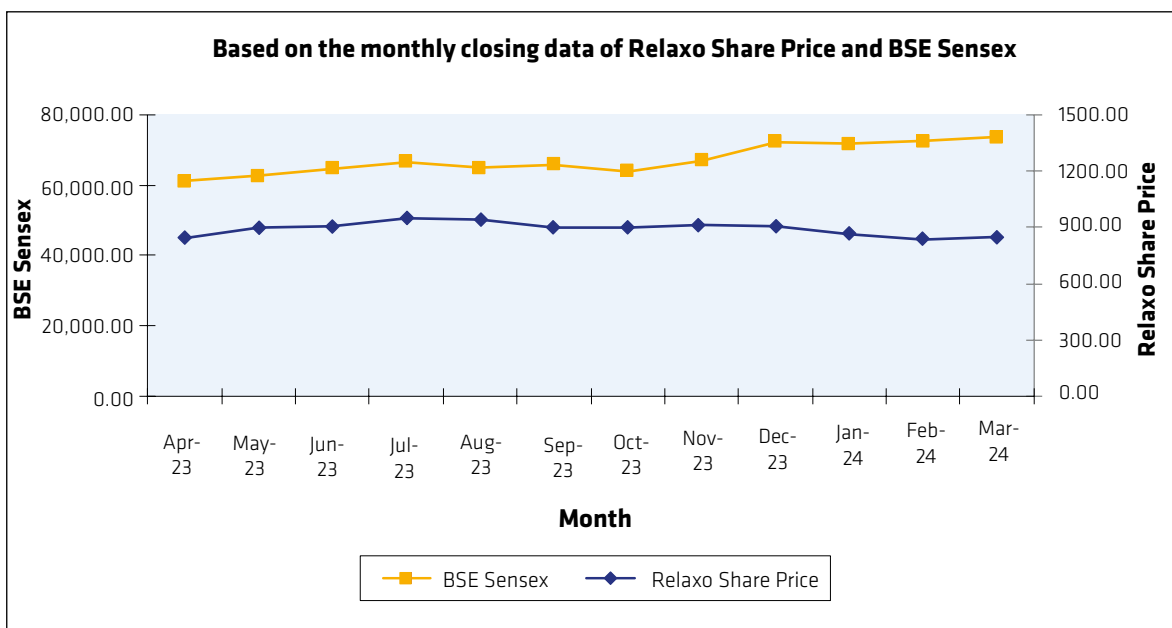
Table showing monthly price movement on NSE & BSE during the Financial Year 2023-24:

(in ₹)

Month & Year	NSE			BSE		
	High	Low	Close	High	Low	Close
Apr-23	861.90	801.05	843.25	861.50	802.50	843.35
May-23	909.80	836.00	902.10	909.95	835.05	901.55
Jun-23	941.85	891.00	909.00	945.45	890.40	909.00
Jul-23	959.40	879.20	946.10	958.60	879.00	944.45
Aug-23	974.00	836.65	944.90	974.00	845.00	909.25
Sep-23	935.00	880.00	900.65	937.15	880.50	900.75
Oct-23	936.85	860.00	898.00	936.45	861.30	898.75
Nov-23	959.00	885.00	910.05	958.00	886.00	909.45
Dec-23	927.95	890.60	903.50	928.65	890.40	903.05
Jan-24	911.50	842.35	860.10	911.05	842.60	860.80
Feb-24	882.00	827.25	835.70	881.70	830.00	837.60
Mar-24	949.00	762.45	817.30	949.85	762.50	816.00



Source: www.nseindia.com



Source: www.bseindia.com

h) Registrar and Share Transfer Agent (RTA): SEBI has made it mandatory for all the listed companies that all the work relating to share transfer / registry, physical and demat registry work, 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. KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) as the Registrar and Share Transfer Agent of the Company. As required under Regulation 7(3) of the Listing Regulations, the Company files, on yearly basis, certificate issued by RTA and compliance officer of the Company certifying that all activities in relation to share transfer facility are maintained by RTA registered with SEBI i.e. KFin Technologies Limited. Detail of the Registrar and Share Transfer Agent of the Company is given below:

M/s. KFin Technologies Limited
 (formerly KFin Technologies Private Limited)
 Selenium Building, Tower B,
 Plot 31-32, Financial District
 Gachibowli, Hyderabad, Telangana - 500 032,
 Email : einward.ris@kfin.com
 website: www.kfintech.com
 Phone: 040 - 67162222 & 33211000

i) Share Transfer System

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions, now as per Amendment in SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022, w.e.f. January 24, 2022, transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form only. All the shareholders are advised to adhere SEBI Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.

Pursuant to Regulation 40(9) & 40(10) of the Listing Regulations, Certificate on yearly basis confirming due compliance with all pending Share Transfer formalities by the Company and Certificate for timely dematerialization of shares as per SEBI (Depositories and Participants) Regulations, 2018, have been submitted with stock exchanges.

j) **Distribution Pattern as on March 31, 2024:**

i) **Shareholding pattern* (in form of size):**

S. N.	No. of Equity Shares held	2024				2023			
		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	1 - 5000	2,68,993	99.85	1,07,84,444	4.33	3,58,252	99.88	1,41,15,134	5.67
2	5001 - 10000	209	0.08	15,32,842	0.62	246	0.07	18,14,619	0.73
3	10001 - 20000	66	0.02	9,42,864	0.38	83	0.02	11,69,275	0.47
4	20001 - 30000	26	0.01	6,55,316	0.26	24	0.01	5,89,641	0.24
5	30001 - 40000	17	0.01	5,97,515	0.24	18	0.01	6,27,473	0.25
6	40001 - 50000	10	0.00	4,58,608	0.18	12	0.00	5,43,196	0.22
7	50001 - 100000	26	0.01	17,23,669	0.69	26	0.01	17,29,085	0.69
8	100001 & Above	41	0.02	23,22,43,328	93.29	39	0.01	22,83,37,623	91.73
Total		2,69,388	100.00	24,89,38,586	100.00	3,58,700	100.00	24,89,26,046	100.00

*on the basis of consolidation of PAN.

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

S. N.	Category	2024				2023			
		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	0.00	17,74,16,146	71.27	12	0.00	17,73,62,821	71.25
2	Bodies corporate	309	0.11	2,50,55,271	10.06	509	0.15	2,58,69,908	10.39
3	Resident individuals	2,63,262	97.73	1,38,86,178	5.58	3,50,643	97.75	1,74,77,419	7.02
4	H U F	1,433	0.53	2,70,626	0.11	1,850	0.51	2,89,527	0.12
5	Clearing Members	6	0.00	555	0.00	21	0.00	2,255	0.00
6	Non-resident Indians	4,221	1.57	6,04,327	0.24	5,512	1.52	8,86,857	0.36
7	Foreign Portfolio Investors	122	0.05	82,56,826	3.32	127	0.03	70,07,761	2.82
8	Others	23	0.01	2,34,48,657	9.42	26	0.04	2,00,29,498	8.04
Total		2,69,388	100	24,89,38,586	100.00	3,58,700	100	24,89,26,046	100

*on the basis of consolidation of PAN.

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, thus maintaining liquidity, at the BSE Limited and National Stock Exchange of India Limited.

Pursuant to the provisions of the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs ("MCA") as amended from time to time, all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more are liable to be transferred to the Investors Education and Protection Fund ("IEPF") established by the Central Government.

In compliance with the aforesaid provisions, during the year the Company has transferred a total of 12,227 (Twelve Thousand Two Hundred and Twenty-Seven) equity shares to the IEPF Authority.

The details of shares of the Company in demat and physical forms, as on March 31, 2024, is given below:

Particulars	No. of Shares	% of Paid up Capital	No. of Shareholders
National Securities Depository Limited (a)	24,00,32,899	96.42	56,507
Central Depository Services (India) Limited (b)	85,01,862	3.42	2,19,260
Shares in Demat Form (a+b)	24,85,34,761	99.84	2,75,767
Shares in Physical Form (c)	4,03,825	0.16	115
Total (a+b+c)	24,89,38,586	100.00	2,75,882

* for the purpose of showing no. of shareholders in NSDL and CDSL, only number of record are counted as number of shareholders (i.e. without PAN consolidation).

l) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity;

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

m) Investors Correspondence:

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

Mr. Ankit Jain,
Company Secretary & Compliance Officer /
Nodal Officer,
Relaxo Footwears Limited
Aggarwal City Square, Plot No. -10, Manglam Place,
District Centre, Sector-3 Rohini Delhi -110085
E-mail: cs@relaxofootwear.com

The Company addresses all complaints, suggestions, grievances and other correspondence expeditiously and replies are sent usually within 7-10 working days except in case of other impediments. The Company endeavours to implement suggestions as and when

o) Corporate Identity Number (CIN): L74899DL1984PLC019097

p) Per Share Data:

Particulars	2023-24	2022-23	2021-22	2020-21	2019-20
Net Earning (₹ in Crores)	200.47	154.47	232.68	291.56	226.25
Cash Earning (₹ in Crores)	349.53	280.52	343.16	399.15	326.21
EPS-Basic (in ₹)	8.05	6.21	9.36	11.74	9.12
Dividend (including Interim Dividend per share) (in ₹)	3.00	2.50	2.50	2.50	1.25
Dividend Pay out (%)	37.27	40.26	26.71	21.29	13.71
Book Value Per Share (in ₹)	80.39	74.52	70.71	63.29	51.26
Face value Per Share (in ₹)	1.00	1.00	1.00	1.00	1.00

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

received from the investors. During the year under review, a total of 119 investors' complaints were resolved and no complaint was pending as on March 31, 2024.

n) 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 Kaharani, Bhiwadi Extn, (Rajasthan)

r) Credit Rating

During the Financial Year 2023-24, ICRA has reaffirmed the long term rating of the Company at [ICRA] AA (pronounced ICRA Double A). The Outlook on the long-term rating was Stable.

Additionally, ICRA has also reaffirmed short term rating of the Company at [ICRA] A1+ (pronounced ICRA A one plus) which is the highest rating for the category.

Further, the Company does not have any debt instruments as on date and during the year under review. Accordingly, the requirements of obtaining credit rating is not applicable.

Also, the Company does not have any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad, as on date and during the year under review.

s) Transfer of unclaimed amount to Investors Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124, 125 and other relevant rules of the Act, the dividend declared by the Company which remain unpaid/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 unclaimed dividend amounts of ₹1,98,991.20 from the Final Dividend for the year 2015 - 16 due for transfer to IEPF.

The details of disclosure with respect to unclaimed demat suspense account / unclaimed suspense account is provided in point no. 46 of the Board's Report.

t) During the Financial Year 2023-24, Company had foreign exchange exposure towards the import and export. However, the Company has hedged major part of the import transactions.

u) 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 the Act 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.
- viii) As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, it is mandated by the SEBI to mandatorily update the PAN, KYC, Nomination details, Bank details, Contact details and Specimen Signature of all shareholders holding shares in physical form and compulsory linking of PAN with Aadhar number by all shareholders.
- ix) Disclosure of Loans and advances given by Company and its subsidiaries, in the nature of loans to firms/companies in which directors are interested by name and amount: Not applicable
- x) Details of material subsidiaries; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not applicable, since Company have no subsidiary.

- xi) Disclosure of certain types of agreements binding the Company: (Information disclosed under clause 5A of paragraph A of Part A of Schedule III): Not Applicable, since Company has not entered into any such agreement.
- xii) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V of Listing Regulations, with reasons thereof shall be disclosed: Not applicable.

- xiii) Other items (if any) which are not applicable to the Company have not been separately commented upon.

For and on behalf of the Board of Directors

Delhi,
May 9, 2024

Ramesh Kumar Dua

Chairman & Managing Director
DIN: 00157872

Mukand Lal Dua

Whole Time Director
DIN: 00157898

CEO /CFO CERTIFICATION

To,
The Board of Directors
RELAXO FOOTWEARS LIMITED

Subject: CEO / MD and CFO Certification

We Ramesh Kumar Dua, Chairman & Managing Director and Sushil Batra, Executive Director and CFO of Relaxo Footwears Limited, certify that:

1. We have reviewed financial statements and the cash flow statements for the Financial Year ended on March 31, 2024.
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 ended on March 31, 2024 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.
 - i. There have not been any Significant changes in internal control over financial reporting during the year under reference;
 - ii. The 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. We are not aware of any instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Delhi, May 9, 2024

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Sushil Batra
Executive Director & CFO
DIN: 09351823

DECLARATION

I hereby confirm that the Company has received from all the members of the Board and Senior Management, for the financial year ended March 31, 2024, a confirmation that they are in compliance with the Company's Code of Conduct.

Delhi, May 9, 2024

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

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, 2024 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.

S. N.	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.	Gaurav Kurmaar Dua	09674786	26/07/2022
5.	Deval Ganguly*	00152585	05/11/2012
6.	Vivek Kumar**	00206819	30/01/2007
7.	Pankaj Shrimali**	00013142	29/05/2010
8.	Deepa Verma	06944281	18/09/2014
9.	Rajeev Rupendra Bhadauria	00376562	23/08/2019
10.	Kuldip Singh Dhingra	00048406	26/07/2022

* Mr. Deval Ganguly (DIN: 00152585) resigned from the position of Whole Time Director of the Company w.e.f. closure of working hour on March 31, 2024.

** Mr. Pankaj Shrimali (DIN: 00013142) and Mr. Vivek Kumar (DIN: 00206819) ceased from the position of Independent Director w.e.f. closure of working hour on March 31, 2024 due to completion of 2nd term as Independent Directors of the Company.

Mr. Sushil Batra (DIN: 09351823), Chief Financial Officer of the Company was appointed as Executive Director and Chief Financial Officer of the Company w.e.f. April 01, 2024.

Mr. Yogesh Kapur (DIN: 00070038) and Mr. Raj Kumar Jain (DIN: 01741527) were appointed as Independent Directors of the Company w.e.f. April 01, 2024.

Ensuring the eligibility 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.

CS Baldev Singh Kashtwal

Membership No.: 3616

C. P. No. : 3169

ICSI-UDIN: F003616F000306050

ICSI Peer Review Certificate No. :1205/2021

ICSI Unique Identification No. :1999DE144000

Place: Delhi
Date : May 4, 2024

MANAGEMENT DISCUSSION & ANALYSIS

This report includes statements representing the Company's belief and may be regarded as 'Forward-Looking Statements' describing our objectives and plans. These forward-looking statements are subject to various risks and uncertainties including but not limited to, government actions, local & global political or economic developments, legislative changes, technological advancements, risks inherent in the Company's growth strategy, reliance on specific suppliers and other factors that could lead to actual results which could materially differ from those anticipated by the pertinent forward-looking statements.

The forward-looking statements contained in this report are provided as on the date of this report, and we commit to continuously evaluate and update these statements as necessary to reflect any subsequent events or circumstances.

Industry Structure and Developments

The global footwear market has experienced a noteworthy rise in demand, primarily driven by lifestyle changes, economic growth and increased emphasis on health; particularly, in the aftermath of the pandemic. Consumers have shifted their perception of footwear from a mere functional requirement to a lifestyle accessory; necessitating occasion-based usage, thereby leading to a surge in overall demand. This trend is set to continue with a forecasted CAGR (Compound Annual Growth Rate) of 12 -14% over the next 5 (five) years¹.

India's Footwear Industry is flourishing and currently stands as the world's second largest producer of footwear, following China. The Industry, which is growing at an unprecedented rate, offers a wide range of traditional and modern footwear in both leather and non-leather categories. The industry is a significant employer, providing nationwide employment opportunities and contributing extensively towards the Nation's economy.

A report by Invest India on the non-leather footwear industry has predicted remarkable growth for the sector, with an anticipated 8 (eight) fold expansion² by the year 2030. Additionally, the share of the unorganised sector is declining steadily; leading to the growth of branded footwear and BIS certified products.

The footwear market in India is experiencing a noticeable shift in consumer behaviour on the back of rising disposable income, greater accessibility to products and change in attitude towards health-conscious and fitness oriented activities. This has prompted individuals to seek out products that cater to specific use occasions that has led to the development of new segments in footwear. These are now driving growth in individual categories such as slippers, sandals and shoes. Industry leaders are continually innovating their offerings with a focus on optimising price, performance and aesthetics to cater to the evolving demand.

¹ <https://www.maximizemarketresearch.com>

² <https://investindia.gov.in/>

The industry is an essential aspect of India's manufacturing sector and is expected to contribute significantly to the nation's economic growth in the coming years. With the increasing demand of footwear globally, the Indian footwear industry is poised to become a significant player in the global market; offering unique and diverse products that appeal to customers worldwide.

Premiumization Trend in Footwear

In the recent years, India has experienced a significant surge in socio-economic progress, leading to a burgeoning middle class with rising disposable income and growing aspirations. This has accelerated the shift towards branded and premium products, driving growth in the Indian footwear market.

The dynamic nature of lifestyles, evolving buying habits and the impact of social media have brought rapid changes in fashion trends; leading to a substantial influence on the footwear industry. Consumers are now seeking footwear products that align with their evolving lifestyle and fashion preferences. The fashion industry is responding to these changes by offering a diverse range of footwear products that cater to the needs and preferences of consumers.

Furthermore, the increasing awareness towards fitness and well-being has additionally spurred the growth and styling of footwear; particularly, in the branded segment. Consumers are now seeking footwear products which not only look stylish but also provide comfort and support for their active lifestyles. The branded segment of the footwear market is particularly benefiting from this trend, with consumers seeking out premium footwear products that offer a blend of style, comfort and functionality.

All these factors have resulted into a significant rise in demand for premium footwear products and have accelerated the growth of the Indian footwear market. The industry is now undergoing a rapid transformation with new players entering the market and established players expanding their product portfolios to cater to the evolving needs of consumers. As the industry continues to evolve, it is expected that the demand for premium footwear products will continue to rise.

Growth of E-Commerce, Quick Commerce and Innovative Buying Experiences

In recent times, India is witnessing growth in online marketplaces, supported by rapidly developing logistics and technological infrastructure. This development has created an enabling landscape that makes it easier for businesses to tap into latent demand across the Country. Companies have quickly taken notice of this emerging trend and have reworked their strategies to capitalise it, earmarking sizeable investments in this area.

Furthermore, the introduction of innovative experiences such as Omni channel, BNPL (Buy Now, Pay Later), and Quick Commerce has added further excitement to this arena. These features have enabled businesses to create a more personalised and engaging shopping experience for their customers which has proven to be a major hit in the market. As a result, start-ups of all kinds are actively jumping on this bandwagon, seeking to leverage these features to their advantage. Notably, Indian consumers have become increasingly at ease with technology and digital ecosystems, making them more receptive to this transition. The abundance of choices, convenience and price optimisation that this landscape offers have made them the ultimate winners in this scenario.

Opportunities and Challenges

Opportunities:

The Indian Footwear Industry is expected to experience significant growth due to various favourable macro factors. The country's infrastructure development, increasing urbanisation, changing consumption patterns, growth in organised retail and conducive business environment will all contribute to the industry's momentum. Although, ~ 90% of the footwear produced in India is consumed domestically, there is potential for this to increase in the near future.

The industry has a competitive advantage over its international counterparts given its access to cost-efficient skilled manpower and abundant raw materials; which has potential to become a manufacturing hub for exports; generating notable employment opportunities for the weaker sections of the society with the right policies in place.

The growth of India's economy has led to noticeable changes in the consumption patterns of footwear. The positive socio-economic changes in tier II and III cities along with a conducive business environment, have opened up new opportunities for growth.

Challenges, Risks & Concerns:

FY23 was marred by significant unrest on a global scale, caused by geopolitical tensions and an ongoing war in Europe, which has continued into FY24 as well with tensions opening in West Asia as well. The resulting disruption in supply chains has led to the scarcity of raw materials, triggering inflationary pressures worldwide.

The Indian footwear industry is grappling with regulatory pressures and evolving commercial and technical norms that demand compliance, potentially impacting business and financial performance in the short run. Despite the industry's transition towards organisation, small-scale players continue to pose strong price competition to those trading in branded products, necessitating innovation and adoption of technology.

The Industry's financial performance is exposed to risk arising from material price changes and exchange rate fluctuations.

Additionally, during the course of regular business, competition from domestic and international brands is ever-increasing. Talent retention, tackling counterfeit goods, product quality management, innovation and new product development and rapidly evolving consumer preferences are some of the factors that impact the industry.

Despite facing challenges such as labour management and technological developments, your Company has consistently demonstrated its ability to navigate through the risks and uncertainties. With nine state-of-the-art manufacturing units, your Company is well-equipped to tackle any challenge that comes its way.

To mitigate risks, your Company proactively monitors its major concerns and takes appropriate steps in consultation with the Risk Management Committee and the Board of Directors of the Company.

With over four decades of experience in the manufacturing and marketing of footwear, your Company has a strong foundation to overcome any obstacle. Your Company is committed to deliver high-quality products and services to customers while maintaining a safe and fair work environment for its employees.

Internal Control System and its Adequacy

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

Human Resources / Industrial Relations

Your Company has made commendable efforts over the last year to improve employee benefits and retention. The Board's Report provides detailed information about these initiatives under point number 3. The Company has enjoyed a positive and collaborative relationship with its employees throughout the year. The number of employees have increased from 6,736 as on March 31, 2023, to 7,704 as on March 31, 2024. Overall, the Company's initiatives have been effective and it is vital to continue focusing on improving employee satisfaction and retention.

Financial Performance of the Company

During the FY24, your Company achieved a revenue of ₹2914.06 crores and profit of ₹200.47 crores. Detailed report on financial performance of the Company is provided in point no. 2 & 3 of the Board's Report.

The Board has recommended a final dividend @300% equivalent to ₹3/- per equity share of ₹1/- each fully paid up for the FY24.

The capital expenditure incurred during the FY24 amounted to ₹231.80 Crores as compared to ₹174.35 Crores in FY23. The capital expenditure was in line with the growth strategy of your Company and was funded through internal accruals.

Your Company has no term loan outstanding as on March 31, 2024.

Your Company has only one segment i.e. 'Footwear and related products' and the performance is already captured in point no. 2 & 3 of the Board's Report and Financial Statements.

Details of Significant changes in Key financial ratios along with explanation

In compliance with the requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 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.N.	Particulars	UOM	2023-24	2022-23	Change in % between Current FY & Previous FY	Explanation / Reason for Change
1	Debtors Turnover	Times	8.38	9.69	-13.52	-
2	Inventory Turnover	Times	3.36	3.20	5.00	-
3	Interest Coverage Ratio	Times	15.41	11.92	29.28	Due to increase in EBIT
4	Current Ratio	Times	2.40	2.54	-5.51	-
5	Debt Equity Ratio	Times	0.01	-	100.00	Utilisation of working capital limits
6	Operating Margin i.e. EBITDA	%	13.95	12.07	15.58	-
7	Net Profit Margin	%	6.93	5.59	23.97	-
8	Return on Net worth	%	10.40	8.55	21.64	-

Disclosure of Accounting Treatment, if different from that prescribed in an Accounting Standard: Not Applicable

Outlook

India's economy is experiencing a strong growth trajectory having secured its position as the 5th (fifth) largest economy in the world. India is already targeting to be the third largest economy in the next 3-4 years.

The country is a top choice for foreign direct investment among all emerging economies. A stable political environment, infrastructural development, conducive economic policies, ease of doing business and growing middle class are all contributing to its continued success.

As raw material prices continue to remain stable and the steadiness of supply chains improves, we can expect even better financial performance. Your company's position of leadership in all its brands, combined with a 'Customer First' approach, a committed distribution network and proactive marketing strategies, provides effective protection against competitive threats.

Let us continue to build on India's success story by adopting constructive strategies that propel us towards sustained growth.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SECTION A General disclosures

SECTION B Management and process disclosures

SECTION C Principle-wise performance disclosure

- Principle 1** Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
- Principle 2** Businesses should provide goods and services in a manner that is sustainable and safe
- Principle 3** Businesses should respect and promote the well-being of all employees, including those in their value chains
- Principle 4** Businesses should respect the interests of and be responsive to all its stakeholders
- Principle 5** Businesses should respect and promote human rights
- Principle 6** Businesses should respect and make efforts to protect and restore the environment
- Principle 7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- Principle 8** Businesses should promote inclusive growth and equitable development
- Principle 9** Businesses should engage with and provide value to their consumers in a responsible manner

Section A: General Disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1984PLC019097
2.	Name of the Listed Entity	Relaxo Footwears Limited
3.	Year of Incorporation	1984
4.	Registered office address	Aggarwal City Square, Plot No.-10, Manglam Place, District Centre, Sector-3, Rohini, Delhi- 110085
5.	Corporate address	Aggarwal City Square, Plot No.-10, Manglam Place, District Centre, Sector-3, Rohini, Delhi- 110085
6.	E-mail	cs@relaxofootwear.com
7.	Telephone	011-46800600 / 46800700
8.	Website	www.relaxofootwear.com
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital	₹24,89,38,586/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ankit Jain 011-46800600 / 46800700 cs@relaxofootwear.com
13.	Reporting boundary- Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis and pertain only to Relaxo Footwears Limited
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing and Sale of Footwear	Relaxo Footwears Limited is a leading manufacturer of a diverse range of high-quality footwear articles. Our extensive product line is distributed and made available to customers through an extensive network of authorized distributors and retailers.	99.60

17. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of footwear	1520	99.60

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

S. No.	Location	Number of plants	Number of offices	Total
1.	National	9	1	10
2.	International	-	1	1

19. Markets served by the entity:

a. Number of locations

S. No.	Locations	Number
1.	National (No. of States)	PAN India
2.	International (No. of Countries)	32

b. What is the contribution of exports as a percentage of the total turnover of the entity?

4.46

c. A brief on types of customers

The Company is involved in the manufacturing and sale of footwear products. These products are made available to end consumers across all age groups through a network of distributors and retailers spanning across India. Additionally, the Company serves its end consumers directly through Exclusive Brand Outlets (B2C) and online E-Commerce channels as well.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	2,565	2,483	96.80	82	3.20
2.	Other than permanent (E)	448	448	100	-	-
3.	Total employees (D+E)	3,013	2,931	97.27	82	2.72
	Workers					
4.	Permanent (F)	5,143	4,734	92.05	409	7.95
5.	Other than permanent (G)	15,541	12,554	80.78	2,987	19.22
6.	Total workers (F+G)	20,684	17,288	83.58	3,396	16.42

b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	4	4	100	-	-
2.	Other than permanent (E)	-	-	-	-	-
3.	Total Differently abled employees (D+E)	4	4	100	-	-
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	6	6	100	-	-
5.	Other than permanent (G)	12	11	91.67	1	8.33
6.	Total Differently abled workers (F+G)	18	17	94.44	1	5.55

21. Participation/Inclusion/Representation of women:

Particulars	Total No. (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	1	10.00
Key Management Personnel	2	-	-

22. Turnover rate for permanent employees and workers:

Category	FY 2024			FY 2023			FY 2022		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent employees	12.59	12.99	12.62	16.37	10.29	16.22	17.06	12.50	16.94
Permanent workers	15.52	6.91	14.84	31.15	9.70	29.61	19.85	9.85	19.17

V. Holding, Subsidiary and Associate Companies (including Joint ventures)

23. (a) Names of holding/subsidiary / associate companies / joint ventures

The Company doesn't have any holding/subsidiary/associate companies/joint ventures during the Financial Year under review.

VI. CSR details

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

(ii) Turnover (in ₹) - 2893.60 Crores

(iii) Net worth (in ₹) - 2001.11 Crores

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct :

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2024			FY 2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (Other than Shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	118	0	-	84	1	-
Employees and workers	Yes	506	0	-	419	0	-
Customers	Yes	2366	0	-	2165	0	-
Value Chain Partners	Yes	-	-	-	-	-	-
Other (For Discount Coupon for Company's products)	Yes	-	-	-	1	0	-

Web link for Vigil Mechanism/Whistle Blower Policy

https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/vigil---mechanism---policy-1607580776.pdf

Web link for POSH Policy

[https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/posh-policy-march-2019-\(1\)-\(1\)-1607580841.pdf](https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/posh-policy-march-2019-(1)-(1)-1607580841.pdf)

Web link for Grievance Redressal policies -

<https://www.relaxof footwear.com/investor-support> (Shareholder Support)

<https://www.relaxof footwear.com/contact-us> (Customers)

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format

- Identifying the universe of relevant ESG topics : This was done based on discussions with internal stakeholders, peer review and benchmarking, sector scans, media reports and secondary sources that provided a pool of sustainability topics. These were further analyzed and evaluated for consideration at a strategic level. Adherence to crucial issues as per different standards and frameworks was also ensured.
- Detailing the stakeholder engagement methodology: We had sent detailed questionnaires to various stakeholder groups that were identified. Our external stakeholders included Customers, Shareholders and Vendors/Suppliers. Our internal stakeholders consisted of our employees and management team. While for other stakeholders we have done desktop research to incorporate their priorities.
- Data collection: We used online surveys to collect data and information from stakeholders to prioritize the list of identified ESG topics. Diverse responses were captured to understand the length and breadth of all possible issues. The designing of the questionnaire was done with the objective of bringing out the key issues, risks and opportunities from the stakeholders' point of view and then mapping it for the material issues. In addition to the survey, we conducted in-depth discussions with a subset of stakeholders to gain a comprehensive understanding of their primary concerns.
- Discussion with the management team, CSR & ESG Committee and the Board: the outcome of the exercise was discussed with the leadership to arrive at the key focus areas keeping in view, their relevance to stakeholders and business, as well as their impact on sustainability development.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Water Scarcity and Pollution	Risk	India faces significant water scarcity and pollution challenges, impacting both environmental sustainability and operational continuity for manufacturing industries like footwear.	Relaxo has reduced its water consumption through efficient measures, actively conducts water conservation projects across its operations, and is in the process of implementing Zero Liquid Discharge (ZLD) systems in all plants, ensuring treated water reuse in non-potable operations.	Initially, there may be capital investments required for upgrading equipment and implementing conservation measures. However, in the long term, reduced water consumption and potential regulatory compliance benefits can lead to positive financial outcomes.
2	Carbon Emissions and Climate Change	Risk	Increasing awareness and regulations related to carbon emissions and climate change pose risks to operations, supply chains, and market acceptance.	Company has already begun the work on reducing emissions – Conversion of biomass-based boiler to PNG-based boilers; Transitioned to Servo Motors; Installation of VFDs on Motors; Installed Dust Collector; CFC to LED; Retro fitment of DGs to dual fuel mode.	Initial investments in technology upgrades and process changes may have upfront costs. However, reduced energy consumption, regulatory compliance, and enhanced brand value as a sustainable company can result in positive financial outcomes over time.
3	Product Safety and Quality Assurance	Opportunity	Ensuring product safety and quality is critical for customer satisfaction, regulatory compliance, and market competitiveness.	The company ensures Product Safety & Quality assurance by implementing stringent quality control measures, conducting regular product testing and certification including BIS Certification, and investing in research and development for innovative and sustainable materials.	Costs associated with quality assurance and R&D investments may be incurred initially. However, enhanced customer trust, reduced recall risks, and market differentiation can lead to positive financial outcomes.
4	Community Engagement and Social Impact	Opportunity	Engaging with local communities, supporting social causes, and investing in community development initiatives can enhance brand reputation, foster positive relationships, and create shared value.	The company has initiated projects aimed at creating long-term positive impacts on people's lives, focusing on key areas such as "Education & Skill Development," "Health" and "Environment Conservation."	Costs associated with community projects and partnerships may be incurred. However, improved brand image, increased customer loyalty, and access to new markets can lead to positive financial outcomes and long-term sustainability.
5	Energy Management and Renewable Sources	Opportunity	Rising energy costs, dependence on fossil fuels, and environmental concerns necessitate a shift towards sustainable energy practices and renewable sources.	The company has begun investing in energy-efficient technologies, adopting renewable energy sources for manufacturing facilities, optimizing energy consumption through smart systems and controls, and obtaining energy certifications or accreditations.	Initial investments in renewable energy infrastructure and technology upgrades may be required. However, reduced energy costs, potential incentives or subsidies for renewable energy adoption, and enhanced brand reputation as a sustainable company can result in positive financial outcomes over time.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Digital Transformation and Technology Adoption	Opportunity	Rapid advancements in digital technologies offer opportunities to enhance operational efficiency, product innovation, customer engagement, and supply chain visibility.	Embracing digital transformation initiatives such as implementing data analytics and leveraging e-commerce platforms for sales and marketing and integrating smart technologies for real-time monitoring and decision-making.	Initial investments in digital infrastructure, software solutions, and employee training may be required. However, improved productivity, cost savings from streamlined processes, enhanced customer experiences, and competitive advantages in the market can lead to positive financial outcomes and business growth.
7	Cybersecurity	Risk	Access to sensitive data by miscreants and loss of data integrity.	Strong information security architecture deployed covering gateway and end points and rigour of implementation with access points exercised within the company using ISO 27001:2013 Framework.	Negative. Weak cybersecurity in the company can have significant financial implications, including costs related to data breaches, loss of intellectual property, operational disruptions, legal fees, and damage to reputation and brand image.
8	Occupational Health and Safety	Risk	Failure to ensure health and safety could result in reduced availability of manpower, reduced employee morale, or even threaten the viability of operations in worst -case scenarios.	Relaxo realises the importance of the well-being and safety of its employees and is actively engaged in identifying, comprehensively understanding, and implementing measures to control and eliminate risks associated with workplace hazards. This includes developing an automation and mechanization plan aimed at phasing out high-risk manual activities. Also, formulating a robust policy on Occupational Health & Safety to ensure the well-being and safety of all employees.	Negative. Failure to ensure health and safety could result in increased costs, damage to reputation and brand image.

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management processes										
1.	(a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs..	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
	(b) Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
	(c) Web Link of the Policies, if available	https://www.relaxofootwear.com/policies								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, Code of Conduct, Anti-Bribery & Vigil Mechanism Policies extend to our Value Chain Partners.								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
4.	Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> • ISO 9001:2015 (Quality Management System) • ISO 14001:2015 (Environmental Management System) • ISO 27001:2013 (Information Security Management Systems) • ISO 45001:2018 (Occupational Health and Safety Management System) 								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Relaxo is actively enhancing its sustainability efforts across various fronts:								
6.	Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	<ul style="list-style-type: none"> • GHG Emissions: Commitment to retrofit DGs for hybrid operation and converting diesel vehicles to CNG/battery-operated, reducing fossil fuel dependency. • Energy Efficiency: Focus on LED lighting and efficient motor upgrades. • Climate Change: Commitment to tree plantation for environmental stewardship. • Waste Management: Targeting reduction in PU waste. • Water Management: Upgrading STPs with ultrafiltration technology. • Diversity and Inclusion: Clear targets for increasing female representation in decision-making roles and the overall workforce. Additionally, ensure 100% of employees undergo human rights training and achieve 5 training hours per employee annually. 								
Governance, leadership, and oversight										
7.	Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>As the Director overseeing our Business Responsibility Report, we're proud to highlight our company's strong commitment to ESG principles. Our initiatives focus on energy efficiency, waste reduction, and climate action, resulting in significant achievements and positive impacts.</p> <p>We've invested in cutting-edge technologies like hybrid DG sets & conversion of biomass-based boiler to PNG-based boilers, showcase our dedication to sustainability. Socially, we prioritize employee well-being with comprehensive benefits and safety measures.</p> <p>Governance-wise, our Board's independence and rigorous evaluations ensure transparency and ethical decision-making. These efforts reflect our proactive stance towards sustainability, social responsibility, and effective governance, shaping a brighter, more sustainable future for all stakeholders.</p>								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The highest authority responsible for implementing and overseeing the Business Responsibility policies within the Company is the Board of Directors of the Company along with the CSR & ESG Committee. The Management committee on ESG assess various initiatives related to ESG and Sustainability and also oversees the Business Responsibility performance of the Company on regular basis.								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	<p>Yes</p> <p>The CSR & ESG Committee is responsible for taking decisions related to ESG / Sustainability. The Committee supervises the planning, execution, and documentation of ESG, Sustainability, and conducting Business Practices responsibly. Further details of the CSR & ESG committee are available under the Corporate Governance section in the Annual Report.</p>								

10. Details of Review of NGRBCs by the Company

Subject for Review	a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow-up action	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes

Subject for Review	b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow up action	As part of standard procedure, the Company's Business Responsibility policies undergo reviews, either periodically or as required. These reviews are conducted by the Senior Leadership Team, which includes the Managing Director. During these assessments, the effectiveness of the policies is thoroughly evaluated, and any required adjustments to policies and procedures are promptly implemented to ensure alignment with current regulatory standards and industry practices.								
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	The Company complies with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the Managing Director / Chief Financial Officer / Company Secretary to the Board of Directors as applicable from time to time.								

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The Company conducts periodic internal reviews of its policies by the Senior Leadership Team and Board of Directors of the Company or its Committee(s) as may be applicable. These reviews ensure that policies remain current, effective, and aligned with the Company's objectives and regulatory requirements..								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a responsible manner. The Company is a member of various industrial and trade bodies and actively participates in these forums on issues and policy matters that impact the interests 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 policy is necessary, given our way of doing business.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C: Principle-wise Performance Disclosure

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Segment	Total number of training & awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	Code of Conduct, Human Rights Policy	30
Key Managerial Personnel	2	Code of Conduct, Human Rights Policy	100
Employees other than BOD and KMPs	4	Code of Conduct, Human Rights Policy, POSH, Prevention of Insider Training*	100
Workers	7	Code of Conduct, Human Rights Policy, POSH, EHS, 5S, IMS, Grievance Handling	100

*100% of the eligible candidates are covered.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the Financial year, in the following format.

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

There were no instances of any material (monetary and non-monetary) fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2024.

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption policy or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

The Company currently covers its Anti-bribery and Anti-Corruption policy as a part of its code of conduct. The document applies to all personnel who must adhere to the Company's ideals.

Link to the Company's code of conduct:

https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/code-of-conduct-relaxo-1688134018.pdf

The Company has an in-house monitoring process for whistleblower protection in addition to the Code of Ethics and Conduct. The policy empowers both internal and external stakeholders to file grievances, if any.

Link to the Company's Vigil Mechanism Policy:

https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/vigil---mechanism---policy-1607580776.pdf

5. Number of Directors/KMPs/Employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2024	FY 2023
Directors	Nil	
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024	FY 2023
Number of days of accounts payables	44 Days	46 Days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024	FY 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	3.57	3.29
	b. Number of trading houses where purchases are made from	53	32
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	72.91	89.19
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	86.57	89.15
	b. Number of dealers/distributors to whom sales are made	671	657
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	9.00	9.38
Share of RPTs in	a. Purchase (Purchases with related parties/Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties/Total Sales)	0.001	0.0004
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties/Total Investments made)	Nil	Nil

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

The Company is committed to conducting business in an ethical, fair, legally compliant, socially conscious, and environmentally responsible manner. This belief extends to our valued Business Partners, as they play an integral role in our ecosystem and therefore we actively encourage them to embrace responsible corporate citizenship, aligning with our core values.

All agreements, contracts, and purchase orders entered into by Relaxo with our Business Partners affirm their commitment to these fundamental principles. This ensures a shared understanding and commitment to ethical, fair, legal, social, and environmental responsibilities across our business relationships.

As part of our ongoing efforts to promote responsible business practices, we have already initiated a series of discussions with our value chain partners. This initiative aims to deepen understanding and awareness of the importance of ethical conduct, fairness, legal compliance, social responsibility, and environmental stewardship within our business ecosystem.

Through collaborative dialogue and engagement, we seek to foster a culture of responsibility and sustainability throughout our value chain. By working together with our Business Partners, we aim to create positive impacts, not only within our organization but also in the broader community and environment.

2. Does the entity have processes in place to avoid/ manage conflict of interest involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has a robust Code of Conduct specifically tailored for the Board of Directors and Senior Management Personnel.

The Code is intended to maintain the high standards of transparency, business conduct ethics, corporate culture and the values. The Code will also act as a deterrent from unethical doings and to promote ethical values and is the manifestation of the Company's commitment to successful operation of the Company's business in the best interest of the shareholders, creditors, employees and other business associates.

The code is in accordance with the regulatory requirements, and the Directors are obligated to disclose any interests or potential conflicts that may arise in the course of their duties.

These disclosures are included in the Annual Disclosures submitted to the Board, fostering a culture of accountability and transparency.

The Code of Conduct policy is regularly reviewed and updated to reflect evolving governance standards and best practices, reinforcing the Company's commitment to ethical conduct and corporate governance excellence.

The detailed Code of Conduct policy can be accessed through the link provided below:

https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/code-of-conduct-for-directors-and-senior-management_compressed-1687243242.pdf

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R&D			
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company is dedicated to integrating sustainability practices across its inbound supply chain and remains committed to furthering these efforts. In line with this commitment, the Company prioritizes indigenous sourcing, utilizing locally available raw materials whenever feasible. This not only supports local economies but also reduces the environmental impact associated with transportation.

By prioritizing indigenous sourcing, utilizing sustainable materials, and optimizing transportation logistics, the Company continues to enhance the sustainability profile of its supply chain while aligning with global environmental goals and best practices.

b. If yes, what percentage of inputs were sourced sustainably?

In order to reduce the carbon footprints due to logistics of input material; we strive to procure the maximum indigenous material from nearby sources which is estimated to ~ 70-75% of total indigenous sourcing.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

As of now, the Company doesn't have processes in place to reclaim their products.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The Company is in the process of undertaking Life Cycle Perspective/Assessments for its key products.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

The details will be available and disclosed upon completion of Life Cycle Assessments of Key Products.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024	FY 2023
Polymer, Pigments & Additives	2.64%	1.67%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

The Products of the Company don't fall under the category of reclaimable product. The Packaging material used by the Company in its products is recyclable and we encourage our customers to recycle it after usage.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable as mentioned in point 4.

Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2,483	2,483	100	2,483	100	NA	NA	2,483	100	NA	NA
Female	82	82	100	82	100	82	100	NA	NA	82	100
Total	2,565	2,565	100	2,565	100	82	3.20	2,483	96.80	82	3.20
Other than Permanent employees											
Male	448	448	100	448	100	NA	NA	448	100	NA	NA
Female	0	0	0	0	0	0	0	NA	NA	NA	NA
Total	448	448	100	448	100	-	-	448	100	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	4,734	4,734	100	4,734	100	NA	NA	4,734	100	NA	NA
Female	409	409	100	409	100	409	100	NA	NA	409	100
Total	5,143	5,143	100	5,143	100	409	7.95	4,734	92.05	409	7.95
Other than Permanent workers											
Male	12,554	12,554	100	12,554	100	NA	NA	12,554	100	NA	NA
Female	2,987	2,987	100	2,987	100	2,987	100	NA	NA	2,987	100
Total	15,541	15,541	100	15,541	100	2,987	19.22	12,554	80.78	2,987	19.22

c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format -

	FY 2024	FY 2023
Cost incurred on well-being measures as a % of total revenue of the company	0.24	0.23

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	N.A.*	100	100	N.A.*
ESI**	100	100	Yes	100	100	Yes

* The Company has a defined benefit gratuity plan and pays annual contribution to Life Insurance Corporation of India (LIC) through a Trust, namely Relaxo Footwears Limited Employees Group Gratuity Scheme.

** Employees who are not covered under the ESI component are provided separate Health Insurance Policy.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company's facilities are accessible to the differently abled employees. The Company's premises are made access friendly and assistive devices like slope, wheelchairs or walking sticks have been made available.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company has an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016.

Link to the Company's Equal Opportunity Policy:

https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/equal-opportunity-policy-1681896636.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate (%)	Retention Rate (%)	Return to work Rate (%)	Retention Rate (%)
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

		Yes/No (If yes, then give details of the mechanism in brief)
1	Permanent workers	The Company prioritizes the well-being of its employees and directors through a comprehensive Grievance Redressal Mechanism. This mechanism is designed to safeguard individuals and maintain a professional and confidential approach throughout the process of filing complaints, conducting investigations, and reaching satisfactory resolutions.
2	Other than Permanent Workers	
3	Permanent Employees	
4	Other than Permanent Employees	Additionally, the Company has a Whistle Blower Policy in place to provide avenues for reporting concerns related to ethical conduct, financial irregularities, or other misconduct. This policy ensures transparency, accountability, and protection for whistle blowers who raise legitimate concerns in good faith. Link to the policy: https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/grievance-redressal-policy-1688134044.pdf

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

The Company does not have any trade unions.

8. Details of training given to employees and workers:

Category	FY 2024					FY 2023				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	2,931	2,931	100	2,931	100	2,720	2,720	100	1,707	62.76
Female	82	82	100	82	100	72	72	100	37	51.40
Total	3,013	3,013	100	3,013	100	2,792	2,792	100	1,744	62.46
Workers										
Male	17,288	17,288	100	17,288	100	16,686	16,686	100	16,686	100
Female	3,396	3,396	100	3,396	100	2,283	2,283	100	2,283	100
Total	20,684	20,684	100	20,684	100	18,969	18,969	100	18,969	100

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024			FY 2023		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	2,931	2,931	100	2,720	2,720	100
Female	82	82	100	72	72	100
Total	3,013	3,013	100	2,792	2,792	100
Workers						
Male	17,288	17,288	100	16,686	16,686	100
Female	3,396	3,396	100	2,283	2,283	100
Total	20,684	20,684	100	18,969	18,969	100

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage of such system?

Yes, occupational health management system including Environmental Management System confirming to the requirement of standards ISO 45001:2018 and ISO 14001:2015 has been implemented which covers all manufacturing units. The Company believes that providing a safe and healthy work environment is essential for employee well-being, and that implementing best practices in occupational health and safety has a direct impact on overall performance. It aids not only in attracting good talents but also retaining those employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

While regularly implementing steps to enhance employee well-being and healthcare, a proper hazard identification risk management system has been implemented to assure ongoing improvement of the organization's occupational health and safety.

HIRA (Hazard Identification and Risk Assessment) methodology is used for hazard identification and risk assessment including study of MSDS (Material Safety Data Sheet) & Machine manuals, study of machine operation at shop floor, injury records, interaction with machine operators etc.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. Safety Committee Meetings, Daily shop floor meetings, interactions with the plant supervisors during their frequent rounds on the shop floor etc., are some of the processes enabling workers to report work-related hazards. Workers have been authorized to stop the machine and report to the immediate supervisor should they notice a work-related hazard.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Employees have access to non-occupational medical and healthcare facilities through company-arranged medical camps where reputed doctors from different disciplines/hospitals are available for health checkups and consultation including online consultation and awareness sessions. Additionally, every employee of the company and their nominated dependents are either covered through medical insurance or ESI.

11. Details of Safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024	FY 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	0	0
	Workers	0.24	0.18
Total recordable work-related injuries	Employees	0	0
	Workers	12	8
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Below are some of the measures taken by the Company to ensure a safe and healthy workplace:

- Implementation of 6S practice, that is, Sort, Set in Order, Shine, Standardize, Sustain and Safety.
- Machine guarding.
- Introduction of state-of-art new machines, new technologies, environment-friendly processes & chemicals.
- Material handling automation improves worker health and safety by eliminating repetitive jobs from the manufacturing line.
- During induction, the Company emphasizes training all new employees on safety measures, including specific training such as working at heights, confined space entry, refresher training, on-site emergency training to deal with contingent or urgent situations, and on-the-job training that includes safety topics.
- Regular workplace environment monitoring, employee health monitoring etc. are conducted alongside.
- Deployment of a Safe and Healthy system of work is assured through periodic safety audits and inspections across sites.

13. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	326	-	-	419	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

		% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
1	Health and safety practices	100% Coverage- Assessment done by external consultant.
2	Working Conditions	

15. Provide details of any corrective action taken or underway to address safety- related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

All accidents are thoroughly investigated to determine the root reasons and determine the steps necessary to prevent a recurrence. The findings of the accident investigation, along with corrective and preventive measures, are included in the report submitted to the Corporate Management Committee and the Board. The lessons learned from all accidents are shared across the Company on a regular basis, and compliance of preventive measures is ensured.

Assessment of health & safety risks and implementation of related corrective and preventive measures is an ongoing process in the Company. Some of the interventions which have been taken at various units are as follows:

- Provision of fixed safety guards
- Regular safety audits
- Interlocking safety guards
- Use of PPEs
- Safety training
- Local exhaust ventilation

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partner.

The Company's value chain partners come under the PF Act and ESI Act which makes them liable to deduct and deposit statutory dues. In addition to this, the service contract with the service provider also contains a necessary clause under 'payment terms' for necessary statutory payments like PF, ESI etc. by the service provider.

3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024	FY 2023	FY 2024	FY 2023
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company consistently invests in human capital development, which involves developing modern skills and competencies and providing employees with a variety of experiences. These improve workforce employability and allow for a smooth transfer to alternative opportunities if desired.

5. Details on assessment of value chain partners:

The Company has in place a Code of Conduct for Value Chain Partners. Accordingly, they are expected to provide a safe and healthy workplace for their employees and contractors. Value Chain Partners must be compliant with local and national laws and regulations on Occupational Health and Safety, and have the required permits, licenses and permissions granted by local and national authorities.

		% of value chain partners (by value of business done with such partners) that were assessed
1	Health and safety practices	Nil
2	Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholder engagement is important for Relaxo to build a symbiotic relationship with our stakeholders and achieve better outcomes. Internal and external stakeholders have been identified that have a direct impact on the operations and working of the Company.

The stakeholders are identified as:

- Shareholders/Investors
- Suppliers
- Employees & Workers
- Distributors & Retailers
- Communities
- Government & Regulatory Authorities
- End Consumers.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders/ Investors	No	<ul style="list-style-type: none"> • Annual General Meeting • Investor Relations Web Page • Quarterly condensed financial statements • Annual Report • Investor conference calls • Television Interviews • Press Releases 	Quarterly, Half yearly & Annually and as and when required	<ul style="list-style-type: none"> • Performance and value creation • Dividend Updates • Annual Reports • Intimation to Physical shareholders regarding Dispute Resolution Mechanism
Suppliers	No	<ul style="list-style-type: none"> • One-to-one meetings • Regular operational reviews 	Continuous	<ul style="list-style-type: none"> • Long-term business relations and growth opportunities • Skill development support • Effective information dissemination, technical knowledge exchange and other collaborations
Employees & Workers	No	<ul style="list-style-type: none"> • E-mail • Intranet portal • Employee engagement activities and Surveys • Rewards and recognitions 	Continuous	<ul style="list-style-type: none"> • Scope of learning and career development • Remuneration and benefits • Equal opportunities • Occupational health and safety • Wealth creation

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Distributors & Retailers	No	<ul style="list-style-type: none"> After-sales services Relationship building activities Sales Officer visits Surveys and feedback sessions 	Engagement sessions conducted periodically	<ul style="list-style-type: none"> Fair and transparent terms and conditions Steady business with long-term growth prospects Communication of Schemes and benefits Resolution of grievances and obtaining market feedback
Communities	Yes	<ul style="list-style-type: none"> CSR initiatives Volunteering initiatives 	Continuous	<ul style="list-style-type: none"> Responsible corporate citizenship To develop the CSR project along with the community, according to the needs of the community
Government & Regulatory Authorities	No	<ul style="list-style-type: none"> Disclosures and filings for compliance reporting Meeting authorities for permissions/ approvals 	Audits are conducted periodically/ monthly/ quarterly/ annually and on a need basis	<ul style="list-style-type: none"> Compliance Tax Payments Policy Advocacy
End Consumers	No	<ul style="list-style-type: none"> Engagement through website, social media, in-store promotions Brand campaigns conducted regularly, during festive seasons and sales promotions 	Continuous	<ul style="list-style-type: none"> Information on business offerings, discounts, and promotions. Collection of feedback Complaints and grievances resolution.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

- The Company believes that an effective stakeholder engagement mechanism is crucial for achieving the long-term sustainability goals and for the overall growth of the Company. The board of directors prioritizes accomplishing the ESG targets of the Company.
- The board of directors has internally delegated the process of taking valuable inputs from the key internal and external stakeholders.
- During the reporting year, the Company has undertaken an extensive materiality assessment and stakeholder engagement exercise to understand the crucial environmental, social and governance (ESG) topics which are significant to the Company's businesses.
- As part of this activity, the Company, in collaboration with an external agency with relevant experience, met with key internal and external stakeholders to understand their issues and incorporate their perspectives into materiality assessments for prioritizing ESG matters.
- Insights gathered from stakeholder engagements were analyzed to develop the materiality matrix and finalize the list of ESG focus areas.
- The Board, with the oversight of the CSR & ESG Committee, undertakes a comprehensive review, monitoring, and strategic guidance role concerning the Company's CSR and sustainability initiatives, ensuring alignment with its overarching objectives.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, the Company engages proactively with its key stakeholders, enabling efficient implementation of its ESG strategies and transparent reporting of outcomes. Regular evaluations are conducted to update policies in line with evolving requirements and stakeholder feedback.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Corporate Social Responsibility is just not a compliance to the Company, in fact it is a mean of serving the underserved. All the CSR projects are curated after a diligent discussion with the respective Government Departments and local people so as to avoid any duplicity and ensure that the proposed interventions should address the real needs of the particular geography.

The Company is focusing over three key thematic areas i.e. Education, Health and Environment Conservation under which total of 8 CSR initiatives have been carried out in 4 states viz. Uttarakhand, Rajasthan, Delhi and Haryana which has positively impacted the lives of approx. 3.4 million people directly/indirectly. The projects undertaken during the reporting period are as follows:-

A. Education

1. Parivartan Model School Project- Haridwar, Uttarakhand.
2. Remedial Education Project- Delhi.
3. Skill Development Project- Delhi.

B. Health

4. Nayan Avoidable Blindness Project- Khairthal, Rajasthan.
5. Mobile Health Unit - Comprehensive Health Project- Khairthal, Rajasthan.

C. Environment Conservation

6. Water Conservation- Alwar, Rajasthan.
7. Plantation- Khairthal, Rajasthan & Jhajjar, Haryana
8. Improved Cookstove- Haridwar Uttarakhand & Alwar, Rajasthan.

Please refer to the following link for information regarding our Company's community work:

<https://www.relaxof footwear.com/csr>

Principle 5

Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024			FY 2023		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	2,565	2,565	100	2,388	1,649	69.05
Other than permanent	448	448	100	404	308	76.24
Total employees	3,013	3,013	100	2,792	1,957	70.09
Workers						
Permanent	5,143	5,143	100	4,348	2,700	62.10
Other than permanent	15,541	14,679	94.45	14,621	11,360	77.70
Total workers	20,684	19,822	95.83	18,969	14,060	74.12

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024					FY 2023				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent										
Male	2,483	2	0.08	2,481	99.92	2,316	2	0.09	2,314	99.91
Female	82	-	-	82	100	72	-	-	72	100
Other than permanent										
Male	448	97	21.65	351	78.35	404	125	30.94	279	69.06
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	4,734	357	7.54	4,377	92.46	4,005	23	0.57	3,982	99.43
Female	409	2	0.49	407	99.52	343	-	-	343	100
Other than permanent										
Male	12,554	7,352	58.56	5,202	41.44	12,681	7,590	59.85	5,091	40.15
Female	2,987	972	32.54	2,015	67.46	1,940	522	26.91	1,418	73.09

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	9	1,39,03,737	1*	5,90,000
Key Managerial Personnel (excluding Whole Time Director)	2	1,00,11,211	0	0
^Employees other than BoD and KMP	2,476	4,78,578	82	6,38,010
^Workers	4,734	1,79,220	409	1,47,348

* We have only 1 Female Independent Director, who is paid sitting fees and annual commission. Please refer Corporate Governance Report for details.

^ Permanent

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	3.93	3.62

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the HR function oversees the human rights impacts.

The Company has a steadfast commitment to upholding human rights, as reflected in its comprehensive HR policy. This policy applies to all employees, suppliers, and service providers associated with the company. It emphasizes adherence to applicable laws and the promotion of human rights principles as per the best industry practices.

The Company continuously strives to strengthen and implement robust systems that uphold its human rights policies and ensure a conducive and respectful workplace environment.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a Human Rights Policy which specifies that employees can address their issues or grievances to the Company. Employees are encouraged to try and resolve the dispute informally with their respective line manager / Head Plant P&A / HR Business Partner (HRBP). In case of non-satisfaction, the Formal procedure is to be used which has been documented in the “Grievance Redressal Policy”.

The Company has a structured grievance redressal mechanism in place for both workmen and staff, aimed at resolving grievances in a fair and transparent manner.

Overall, the grievance redressal mechanisms for both workmen and staff at the Company follow a structured process that encourages informal resolution at the initial stages and provides clear escalation paths for formal grievances, ensuring fairness and transparency in addressing employee concerns.

6. Number of Complaints on the following made by employees and workers:

	FY 2024		FY 2023	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	-	-	Nil	
Discrimination at workplace	-	-		
Child Labour	-	-		
Forced Labour/ Involuntary Labour	-	-		
Wages	180	0		
Other human rights-related issues	-	-		

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers		
Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company upholds a strong commitment to fostering a workplace environment that is free from all forms of discrimination and harassment, including sexual harassment. The company maintains a zero-tolerance policy towards such unacceptable behaviour.

As part of its grievance redressal procedure, Relaxo ensures that complaints are handled with utmost sensitivity and professionalism. Every effort is made to conduct investigations peacefully, prioritizing the well-being and comfort of all parties involved and aiming to avoid any unpleasant situations or conflicts. The entire procedure is carried out with the strictest confidentiality to protect the privacy and dignity of the individuals concerned.

In line with the Prevention of Sexual Harassment (POSH) Policy, Relaxo guarantees full protection to the complainant against any form of retaliation or victimization. Any individual found guilty of perpetrating acts of violence, harassment, or discrimination against the complainant will face disciplinary actions enforced by the internal committee. This proactive approach underscores the Company’s commitment to ensuring a safe and respectful work environment for all employees, where every grievance is taken seriously and addressed with fairness and accountability.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% Coverage- Assessment done by an external consultant
Forced Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others - Please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Business processes were not modified/ introduced since no human rights-related grievances were received during the year.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Due diligence was not conducted since no human rights-related grievances were received during the year.

3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, The Company offers accessible facilities to differently-abled visitors, with premises designed for ease of access. Assistive devices like slopes, wheelchairs, or walking aids are readily available to support their mobility.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil*
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others - Please specify	

*The Company has in place a Code of Conduct for Value Chain Partners. Accordingly, they must treat all employees with respect and dignity and exhibit zero tolerance towards unacceptable sexual harassment, workplace discrimination and must not engage in child labour, Forced Labour/Involuntary Labour, etc. They must provide a safe and healthy workplace for their employees and contractors and be compliant with local and national laws and regulations on Occupational Health and Safety, and have the required permits, licenses and permissions granted by local and national authorities. They must also provide their employees with safe and humane working conditions.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments in Question 4 above.

Not Applicable

Principle 6

Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or Multiples) and energy intensity, in the following format:

Parameter	Unit	FY 2024	FY 2023
From renewable sources			
Total electricity consumption (A)	GJ	205.75	184.61
Total fuel consumption (B)	GJ	NA	NA
Energy consumption through other sources (C)	GJ	NA	NA
Total energy consumed from renewable sources (A+B+C)	GJ	205.75	184.61
From non-renewable sources			
Total electricity consumption (D)	GJ	2,96,211.83	2,60,311.38
Total fuel consumption (E)	GJ	95,937.20	1,04,354.05
Energy consumption through other sources (F)	GJ	NA	NA
Total energy consumed from non-renewable sources (D+E+F)	GJ	3,92,149.04	3,64,665.43
Total energy consumed (A+B+C+D+E+F)	GJ	3,92,354.79	3,64,850.04
Energy intensity per rupee of turnover (Total energy consumed / turnover in ₹ Crore) (in GJ/₹ Crore)		135.59	131.99
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / turnover in ₹ Crore adjusted for PPP)		6.05	5.95
Energy intensity in terms of physical output (per Crores Pairs)		20,222.53	22,948.49
Energy intensity (optional) – the relevant metric may be selected by the entity		-	-

Data captured and shown under principle 6 is representative data for Manufacturing plants and Company-owned Lovakhurd warehouse. Corporate Office, Retail Shops and rented warehouses etc. are not included.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Independent Assessment has not been carried out by any external agency.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not have sites/facilities identified as designated consumers under the PAT Scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	2,00,385.75	2,04,406.00
(iii) Third-party water	1,14,425.40	1,13,560.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	3,14,811.15	3,17,966.00
Total volume of water consumption (in kiloliters)	2,39,868.86	2,35,481.00

Parameter	FY 2024	FY 2023
Water intensity per rupee of turnover (Total water consumed / Turnover in ₹ Crore) (in KI/₹ Crore)	82.90	85.19
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Turnover in ₹ Crore adjusted for PPP)	3.70	3.84
Water intensity in terms of physical output (per Crore Pairs)	12,363.19	14,811.38
Water intensity (optional) - the relevant metric may be selected by the entity		

Data captured and shown under principle 6 is representative data for Manufacturing plants and Company owned Lovakhurd warehouse. Corporate Office, Retail Shops and rented warehouses etc. are not included.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

Independent Assessment has not been carried out by any external agency.

4. Provide the following details related to water discharged:

Parameter	FY 2024	FY 2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With Primary treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With Primary treatment	72,904.29	71,487.00
(iii) To Seawater		
- No treatment	-	-
- With treatment - please specify the level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With Primary treatment	2,038.00	10,998.00
(v) Others		
- No treatment	-	-
- With treatment - please specify the level of treatment	-	-
Total water discharged (in kilolitres)	74,942.29	82,485.00

Data captured and shown under principle 6 is representative data for Manufacturing plants and Company owned Lovakhurd warehouse. Corporate Office, Retail Shops and rented warehouses etc. are not included.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Independent Assessment has not been carried out by any external agency

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The sewage wastewater is treated through STP (Sewage Treatment Plants) installed in all plants. The treated wastewater is further utilized in gardening and flushing.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024	FY 2023
NOx	Tonnes	22.277	23.911
SOx	Tonnes	0.008	0.010
Particulate matter (PM)	Tonnes	0.431	0.571
Persistent organic pollutants (POP)		Not Measured	Not Measured
Volatile organic compounds (VOC)		Not Measured	Not Measured
Hazardous air pollutants (HAP)		Not Measured	Not Measured
Others - please specify			

Data captured and shown under principle 6 is representative data for Manufacturing plants and Company owned Lovakhurd warehouse. Corporate Office, Retail Shops and rented warehouses etc. are not included.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Independent assessment has not been carried out by any external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024	FY 2023
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent (tCO ₂ e)	11,624.68	9805.61
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent (tCO ₂ e)	58,913.24	65,800.93
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Turnover in ₹ Crore) (in Mt/₹ Crore)	tCO ₂ e/₹ Crores	24.37	27.35
Total Scope 1 and Scope 2 emission intensity per adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ turnover in ₹ Crore adjusted for PPP)	tCO ₂ e/₹ Crores(adj PPP)	1.08	1.23
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/units in Crores	3,635.62	4,755.53
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity			

Data captured and shown under principle 6 is representative data for Manufacturing plants and Company owned Lovakhurd warehouse. Corporate Office, Retail Shops and rented warehouses etc. are not included.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, an Independent Assurance Statement has been obtained from QFS Management Systems LLP.

8. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.

The Company is constantly striving to improve business operations to reduce GHG emissions. The Company has installed 6 MW Wind Power Project in Rajasthan and has also installed 75kWp solar panels at its plant in Bahadurgarh, (Haryana).

9. Provide details related to waste management by the entity, in the following Format:

Parameter	FY 2024	FY 2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	135.86	137.67
E-waste (B)	3.71	3.86
Bio-medical waste (C)	0.02	-
Construction and demolition waste (D)	-	-
Battery waste (E)	1.03	1.12
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	78.44	81.25
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	11,105.92	11,195.15
Total (A+B+C+D+E+F+G+H)	11,324.98	11,419.05
Waste intensity per rupee of turnover (Total waste generated / Turnover in ₹ Crore) (in Mt/₹ Crore)	3.91	4.13
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / turnover in ₹ Crores adjusted for PPP)	0.17	0.19
Waste intensity in terms of physical output (output in Crore)	583.71	718.24
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	11,105.92	10,865.83
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	11,105.92	10,865.83
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	219.06	553.22
Total	219.06	553.22

Data captured and shown under principle 6 is representative data for Manufacturing plants and Company owned Lovakhurd warehouse. Corporate Office, Retail Shops and rented warehouses etc. are not included.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Independent assessment has not been carried out by any external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has implemented waste management measures such as waste minimization, source segregation, and recycling, alongside reducing single-use plastics and promoting paperless operations at company operated retail outlets through energy-efficient technologies. It collaborates with authorized recycling partners for responsible handling of all waste types, including electronic waste (e-waste). Additionally, the Company uses eco-friendly chemicals and explores alternative solutions to further enhance its environmental sustainability efforts.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, specify details in the following format:

S. N.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act - All relevant certificates are available in respective locations.

S. No.	Specify the law/regulation/guideline which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or courts	Corrective	action taken, if any
Not Applicable					

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

Not Applicable, the Company is not operating in any water stress area(s).

2. Please provide details of total Scope 3 emissions & their intensity, in the following format:

Parameter	Unit	FY 2024	FY 2023
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Measured	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Independent assessment has not been carried out by any external agency.

3. With respect to the ecologically sensitive areas reported in Question 11 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Retrofitment of DGs to dual fuel mode (Diesel 30% and PNG 70%)	-	Transition to Green Fuel
2	Conversion of biomass-based boiler to PNG-based boilers	-	Transition to Green Fuel
3	Switched to Automatic Textile cutting machine from Manual Travel Head clickers	-	Productivity improvement and human safety
4	Setting up of PVC Lamination plant to cater to synthetic leather requirement of featured PU and Shoe products	-	Better Quality of products and improved productivity
5	Transitioned to Servo Motors	-	Energy Conservation
6	Installed Dust Collector	-	Emission Reduction

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes. The Company acknowledges the importance of business continuity plan to ensure seamless operations and has established policies to guarantee uninterrupted critical business functions.

We have also obtained ISO 27001:2013 for our Information Security Management System for the continual improvement, development, and protection of information assets and sensitive data. This certification validates our implementation of appropriate risk assessments, policies, and controls. Additionally, we regularly conduct cybersecurity awareness training sessions for our employees and have established a clear escalation process to report any suspicious activities. The risk management committee oversees the management and strategy of our Information Technology function, ensuring the confidentiality, integrity, and availability of computer systems, networks, and data by safeguarding against cyber-attacks and unauthorized access.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

We have not currently monitored the impacts to the environment arising from the value chain of the entity.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

No assessment done

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/associations:** 16
- b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of / affiliated to.**

S. N.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	PHD Chamber of Commerce	National
2.	CIFI (Confederation of Indian Footwear Industries)	National
3.	CFLA (Council for Footwear Leather and Accessories)	National
4.	All India Rubber Association	National
5.	Development Council For Footwear & Leather Industry	National
6.	All India Federation of Plastic Industries- (Delhi)	State
7.	FORM (Foundation of Rubber & Polymer Manufacturer)	State
8.	Bahadurgarh Chamber of Commerce & Industries	State
9.	Footwear Park Association- HSIIDC - (Bahadurgarh)	State
10.	Bahadurgarh Footwear Development Services Pvt. Ltd.	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of Authority	Brief of the case	Corrective action taken
There are no cases of anti-competitive conduct in the Company in FY 2024		

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

Not Applicable

Principle 8

Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

The company has not conducted any Social Impact Assessments (SIA). However, we realise the importance of social impact assessments in understanding and addressing the potential social implications of our business activities.

2. **Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Our operations and expansion projects have not resulted in the displacement of any population or their livelihoods. As a result, we have not undertaken any Rehabilitation and Resettlement (R&R) activities.

3. **Describe the mechanisms to receive and redress grievances of the community:**

The Company continuously engages with the community members for any of their grievances.

In addition to Grievance Redressal, the community stakeholders also have the option of sharing their concerns with the Company via e-mail and the toll-free number mentioned on the Company's website.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category of waste	FY 2024 (In %)	FY 2023 (In %)
Directly sourced from MSMEs/ small producers	48.94	66.05
Directly from within India	82.63	78.85

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost-

The Company has plants, warehouses, offices & retail outlets spread across PAN India including Bahadurgarh, Bhiwadi, Haridwar, Delhi, etc..

Location	FY 2024	FY 2023
Rural	1.53	0.72
Semi-urban	0.33	0.09
Urban	51.06	50.17
Metropolitan	47.08	49.01

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban/metropolitan)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. N.	State	Aspirational District	Amount Spent (in ₹)
1.	Uttarakhand	Haridwar	4.35 Crores

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

b. From which marginalized /vulnerable groups do you procure?

Not Applicable

c. What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

The Company doesn't own or acquire intellectual property based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects:

Refer to Annexure D of Board's Report.

Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The company has a well-established and comprehensive system in place to handle consumer feedback effectively. It has created multiple avenues of communication, including convenient options such as online service requests, a dedicated toll-free number, and an accessible email ID. These channels enable customers to easily raise their complaints and provide valuable feedback regarding the company's products or services.

Moreover, the company also welcomes walk-in complaints through its Exclusive Brand Outlets (EBOs), ensuring that customers have various options to voice their concerns directly. This approach emphasizes the company's commitment to listening to its customers and addressing their concerns promptly.

To ensure efficiency and responsiveness, an internal team is dedicated to continuously monitoring these communication platforms. This proactive monitoring allows the team to stay informed about incoming feedback and complaints, enabling them to take timely and appropriate actions to resolve issues and enhance customer satisfaction.

2. Turnover of products and / services as a percentage of turnover from all products/services that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	Relaxo products carry all the information on the product box which is mandatory as part of the regulatory compliance.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024			FY 2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising						
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-
Others (i.e. General Customer Complaints)	2366	-	-	2165	-	-

4. Details of instances of product recalls on accounts of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy.

Yes, the Company has a policy on information security in place which is available on the internal network of the Company. Apart from that, the Company is ISO 27001:2013 certified and conducts regular audits as well.

The company's risk management framework also includes risk mitigation steps to overcome cybersecurity and risk related to data privacy.

Link of Risk Management Policy

https://dxkvlfvncvqr8.cloudfront.net/media/file/pdf/download_file/risk-management-policy-1708068852.pdf

<https://www.relaxof footwear.com/policies>

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

a. **Number of instances of data breaches** - Nil

b. **Percentage of data breaches involving personally identifiable information of customers** - NA

c. **Impact, if any, of the data breaches** - NA

LEADERSHIP INDICATORS

1. **Channels/platforms where information on products and services of the entity can be accessed (provide a web link, if available).**

Information on the products and services of the entity can be accessed on the Company's Website.

Link to the website - <https://www.relaxofootwear.com/>

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not Applicable

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not Applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The Company displays the necessary information on the product which is mandatory as per applicable Laws.

The Company take periodic surveys to identify its performance as well as assess customer satisfaction.



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, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material 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, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matters:

Key audit matters	How our audit addressed the key audit matter
Revenue Recognition (Refer Note no. 20, 29 and 47 to the Financial statements) As per the accounting policy of the Company, the revenue is recognised upon transfer of control of goods to the customer and thus requires an estimation of the revenue taking into consideration the rebates and discounts as per the terms of the contracts. With regard to the determination of revenue, the management is required to make significant estimates in respect of following: <ul style="list-style-type: none">the rebates/ discounts linked to sales, which will be given to the customers pursuant to schemes offered by the Company; anddiscounts offered by the customers to the ultimate consumers at the behest of the Company. The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.	Our audit procedures included the following: <ul style="list-style-type: none">Obtained an understanding from the management with regard to controls relating to recording of rebates and discounts and period end provisions relating to estimation of revenue, and tested the operating effectiveness of such controls;Tested the inputs used in the estimation of revenue in context of rebates and discounts to source data;Assessed the underlying assumptions used for determination of rebates and discounts;Ensured the completeness of liabilities recognised by evaluating the parameters for sample schemes;Performed look-back analysis for past trends by comparing recent actuals with the estimates of earlier periods and assessed subsequent events;Tested credit notes issued to customers and payments made to them during the year and subsequent to the year-end along with the terms of the related schemes. Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect of estimation of rebates and discounts.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p>Provisions, Litigations, Claims and Contingent Liabilities: (Refer Note-16, 29 and 30)</p> <p>The management is required to make judgements and estimates in relation to the issues and exposures arising from a range of matters relating to direct tax, indirect tax, general legal proceedings and other eventualities arising in the regular course of business. The Company is also subject to complexities arising from uncertain tax positions on deductibility of expenses and allowance of certain tax deductions.</p> <p>The key judgement lies in determining the likelihood and magnitude of the possible cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities. By nature, these are complex and include many variables.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We tested the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions. • We inquired about the status in respect of significant provisions with the Company's internal tax and legal team. • We assessed the value of material provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities. • We challenged the assumptions and critical judgements made by the Company which impacted their estimate of provision required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias. • We verified the calculation of provision on a test check basis.

Information Other than the Financial Statements and Auditor's 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 auditor's report thereon. The Other Information is expected to be made available to us after the date of this auditor's report. 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 Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity 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.

Auditor's 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 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 Act, we are also responsible for expressing our opinion on whether the Company has an 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 auditor's 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 auditor's 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 auditor's 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, 2020 ("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, the Cash Flow Statement and Statement of Changes in Equity 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.
 - (e) On the basis of written representations received from the directors as at March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as at March 31, 2024 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 Auditor's 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 Auditor's 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 Note-30 to 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.

iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend (Refer Note No.13 to the financial statements);

b) As stated in Note No.48 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend;

vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Gupta & Dua**

Chartered Accountants
Firm's Registration No.003849N

Mukesh Dua

Partner

Membership No.085323

UDIN: 24085323BKCTUN5094

New Delhi, May 9, 2024

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)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us, property, plant and equipment 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.
- c) Based upon the audit procedure performed and according to the records of the Company, the title deeds of the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except for the following which are not held in the name of the Company:

Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ in Crores)	Title deeds held in the name of	Whether title deed holder is a Promoter, Director or their Relative or Employee	Property held since which date	Reason for not being held in the name of the Company
Right-of-Use Assets (Refer note no.3)	Leasehold Land at Pathredi Industrial Area, Bhiwadi, Rajasthan	127.06	Orient Craft Limited (Erstwhile owner)	No	December 30, 2023	Title deed registration is under process.

- d) The Company has not revalued its Property, plant and equipment (including Right of use Assets) and intangible assets during the year end.
 - e) According to the information and explanations given to us, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. In respect of its inventories:
 - a) The management has physically verified the inventories. In our opinion, the frequency, coverage and procedure of such 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.
 - b) The Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks on the basis of security of current assets during the year. According to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
 3. In our opinion and according to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties.
 4. 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 covered 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.
 5. In our opinion and 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.
 6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
 7. In respect of statutory dues:
 - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below: (₹ in Crores)

S. No.	Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount
1.	Haryana General Sales Tax Act, 1973	Purchase Tax	Jt. Commissioner	2001-2002 2002-2003	0.20 0.15
2.	Delhi Value Added Tax Act, 2005	Input Tax	Appellate Tribunal, Delhi	2008-2009 2013-2014	0.02 0.22
3.	i) Rajasthan Tax on Entry of Goods into Local Area Act, 1999	Entry Tax	Tax Board, Ajmer	2011-12 to 2016-17	0.71
	ii) Rajasthan Goods & services Tax-2017	Goods & Services Tax	Jt. Commissioner (State Tax), Jaipur	2019-20 to 2021-22	36.45
	iii) Rajasthan Goods & services Tax-2017	Goods & Services Tax	Special Commissioner	2017-18	0.10
4.	Uttarakhand Goods & services Tax-2017	Goods & Services Tax	Dy. Commissioner (State tax), Haridwar	2018-19 & 2019-20	0.74
5.	Uttar Pradesh Goods & services Tax-2017	Goods & Services Tax	Additional Commissioner Grade-II Appeal	2017-18	0.08
6.	Income Tax Act, 1961	Income Tax	Assessing Officer, CIT (A), CPC	2008-09, 2013-14, 2016-17 to 2019-20, 2023-24	2.60
		TDS	Assessing Officer, CIT (A), ITAT	2008-09 to 2011-12, 2013-14 to 2015-16, 2017-18 to 2019-20, 2022-23	0.04
Total					41.31

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. a) Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.
- b) The Company is not declared a wilful defaulter by any bank or financial institution or other lender.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on a short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company has no subsidiaries, associates or joint ventures. Hence, reporting under clause 3 (ix)(e) and (f) of the Order is not applicable.
10. a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.
- b) The Company has not made any preferential allotment of shares or fully or partially convertible debentures during the year. Hence, reporting under clause 3(x)(b) of the Order is not applicable.
11. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
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, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the

year and till date, in determining the nature, timing and extent of our audit procedures.

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 is not applicable.
16. a) The Company is not engaged in business of Non-Banking Financial Company or Housing Finance Company or Core Investment Company requiring registration under the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
b) The Company is not a part of a Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is

not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the Act.

For **Gupta & Dua**

Chartered Accountants
Firm's Registration No.003849N

Mukesh Dua

Partner

Membership No.085323

UDIN: 24085323BKCTUN5094

New Delhi, May 9, 2024

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, 2024 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 Act.

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 Act, 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, 2024 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 **Gupta & Dua**

Chartered Accountants
Firm’s Registration No.003849N

Mukesh Dua

Partner

Membership No.085323

UDIN: 24085323BKCTUN5094

New Delhi, May 9, 2024

Balance Sheet as at March 31, 2024

(₹ in Crores)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	1006.30	923.89
Capital Work-in-Progress	1	32.52	87.77
Intangible Assets	2	21.95	30.76
Intangible Assets under Development	2	0.75	1.18
Right-of-Use Assets	3	342.85	195.58
Financial Assets			
Investments	4	24.79	24.69
Loans	5	0.13	0.03
Other Financial Assets	6	20.71	18.00
Other Non-Current Assets	7	17.52	19.26
		1467.52	1301.16
Current Assets			
Inventories	8	598.80	563.78
Financial Assets			
Investments	4	82.87	200.59
Trade Receivables	9	357.74	270.34
Cash and Cash Equivalents	10	40.35	10.27
Bank Balances other than Cash and Cash Equivalents	11	57.35	63.74
Loans	5	0.54	0.58
Other Financial Assets	6	2.00	2.34
Other Current Assets	7	106.74	81.99
		1246.39	1193.63
Total Assets		2713.91	2494.79
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	24.89	24.89
Other Equity	13	1976.22	1830.16
		2001.11	1855.05
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Lease Liabilities		150.43	128.28
Provisions	16	19.18	19.35
Deferred Tax Liabilities (Net)	17	23.74	21.46
		193.35	169.09
Current Liabilities			
Financial Liabilities			
Borrowings	14	18.54	-
Lease Liabilities		36.00	35.80
Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises (Refer note no. 43 & 44)		72.65	70.41
Total Outstanding Dues of Creditors other than Micro and Small Enterprises (Refer note no. 44)		182.02	182.46
Other Financial Liabilities	15	99.07	89.69
Other Current Liabilities	18	67.75	64.23
Provisions	16	40.10	25.14
Current Tax Liabilities (Net)	19	3.32	2.92
		519.45	470.65
Total Equity and Liabilities		2713.91	2494.79

Material Accounting Policies (Refer note no. 29)

The accompanying notes are an integral part of financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No.: 003849N

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Mukand Lal Dua
Whole Time Director
DIN: 00157898

Mukesh Dua
Partner
Membership No.: 085323

Sushil Batra
Executive Director & Chief Financial Officer
DIN: 09351823

Ankit Jain
Company Secretary
Membership No.: FCS 8188

Delhi, May 9, 2024

Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Crores)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from Operations	20	2914.06	2782.77
Other Income	21	28.86	18.57
Total Income		2942.92	2801.34
EXPENSES			
Cost of Materials Consumed, including Packing Material		1156.74	1183.19
Purchases of Stock-in-Trade		85.10	73.46
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	22	(22.14)	77.67
Employee Benefits Expense	23	389.10	343.25
Finance Costs	24	18.69	19.24
Depreciation and Amortisation Expense	25	147.49	125.10
Other Expenses	26	898.67	769.42
Total Expenses		2673.65	2591.33
Profit Before Tax		269.27	210.01
Tax Expense	27		
Current Tax		67.23	54.59
Deferred Tax		1.57	0.95
		68.80	55.54
Profit for the year		200.47	154.47
Other Comprehensive Income not to be reclassified to Profit or Loss			
Remeasurement Gains / (Losses) on Defined Benefit Plan	31(b)	2.82	2.62
Income Tax effect on above		(0.71)	(0.66)
		2.11	1.96
Total Comprehensive Income for the year		202.58	156.43
(Comprising Profit and Other Comprehensive Income for the year)			
Earnings Per Equity Share (Face Value of ₹1/- each) (In ₹)	33		
Basic		8.05	6.21
Diluted		8.05	6.21

Material Accounting Policies (Refer note no. 29)

The accompanying notes are an integral part of financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No.: 003849N

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Mukund Lal Dua
Whole Time Director
DIN: 00157898

Mukesh Dua
Partner
Membership No.: 085323

Sushil Batra
Executive Director & Chief Financial Officer
DIN: 09351823

Ankit Jain
Company Secretary
Membership No.: FCS 8188

Delhi, May 9, 2024

Statement of Cash Flows for the year ended March 31, 2024

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash Flow from Operating Activities		
Profit Before Tax	269.27	210.01
Adjustments for		
Depreciation and Amortisation Expense	147.49	125.10
Finance Costs	18.69	19.24
Interest Income on Bonds / Bank Deposits	(12.61)	(5.55)
Net Gain on Investments	(9.32)	(6.32)
Net Unrealised (Gain) / Loss on Foreign Currency Transactions and Translations	(0.79)	(1.07)
Gain on Lease Modification, Termination and Concession	(2.92)	(0.85)
Share Based Payments	5.71	0.30
Net Unrealised (Gain) / Loss on Fair Valuation of Derivative Instruments	(0.07)	0.26
Write down / (Reversal of write down) of Inventories	(0.33)	1.04
Bad Debts Written off	1.84	0.13
Provision no longer required (Expected Credit Loss) written back	(2.14)	(0.13)
Net Allowance for Expected Credit Loss	(0.28)	0.75
Net (Gain) / Loss on Disposal / Write off of Property, Plant and Equipment	2.51	2.55
Operating Profit Before Working Capital Changes	417.05	345.46
Changes in Working Capital		
Adjustments for (Increase) / Decrease in Operating Assets		
Current and Non-Current Financial Assets	(2.77)	(1.68)
Other Non-Current Assets	0.56	(0.13)
Trade Receivables	(86.24)	(19.49)
Other Current Assets	(24.75)	(2.10)
Inventories	(34.69)	108.43
Adjustments for Increase / (Decrease) in Operating Liabilities		
Trade Payables	1.75	31.52
Other Financial Liabilities	11.03	(5.82)
Provisions	16.49	(4.57)
Other Current Liabilities	3.52	3.94
Net Cash Flow from / (used in) Working Capital	(115.10)	110.10
Cash Generated from Operations	301.95	455.56
Taxes Paid*	(66.83)	(55.49)
Net Cash Generated from / (used in) Operating Activities	235.12	400.07
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment including Capital Work-in-Progress	(248.36)	(176.88)
Purchase of Intangible Assets including Intangible Assets under Development	(1.03)	(8.31)
Proceeds from Sale of Property, Plant and Equipment	3.25	0.88
(Purchase) / Redemption of Mutual Funds and Bonds (Net)	126.94	(24.71)
Interest received on Bonds / Bank Deposits	11.56	3.57
(Investment) / Maturity of Bank Deposits with original maturity of more than three months	9.01	(53.00)
Net Cash Flow from / (used in) Investing Activities	(98.63)	(258.45)

Statement of Cash Flows for the year ended March 31, 2024 (contd.)

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash Flow from Financing Activities		
Proceeds from issuance of Equity Shares under Employee Stock Option Plan	-	0.00
Securities Premium received on exercise of Equity Shares issued under Employee Stock Option Plan	-	0.43
Proceeds from / (Repayment) of Current Borrowings (Net)	18.54	(20.00)
Principal Payment of Lease Liabilities	(44.09)	(37.41)
Dividend Paid	(62.23)	(62.23)
Interest paid on Lease Liabilities	(14.93)	(13.70)
Other Finance Costs	(3.70)	(5.54)
Net Cash Flow from / (used in) Financing Activities	(106.41)	(138.45)
Net Increase / (Decrease) in Cash and Cash Equivalents	30.08	3.17
Cash and Cash Equivalents at the beginning of year	10.27	7.10
Exchange Fluctuation Gain / (Loss) on Foreign Currency Bank Balances	0.00	(0.00)
Cash and Cash Equivalents at the end of year	40.35	10.27
Components of Cash and Cash Equivalents (At the end of year)		
Balances with Banks on Current Accounts	12.05	9.87
Bank Deposits with original maturity of less than three months (including accrued interest)	27.01	-
Cash on Hand	1.29	0.40
	40.35	10.27

The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 - "Statement of Cash Flows".

Total cash outflow for leases ₹59.02 crores (previous year ₹51.11 crores).

*Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

Changes in liabilities arising from financing activities, including changes arising from cash flows and non cash changes as per IND AS 7 - "Statement of Cash Flows" are shown below : (₹ in Crores)

Particulars	As at April 1, 2023	Cash Flows from / (used in)	Non Cash Changes		As at March 31, 2024
			Recognition of new leases	Lease Modification, Termination and Concession	
Borrowings	-	18.54	-	-	18.54
Lease Liabilities	164.08	(44.09)	69.36	(2.92)	186.43
	164.08	(25.55)	69.36	(2.92)	204.97

(₹ in Crores)

Particulars	As at April 1, 2022	Cash Flows from / (used in)	Non Cash Changes		As at March 31, 2023
			Recognition of new leases	Lease Modification, Termination and Concession	
Borrowings	20.00	(20.00)	-	-	-
Lease Liabilities	154.04	(37.41)	48.30	(0.85)	164.08
	174.04	(57.41)	48.30	(0.85)	164.08

Material Accounting Policies (Refer note no. 29)

The accompanying notes are an integral part of financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No.: 003849N

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Mukund Lal Dua
Whole Time Director
DIN: 00157898

Mukesh Dua
Partner
Membership No.: 085323

Sushil Batra
Executive Director & Chief Financial Officer
DIN: 09351823

Ankit Jain
Company Secretary
Membership No.: FCS 8188

Delhi, May 9, 2024

Statement of Changes in Equity for the year ended March 31, 2024

Equity Share Capital (Refer note no. 12)

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of year		
24,89,38,586 (previous year 24,89,26,046) Equity Shares of face value of ₹1/- each (previous year ₹1/- each)	24.89	24.89
Changes in Share Capital		
Nil (previous year 12,540) Equity Shares of face value of ₹1/- each (previous year ₹1/- each) issued under Employee Stock Option Plan (Refer note no. 32)	-	0.00
Balance at the end of year		
24,89,38,586 (previous year 24,89,38,586) Equity Shares of face value of ₹1/- each (previous year ₹1/- each)	24.89	24.89

There are no changes in equity share capital due to prior period errors.

Other Equity (Refer note no. 13)

(₹ in Crores)

Particulars	Reserves and Surplus					Total
	Securities Premium	Share Options Outstanding Account	General Reserve	Retained Earnings	Other Comprehensive Income	
As at April 1, 2023	216.83	0.48	1527.22	80.64	4.99	1830.16
Profit for the year	-	-	-	200.47	-	200.47
Remeasurement Gains / (Losses) on Defined Benefit Plan (Net of Tax)	-	-	-	-	2.11	2.11
Transfer from Retained Earnings to General Reserve	-	-	125.00	(125.00)	-	-
Share Based Payments under Employee Stock Option Plan	-	5.71	-	-	-	5.71
Final Dividend on Equity Shares for the year ended March 31, 2023 @ ₹2.50 per equity share	-	-	-	(62.23)	-	(62.23)
As at March 31, 2024	216.83	6.19	1652.22	93.88	7.10	1976.22

Statement of Changes in Equity for the year ended March 31, 2024 (contd.)

Other Equity (Refer note no. 13) (contd.)

(₹ in Crores)

Particulars	Reserves and Surplus					Total
	Securities Premium	Share Options Outstanding Account	General Reserve	Retained Earnings	Other Comprehensive Income	
As at April 1, 2022	216.20	2.37	1450.23	63.40	3.03	1735.23
Profit for the year	-	-	-	154.47	-	154.47
Remeasurement Gains / (Losses) on Defined Benefit Plan (Net of Tax)	-	-	-	-	1.96	1.96
Transfer from Retained Earnings to General Reserve	-	-	75.00	(75.00)	-	-
Share Based Payments under Employee Stock Option Plan	-	0.30	-	-	-	0.30
Transferred from Share Options Outstanding Account to Securities Premium on issuance of 12,540 Equity Shares of face value of ₹1/- each under Employee Stock Option Plan	0.20	(0.20)	-	-	-	-
Securities Premium received on exercise of 12,540 Equity Shares of face value of ₹1/- each under Employee Stock Option Plan	0.43	-	-	-	-	0.43
Transferred from Share Options Outstanding Account to General Reserve on cancellation of Options under Employee Stock Option Plan	-	(1.99)	1.99	-	-	-
Final Dividend on Equity Shares for the year ended March 31, 2022 @ ₹2.50 per equity share	-	-	-	(62.23)	-	(62.23)
As at March 31, 2023	216.83	0.48	1527.22	80.64	4.99	1830.16

Material Accounting Policies (Refer note no. 29)

The accompanying notes are an integral part of financial statements.

As per our report of even date

For **Gupta & Dua**
Chartered Accountants
Firm's Registration No.: 003849N

Mukesh Dua
Partner
Membership No.: 085323

Delhi, May 9, 2024

For and on behalf of the Board of Directors

Ramesh Kumar Dua
Chairman & Managing Director
DIN: 00157872

Sushil Batra
Executive Director & Chief Financial Officer
DIN: 09351823

Mukand Lal Dua
Whole Time Director
DIN: 00157898

Ankit Jain
Company Secretary
Membership No.: FCS 8188

Notes forming part of Financial Statements

Note No. 1: Property, Plant and Equipment & Capital Work-in-Progress

(₹ in Crores)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at April 1, 2023	Additions	Disposals/ Adjustments	As at March 31, 2024	Depreciation	Disposals/ Adjustments	As at March 31, 2024	As at March 31, 2024
Property, Plant and Equipment								
Freehold Land	163.30	-	-	163.30	-	-	-	163.30
Buildings	409.54	25.04	4.53	430.05	14.86	0.69	82.40	347.65
Leasehold Improvements	18.99	14.75	0.29	33.45	2.78	0.18	14.08	19.37
Plant and Equipments	441.45	85.15	8.81	517.79	33.52	7.31	165.59	352.20
Moulds	129.98	26.36	0.06	156.28	21.65	0.06	114.95	41.33
Furniture and Fixtures	28.57	4.34	0.27	32.64	2.65	0.19	15.62	17.02
Vehicles	18.37	2.39	1.41	19.35	2.05	1.29	8.80	10.55
Office Equipments	13.35	2.24	0.30	15.29	1.30	0.27	10.61	4.68
Computers	23.44	5.00	1.33	27.11	3.98	1.29	17.05	10.06
Electrical Installations	42.47	10.76	0.15	53.08	3.90	0.11	22.31	30.77
Temporary Structure	3.10	0.21	0.05	3.26	0.39	0.05	2.45	0.81
Wind Power Generation Plant	17.32	-	-	17.32	0.99	-	8.76	8.56
	1309.88	176.24	17.20	1468.92	88.07	11.44	462.62	1006.30
Capital Work-in-Progress *	87.77	12.79	68.04	32.52	-	-	-	32.52
	87.77	12.79	68.04	32.52	-	-	-	32.52

* Includes building under construction.

For capital commitments, refer note no. 30.

There are no changes due to revaluation and acquisition through business combination.

For details of title deeds, refer note no. 49(a).

For ageing of capital work-in-progress, refer note no. 49(b).

Notes forming part of Financial Statements

Note No. 1: Property, Plant and Equipment & Capital Work-in-Progress (contd.)

(₹ in Crores)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at April 1, 2022	Additions	Disposals/ Adjustments	As at March 31, 2023	As at April 1, 2022	Depreciation	Disposals/ Adjustments	As at March 31, 2023
Property, Plant and Equipment								
Freehold Land	163.30	-	-	163.30	-	-	-	163.30
Buildings	318.12	93.70	2.28	409.54	55.66	13.16	0.59	341.31
Leasehold Improvements	16.77	2.99	0.77	18.99	10.39	1.57	0.48	7.51
Plant and Equipments	357.64	84.59	0.78	441.45	111.14	28.73	0.49	302.07
Moulds	109.35	22.81	2.18	129.98	77.14	18.11	1.89	36.62
Furniture and Fixtures	24.16	4.80	0.39	28.57	10.97	2.41	0.22	15.41
Vehicles	14.57	4.80	1.00	18.37	6.89	1.61	0.46	10.33
Office Equipments	11.76	2.03	0.44	13.35	8.51	1.46	0.39	3.77
Computers	18.00	6.15	0.71	23.44	12.31	2.73	0.68	9.08
Electrical Installations	33.07	9.62	0.22	42.47	15.36	3.30	0.14	23.95
Temporary Structure	2.37	0.80	0.07	3.10	1.93	0.25	0.07	0.99
Wind Power Generation Plant	17.32	-	-	17.32	6.78	0.99	-	9.55
	1086.43	232.29	8.84	1309.88	317.08	74.32	5.41	923.89
Capital Work-in-Progress								
	145.18	87.30	144.71	87.77	-	-	-	87.77
	145.18	87.30	144.71	87.77	-	-	-	87.77

Notes forming part of Financial Statements

Note No. 2: Intangible Assets & Intangible Assets under Development

(₹ in Crores)

Particulars	Gross Carrying Amount			Accumulated Amortisation			Net Carrying Amount	
	As at April 1, 2023	Additions	Disposals/ Adjustments	As at March 31, 2024	As at April 1, 2023	Amortisation	Disposals/ Adjustments	As at March 31, 2024
Intangible Assets								
Computer Software and Licenses	25.79	0.84	0.08	26.55	13.56	3.17	0.08	9.90
Intellectual Property Rights	66.05	0.62	-	66.67	47.52	7.10	-	12.05
	91.84	1.46	0.08	93.22	61.08	10.27	0.08	21.95
Intangible Assets under Development *								
	1.18	0.26	0.69	0.75	-	-	-	0.75
	1.18	0.26	0.69	0.75	-	-	-	0.75

* Includes cost related to intellectual property rights under registration.

There are no changes due to revaluation and acquisition through business combination.

For ageing of intangible assets under development, refer note no. 49(b).

Note No. 2: Intangible Assets & Intangible Assets under Development

(₹ in Crores)

Particulars	Gross Carrying Amount			Accumulated Amortisation			Net Carrying Amount	
	As at April 1, 2022	Additions	Disposals/ Adjustments	As at March 31, 2023	As at April 1, 2022	Amortisation	Disposals/ Adjustments	As at March 31, 2023
Intangible Assets								
Computer Software and Licenses	15.00	10.79	-	25.79	11.85	1.71	-	12.23
Intellectual Property Rights	65.93	0.12	-	66.05	40.48	7.04	-	18.53
	80.93	10.91	-	91.84	52.33	8.75	-	30.76
Intangible Assets under Development								
	3.78	0.13	2.73	1.18	-	-	-	1.18
	3.78	0.13	2.73	1.18	-	-	-	1.18

Notes forming part of Financial Statements

Note No. 3: Right-of-Use Assets

(₹ in Crores)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at April 1, 2023	Additions	Disposals/ Adjustments	As at March 31, 2024	As at April 1, 2023	Depreciation	Disposals/ Adjustments	As at March 31, 2024	As at March 31, 2024
Leasehold Land *	52.44	127.06	-	179.50	3.80	0.95	-	4.75	174.75
Buildings	237.73	87.22	54.10	270.85	90.79	48.20	36.24	102.75	168.10
	290.17	214.28	54.10	450.35	94.59	49.15	36.24	107.50	342.85

There are no changes due to revaluation and acquisition through business combination.

* For details of title deeds, refer note no. 49(a).

Note No. 3: Right-of-Use Assets

(₹ in Crores)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at April 1, 2022	Additions	Disposals/ Adjustments	As at March 31, 2023	As at April 1, 2022	Depreciation	Disposals/ Adjustments	As at March 31, 2023	As at March 31, 2023
Leasehold Land	52.44	-	-	52.44	3.25	0.55	-	3.80	48.64
Buildings	206.79	57.82	26.88	237.73	66.67	41.48	17.36	90.79	146.94
	259.23	57.82	26.88	290.17	69.92	42.03	17.36	94.59	195.58

Notes forming part of Financial Statements

Note No. 4: Investments

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Investment at Fair Value through Other Comprehensive Income (FVTOCI)		
Unquoted		
40 (previous year 40) Equity Shares of face value of ₹50,000/- each fully paid up of Bahadurgarh Footwear Development Services Private Limited	0.20	0.20
Investment at Fair Value through Profit or Loss (FVTPL)		
Quoted		
25 (previous year 25) Perpetual Bonds of face value of ₹1,00,00,000/- each fully paid up of 7.55% State Bank of India Unsecured Non - Convertible Perpetual Subordinated Basel III Compliant Tier 1 Bonds (first call option December 14, 2026)	24.59	24.49
	24.79	24.69
Current		
Investment at Fair Value through Profit or Loss (FVTPL)		
Quoted		
27,602.44 (previous year 76,746.70) units of Mutual Funds of face value of ₹1,000/- each of SBI Magnum Ultra Short Duration Fund - Regular Growth	15.07	39.10
58,87,953.25 (previous year 3,57,84,830.62) units of Mutual Funds of face value of ₹10/- each of Kotak Savings Fund - Regular Growth	23.12	131.34
Nil (previous year 14,350.91) units of Mutual Funds of face value of ₹1,000/- each of SBI Liquid Fund - Regular Growth	-	5.02
Nil (previous year 250) Perpetual Bonds of face value of ₹10,00,000/- each fully paid up of 9.15% ICICI Bank Limited Unsecured Non - Convertible Perpetual Subordinated Basel III Compliant Tier 1 Bonds (first call option June 20, 2023)	-	25.13
450 (previous year Nil) Perpetual Bonds of face value of ₹10,00,000/- each fully paid up of 8.50% State Bank of India Unsecured Non - Convertible Perpetual Subordinated Basel III Compliant Tier 1 Bonds (first call option November 22, 2024)	44.68	-
	82.87	200.59
Aggregate amount of Quoted Investments and market value thereof		
Current	82.87	200.59
Non-Current	24.59	24.49
Aggregate amount of Unquoted Investments		
Non-Current	0.20	0.20

Note No. 5: Loans

Unsecured, considered good unless otherwise stated

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Loans to Employees	0.13	0.03
	0.13	0.03
Current		
Loans to Employees	0.54	0.58
	0.54	0.58

There are no loans granted to promoters, directors, KMPs and related parties.

There are no loans which have significant increase in credit risk and no loans are credit impaired.

Notes forming part of Financial Statements

Note No. 6: Other Financial Assets

Unsecured, considered good unless otherwise stated

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Security Deposits *	20.70	17.98
Bank Deposits pledged as security with Government Authorities	0.01	0.02
Interest accrued on Bank Deposits	0.00	0.00
	20.71	18.00
Current		
Interest accrued on Bonds	1.93	2.34
Derivative Instruments measured at Fair Value through Profit or Loss		
Foreign Exchange Forward Contracts	0.07	-
	2.00	2.34

* Security deposits are recoverable upon termination of agreement unless otherwise agreed.

Note No. 7: Other Assets

Unsecured, considered good unless otherwise stated

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Capital Advances *	8.53	9.71
Prepaid Expenses	1.92	2.48
Balances / Deposits with Statutory or Government Authorities	7.07	7.07
	17.52	19.26
Current		
Advance for supply of goods and rendering of services *	21.43	8.48
Prepaid Expenses	13.39	12.54
Insurance Claims Receivable	30.28	30.55
Export Incentives Receivable	0.61	0.81
Duty Credit Scripts	0.13	0.05
Input Tax Balances	34.40	24.79
GST Refundable	6.50	4.77
	106.74	81.99

* There are no advances given to promoters, directors, KMPs and related parties.

Notes forming part of Financial Statements

Note No. 8: Inventories

Valued at lower of cost and net realisable value

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials including Packing Material (Includes in transit ₹41.47 crores (previous year ₹22.22 crores))	166.63	156.03
Work-in-Progress	82.99	93.39
Finished Goods	289.93	265.31
Stock-in-Trade (Includes in transit ₹0.11 crore (previous year Nil))	36.81	28.89
Stores and Spares including Fuel (Includes in transit ₹0.06 crore (previous year ₹0.16 crore))	22.44	20.16
	598.80	563.78

Inventories are hypothecated by way of first pari passu charge against working capital facilities. (Refer note no. 14)

Write down of inventories to net realisable value related to raw materials, work-in-progress and finished goods amounted to Nil (previous year ₹1.04 crores (Net)). The reversal of write down of inventories amounted to ₹0.33 crore (previous year Nil).

Note No. 9: Trade Receivables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Secured, considered good *	4.86	2.19
Unsecured, considered good	352.88	268.15
Unsecured, credit impaired	3.21	5.63
	360.95	275.97
Allowance for Expected Credit Loss (Refer note no. 36)	(3.21)	(5.63)
	357.74	270.34

* Against bank guarantees.

There are no trade receivables which have significant increase in credit risk. For ageing of trade receivables refer note no. 35.

There are no debts due by promoters, directors, KMPs and related parties.

For information related to credit risk of trade receivables refer note no. 36.

Note No. 10: Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks on Current Accounts	12.05	9.87
Bank Deposits with original maturity of less than three months	27.00	-
Cash on Hand	1.29	0.40
Interest accrued on Bank Deposits	0.01	-
	40.35	10.27

There are no repatriation restrictions with regard to cash and cash equivalents.

Notes forming part of Financial Statements

Note No. 11: Bank Balances other than Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked Balances with Banks - Unpaid Dividends (Refer note no. 15)	0.37	0.34
Bank Deposits with original maturity of more than three months and having remaining maturity upto twelve months	45.99	55.00
Bank Deposits pledged as security with Government Authorities	0.01	-
Unspent Corporate Social Responsibility Accounts ^ (Refer note no. 16)	9.19	8.07
Interest accrued on Bank Deposits	1.79	0.33
	57.35	63.74

^ Earmarked for CSR projects. (Refer note no. 41)

Note No. 12: Equity Share Capital

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
51,00,00,000 (previous year 51,00,00,000) Equity Shares of face value of ₹1/- each (previous year ₹1/- each)	51.00	51.00
	51.00	51.00
Issued, Subscribed and Fully Paid up		
24,89,38,586 (previous year 24,89,38,586) Equity Shares of face value of ₹1/- each (previous year ₹1/- each)	24.89	24.89
	24.89	24.89

Reconciliation of Share Capital

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of year		
24,89,38,586 (previous year 24,89,26,046) Equity Shares of face value of ₹1/- each (previous year ₹1/- each)	24.89	24.89
Changes in Share Capital		
Nil (previous year 12,540) Equity Shares of face value of ₹1/- each (previous year ₹1/- each) issued under Employee Stock Option Plan (Refer note no. 32)	-	0.00
Balance at the end of year		
24,89,38,586 (previous year 24,89,38,586) Equity Shares of face value of ₹1/- each (previous year ₹1/- each)	24.89	24.89

There are no changes in equity share capital due to prior period errors.

Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹1/- each (previous year ₹1/- each). Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Equity Shares reserved for issue under Employee Stock Option Plan

For details of shares reserved under Employee Stock Option Plan refer note no. 32.

The equity shares of the Company are listed at BSE Limited and National Stock Exchange of India Ltd. The annual listing fee has been paid for the year.

Notes forming part of Financial Statements

Details of Shareholders holding more than 5% Shares in the Company

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Ramesh Kumar Dua	5,84,27,744	23.47%	5,84,01,744	23.46%
Mukand Lal Dua	5,07,53,160	20.39%	5,07,25,466	20.38%
SBI Mutual Fund & Sub accounts	2,00,37,067	8.05%	1,66,98,557	6.71%
VLS Securities Limited	1,55,94,000	6.26%	1,55,94,000	6.26%

Details of Promoters Shareholding

Name of Promoters	As at March 31, 2024		As at March 31, 2023		% Change during the Year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Ramesh Kumar Dua	5,84,27,744	23.47%	5,84,01,744	23.46%	0.01%
Mukand Lal Dua	5,07,53,160	20.39%	5,07,25,466	20.38%	0.01%
Usha Dua	95,60,510	3.84%	95,60,510	3.84%	-
Lalita Dua	95,32,362	3.83%	95,32,362	3.83%	-
Ritesh Dua	93,43,674	3.75%	93,43,674	3.75%	-
Gaurav Kumar Dua	93,43,674	3.75%	93,43,674	3.75%	-
Nitin Dua	93,43,674	3.75%	93,43,674	3.75%	-
Rahul Dua	93,43,674	3.75%	93,44,043	3.75%	(0.00%)
Nikhil Dua	92,43,674	3.71%	92,43,674	3.71%	-
Sakshi Dua	20,20,000	0.81%	20,20,000	0.81%	-
Mukand Lal Dua (HUF)	4,64,000	0.19%	4,64,000	0.19%	-
Ramesh Kumar Dua (HUF)	40,000	0.02%	40,000	0.02%	-
	17,74,16,146	71.27%	17,73,62,821	71.25%	0.02%

Name of Promoters	As at March 31, 2023		As at March 31, 2022		% Change during the Year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Ramesh Kumar Dua	5,84,01,744	23.46%	5,78,17,744	23.23%	0.23%
Mukand Lal Dua	5,07,25,466	20.38%	5,01,41,920	20.14%	0.23%
Usha Dua	95,60,510	3.84%	94,60,510	3.80%	0.04%
Lalita Dua	95,32,362	3.83%	95,32,362	3.83%	(0.00%)
Ritesh Dua	93,43,674	3.75%	93,43,674	3.75%	(0.00%)
Gaurav Kumar Dua	93,43,674	3.75%	93,43,674	3.75%	(0.00%)
Nitin Dua	93,43,674	3.75%	93,43,674	3.75%	(0.00%)
Rahul Dua	93,44,043	3.75%	93,43,674	3.75%	(0.00%)
Nikhil Dua	92,43,674	3.71%	93,43,674	3.75%	(0.04%)
Sakshi Dua	20,20,000	0.81%	20,20,000	0.81%	(0.00%)
Mukand Lal Dua (HUF)	4,64,000	0.19%	4,64,000	0.19%	(0.00%)
Ramesh Kumar Dua (HUF)	40,000	0.02%	40,000	0.02%	(0.00%)
	17,73,62,821	71.25%	17,61,94,906	70.78%	0.47%

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 June 28, 2019 allotted 12,40,50,873 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).

Notes forming part of Financial Statements

Note No. 13: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and Surplus		
Securities Premium	216.83	216.83
Share Options Outstanding Account	6.19	0.48
General Reserve	1652.22	1527.22
Retained Earnings	93.88	80.64
Other Comprehensive Income		
Remeasurement Gains / (Losses) on Defined Benefit Plan	7.10	4.99
	1976.22	1830.16

Movement in Other Equity

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Securities Premium		
Opening Balance	216.83	216.20
Transferred from Share Options Outstanding Account on issuance of Equity Shares under Employee Stock Option Plan	-	0.20
Securities Premium received on exercise of Equity Shares under Employee Stock Option Plan	-	0.43
Closing Balance	216.83	216.83
Share Options Outstanding Account		
Opening Balance	0.48	2.37
Share Based Payments under Employee Stock Option Plan (Refer note no. 23)	5.71	0.30
Transferred to Securities Premium on issuance of Equity Shares under Employee Stock Option Plan	-	(0.20)
Transferred to General Reserve on cancellation of Options under Employee Stock Option Plan	-	(1.99)
Closing Balance	6.19	0.48
General Reserve		
Opening Balance	1527.22	1450.23
Transferred from Retained Earnings	125.00	75.00
Transferred from Share Options Outstanding Account on cancellation of Options under Employee Stock Option Plan	-	1.99
Closing Balance	1652.22	1527.22
Retained Earnings		
Opening Balance	80.64	63.40
Profit for the year	200.47	154.47
Transferred to General Reserve	(125.00)	(75.00)
Final Dividend on Equity Shares for the year ended March 31, 2023 @ ₹2.50 per equity share (previous year @ ₹2.50 per equity share)	(62.23)	(62.23)
Closing Balance	93.88	80.64
Other Comprehensive Income		
Opening Balance	4.99	3.03
Remeasurement Gains / (Losses) on Defined Benefit Plan (Net of Tax)	2.11	1.96
Closing Balance	7.10	4.99
	1976.22	1830.16

Notes forming part of Financial Statements

Nature and Purpose of Reserves

Securities Premium - Securities Premium 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 provisions of the Companies Act, 2013.

Share Options Outstanding Account - The Share Options Outstanding Account is used to record the fair value of equity-settled, share-based payment transactions with employees. The amount recorded in share options outstanding account is transferred to securities premium upon issuance of equity shares and transferred to general reserve on cancellation of vested options.

General Reserve - General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. It is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained Earnings - Retained Earnings represents the undistributed profits of the Company accumulated as on balance sheet date.

Remeasurement Gains / (Losses) on Defined Benefit Plan in Other Comprehensive Income - Remeasurement comprises of the actuarial gains and losses on the defined benefit obligation, the difference between the actual total return on assets and the interest income on plan assets calculated based on the discount rate used to determine the defined benefit obligation, as well as any changes in the effect of the asset ceiling excluding the amount included in net interest. These are subsequently not to be reclassified to profit or loss.

Note No. 14: Borrowings

(₹ in Crores)

Particulars	Maturity Date	Interest Rate	As at March 31, 2024	As at March 31, 2023
Current				
Secured Working Capital facilities from Banks				
Loans Repayable on Demand	On Demand	4.55% - 10.05%	18.54	-
			18.54	-

Secured by way of first pari passu charge on entire current assets and personal guarantee of Managing Director and Whole Time Director. (Refer note no. 8, 24 & 38)

The borrowings have been used towards the specific purpose for which they were taken.

There is no default in repayment of principal borrowings or interest thereon.

Note No. 15: Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Retention Money	3.60	3.68
Interest accrued on Borrowings from Banks	0.06	0.00
Security Deposit		
Customers * (Refer note no. 24)	31.81	29.80
Others **	0.61	0.61
Unpaid Dividends ^ (Refer note no. 11)	0.37	0.34
Payable to Employees	38.92	35.92
Director's Commission Payable (Refer note no. 39)	21.43	15.41
Payable for Capital Goods	2.27	3.68
Derivative Instruments measured at Fair Value through Profit or Loss		
Foreign Exchange Forward Contracts	-	0.25
	99.07	89.69

* Deposit from customers are interest bearing and repayable on termination of agreement.

** Amount received from vendors as non interest bearing security towards performance of contract terms.

^ No amount is due to be transferred to Investor Education and Protection Fund.

Notes forming part of Financial Statements

Note No. 16: Provisions

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Provision for Employee Benefits		
Compensated Absences	14.87	13.25
Others		
Corporate Social Responsibility (Refer note no. 11, 26, 30 & 41)	4.31	6.10
	19.18	19.35
Current		
Provision for Employee Benefits		
Compensated Absences	7.50	5.76
Gratuity [Refer note no. 31(b)]	0.11	4.54
Others		
Corporate Social Responsibility (Refer note no. 11, 26, 30 & 41)	9.57	8.32
Rebates and Discounts	22.92	6.52
	40.10	25.14

Movement in Provision for Compensated Absences

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	19.01	16.78
Created during the year	5.97	4.88
Utilised during the year	2.61	2.65
Closing Balance	22.37	19.01

Movement in Provision for Corporate Social Responsibility

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	14.42	10.66
Created during the year	4.69	6.35
Utilised during the year	5.23	2.59
Closing Balance	13.88	14.42

Movement in Provision for Rebates and Discounts

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	6.52	17.85
Created during the year	22.79	4.27
Utilised during the year	6.39	15.60
Closing Balance	22.92	6.52

Notes forming part of Financial Statements

Movement in Provision for Gratuity

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	4.54	2.54
Created during the year	0.11	4.54
Utilised during the year	4.54	2.54
Closing Balance	0.11	4.54

Note No. 17: Deferred Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities	23.74	21.46
	23.74	21.46

Movement in Deferred Tax Assets / (Liabilities)

(₹ in Crores)

Particulars	As at April 1, 2023	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2024
Deferred Tax Assets / (Liabilities)				
Fair valuation of Financial Instruments through Profit or Loss				
Investments	0.11	0.18	-	0.29
Derivative Instruments	0.06	(0.08)	-	(0.02)
Expenses Allowable on payment basis	17.50	0.65	(0.71)	17.44
Impact of Lease Liabilities	41.30	5.62	-	46.92
Allowance for Expected Credit Loss for Trade Receivables (Net) & write down / reversal of write down of Inventories	3.15	(0.53)	-	2.62
Accumulated Depreciation and Amortisation	(83.58)	(7.41)	-	(90.99)
	(21.46)	(1.57)	(0.71)	(23.74)

(₹ in Crores)

Particulars	As at April 1, 2022	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023
Deferred Tax Assets / (Liabilities)				
Fair valuation of Financial Instruments through Profit or Loss				
Investments	0.61	(0.50)	-	0.11
Derivative Instruments	(0.04)	0.10	-	0.06
Expenses Allowable on payment basis	16.93	1.23	(0.66)	17.50
Impact of Lease Liabilities	38.77	2.53	-	41.30
Allowance for Expected Credit Loss for Trade Receivables (Net) & write down / reversal of write down of Inventories	2.73	0.42	-	3.15
Accumulated Depreciation and Amortisation	(78.85)	(4.73)	-	(83.58)
	(19.85)	(0.95)	(0.66)	(21.46)

Notes forming part of Financial Statements

Note No. 18: Other Current Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from Customers *	6.59	6.46
Statutory Dues		
Entry Tax (Refer note no. 30)	46.80	46.80
Others ^	14.36	10.97
	67.75	64.23

* Revenue recognised during current year includes customer advances outstanding at the beginning of year.

^ Includes statutory dues on account of TDS, PF, ESI and GST etc.

Note No. 19: Current Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax (Net of Advance Tax and Tax Deducted at Source)	3.29	2.89
Interest on Income Tax	0.03	0.03
	3.32	2.92

Note No. 20: Revenue from Operations

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Contracts with Customers		
Manufactured and Traded		
Footwear (Refer note no. 45 & 47)	2881.88	2752.05
Wind Power	3.95	3.97
Others *	7.77	8.12
	2893.60	2764.14
Other Operating Revenue		
Scrap Sale	14.47	15.42
Export Incentives	3.15	2.75
Provision no longer required (Expected Credit Loss) written back (Refer note no. 9)	2.14	0.13
Other Operating Income ^	0.70	0.33
	20.46	18.63
	2914.06	2782.77

* Includes accessories, raw material etc.

^ Includes franchisee fees etc.

Note No. 21: Other Income

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income on		
Financial Assets measured at Amortised Cost	6.17	2.47
Financial Assets measured at FVTPL	6.44	3.08
Other Non Operating Income		
Net Gain on Investments measured at FVTPL *	9.32	6.32
Net Gain on Foreign Currency Transactions and Translations	3.59	5.18
Net Gain on Fair Valuation of Derivative Instruments measured at FVTPL	0.37	0.49
Gain on Lease Modification, Termination and Concession (Refer note no. 46)	2.92	0.85
Miscellaneous Income	0.05	0.18
	28.86	18.57

* Includes realised net gain on sale of investments ₹10.49 crores (previous year ₹6.78 crores).

Notes forming part of Financial Statements

Note No. 22: Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the end of year		
Finished Goods	289.93	265.31
Stock-in-Trade	36.81	28.89
Work-in-Progress	82.99	93.39
	409.73	387.59
Inventories at the beginning of year		
Finished Goods	265.31	341.75
Stock-in-Trade	28.89	31.34
Work-in-Progress	93.39	92.17
	387.59	465.26
Net (Increase) / Decrease		
Finished Goods	(24.62)	76.44
Stock-in-Trade	(7.92)	2.45
Work-in-Progress	10.40	(1.22)
	(22.14)	77.67

Note No. 23: Employee Benefits Expense

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, Wages and other benefits	330.57	294.18
Contribution to Provident and other funds [Refer note no. 31(a)]	24.77	23.12
Gratuity Expenses [Refer note no. 31(b)]	7.72	7.22
Share Based Payments (Refer note no. 13)	5.71	0.30
Staff Welfare Expenses	20.33	18.43
	389.10	343.25

Note No. 24: Finance Costs

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on		
Borrowings (Refer note no. 14)	1.50	0.62
Security Deposits (Refer note no. 15)	2.03	1.94
Lease Liabilities	14.93	13.70
Income Tax	0.03	0.03
Other Borrowing Costs		
Processing Fees	0.15	0.15
Other Interest	0.05	2.80
	18.69	19.24

Note No. 25: Depreciation and Amortisation Expense

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on Property, Plant and Equipment (Refer note no. 1)	88.07	74.32
Amortisation of Intangible Assets (Refer note no. 2)	10.27	8.75
Depreciation on Right-of-Use Assets (Refer note no. 3)	49.15	42.03
	147.49	125.10

Notes forming part of Financial Statements

Note No. 26: Other Expenses

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advertisement and Sales Promotion	128.69	122.49
Freight and Forwarding	141.35	119.79
Power and Fuel	107.65	91.61
Consumption of Stores	8.20	7.60
Processing Charges	302.65	262.03
Handling Charges	31.04	28.29
Repair and Maintenance		
Plant and Equipment	23.83	19.71
Computer Equipment & Software	19.63	14.80
Others	10.32	9.90
Legal and Professional (Refer note no. 42)	41.41	16.89
Security Expenses	14.88	13.70
Insurance	9.03	8.20
Rates and Taxes	1.41	1.25
Printing and Stationery	2.46	2.36
Courier and Communication Expenses	3.74	2.95
Travelling and Conveyance	25.49	22.75
Corporate Social Responsibility (Refer note no. 16 & 41)	6.21	6.73
Festival Expenses	2.70	2.15
Bank Charges	2.33	2.41
Net Loss on Disposal / Write off of Property, Plant & Equipment	2.51	2.55
Allowance for Expected Credit Loss (Refer note no. 9)	-	0.75
Bad Debts Written off	1.84	0.13
Miscellaneous	11.30	10.38
	898.67	769.42

Note No. 27: Tax Expense

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax		
Current year	67.23	54.58
Adjustments related to previous years	0.00	0.01
Deferred Tax	1.57	0.95
	68.80	55.54

Reconciliation of Tax Expense and the Accounting Profit

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit Before Tax	269.27	210.01
Tax @ 25.168% (previous year @ 25.168%)	67.77	52.86
Items giving rise to difference in tax		
Deduction under Chapter VI-A of the Income Tax Act, 1961	(0.77)	(0.47)
Non-deductible expenses for tax purpose on account of CSR	1.56	1.69
Others	0.24	1.46
Tax Expense	68.80	55.54

Notes forming part of Financial Statements

Note No. 28: Company Information

Relaxo Footwears Limited (“the Company”) is a public limited Company incorporated in India in the year 1984, with its registered office at Aggarwal City Square, Plot No.10, Manglam Place, District Centre, Sector 3, Rohini, Delhi-110085. Its shares are listed at BSE Limited and National Stock Exchange of India Ltd. 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) and sells primarily in India through distributors. For details of promoters shareholding and shareholders holding more than 5% shares in the Company, refer note no. 12.

Note No. 29: Material Accounting Policies

a. Basis of preparation and measurement

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 for the year ended March 31, 2024 are authorised for issue by the Board of Directors at their meeting held on May 9, 2024.

The financial statements have been prepared on accrual and going concern basis. Historical cost is used in preparation of financial statements except following assets and liabilities which have been measured at fair value.

- Certain financial assets and liabilities, including derivative instruments and Investments
- Defined benefit plan
- Share based payment

Classification of Current or Non-Current Assets and Liabilities

All the 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 Division II of Schedule III to the Companies Act, 2013 and Ind AS 1 “Presentation of financial statements”.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Assets

An asset is classified as current when it satisfies any of the following criteria

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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 amount less than ₹50,000.

b. Use of 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 amount 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, however actual results may differ from these estimates.

The following are the judgements, estimates & assumptions that have been made by the management in the process of applying the Company’s accounting policies.

Material Accounting Policies

- Management uses judgement in deciding whether individual item or group of items are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission, misstatement or obscuring the information could individually or collectively influence the economic decision that users make on the basis of the financial statements.
 - 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 allowance for expected credit loss 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 estimates 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 evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 "Leases". Identification of a lease requires judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.
 - The contracts with customers include transfer of promised 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 rebates and 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.
- c. Property, Plant and Equipment**
- Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment loss, if any. Freehold land is disclosed at cost less impairment, if any. The cost comprises its purchase price, other non-refundable taxes, duties 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 Company 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 material, direct labour, borrowing cost and 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.

Material Accounting Policies

Property, Plant and Equipment not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". 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. Other indirect 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 included in 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 stated at cost less accumulated amortisation and impairment loss, if any. The cost comprises its purchase price, other non-refundable taxes, duties and any directly attributable costs of bringing the asset to its working condition for its intended use.

Intangible assets which are not ready for intended use as on the date of balance sheet are disclosed as "Intangible assets under development".

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 Company 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. Leases

The Company as a lessee

The Company assesses whether the contract is or contains a lease, if the contract involves:

- (a) The use of an identified asset,
- (b) The right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) The right to direct the use of the identified asset.

Lease Liabilities

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used.

Principal payment of lease liabilities have been classified within financing activities.

Right-of-use Assets

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for

- Lease payments made at or before commencement of the lease
- Initial direct costs incurred and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated on a straight line method over the remaining term of the lease or useful life of the assets whichever is shorter.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amount may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a remeasurement of the lease liability with a corresponding adjustment to the right-of-use asset. Any gain or loss on modification is recognised in the statement of profit and loss.

Material Accounting Policies

f. Inventories

The cost of raw material, packing material, stores and spares includes purchase price, non-refundable taxes, duties, 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 cost.

The cost of work-in-progress and finished goods includes all cost of purchases, conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of stock-in-trade includes purchase price, non-refundable taxes, duties, freight inward and other costs incurred in bringing the inventories to their present location and condition.

Material 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 used are expected to be sold at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and other costs necessary to make the sale.

Inventories are valued at the lower of cost and net realisable value. Cost is determined on moving weighted average basis.

g. 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 recognised for the asset in prior periods. A reversal of an impairment loss is recognised as income immediately.

h. 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 & cash equivalents, bank balances other than cash & cash equivalents and other financial assets.

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 (FVTOCI)

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. The company may make an irrevocable election to present subsequent changes in the fair value of equity investment not held for trading in other comprehensive income.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

Material Accounting Policies

Derecognition

The Company derecognises a financial asset only when the contractual right to the cash flow from the asset expires or it transfer the financial asset and substantially all the risk and reward 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 assets. 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 include borrowings, lease liability, trade payables and other financial liabilities.

All financial liabilities are recognised initially at fair value and in the case of borrowings and trade payables, net of directly attributable transaction costs.

Classification and Subsequent Measurement

The financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'financial liabilities at amortised cost'.

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 recognised in the statement of profit and loss.

Financial liabilities at Amortised Cost

Other financial liabilities (including borrowings and trade payables etc.) 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. Any gain or loss arising on derecognition is included in the statement of profit and loss when the liability is derecognised.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Effective Interest Method (EIR)

Financial assets and liabilities are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Derivative Financial Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency 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

Material Accounting Policies

are recognised at the value of the proceeds. Transaction costs related to issue of equity instruments is reduced from equity. Dividend paid on equity instruments is reduced from equity.

i. 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.

Foreign-currency denominated monetary 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.

Foreign-currency denominated non-monetary assets and liabilities are carried at historical cost and reported using the exchange rate at the date of transaction.

j. Cash and Cash Equivalents

Cash and cash equivalents comprise of balances with banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

k. Government grants

Government grants and subsidies 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 period necessary to match them with the related cost, which they are intended to compensate. Government grant and subsidy receivable against an expense are deducted from such expense.

Where the grant / subsidy relates to an asset, government grant and subsidy receivable against an asset are deducted from the carrying value of such asset. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

l. Income Taxes

Income tax expense represents the sum of current and deferred tax. 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

Current tax is measured at the amount expected to be paid to or recovered from the tax authorities in accordance with the provisions of Income Tax Act, 1961 including the relevant transfer pricing regulations prescribed thereunder, read with applicable judicial precedents or interpretations, wherever relevant.

Current tax assets and liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

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.

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.

Material Accounting Policies

Deferred tax assets and liabilities are offset when there is legally enforceable right to set-off current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

m. Provisions, Contingent Liabilities and Contingent Assets

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.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that will never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

n. 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 and the revenue can be reliably measured, regardless of when payment is being made. No element of financing is present as the sales are generally made with a credit term of 0-30 days, which is consistent with market practice. The performance obligation in contracts are considered fulfilled in accordance with the terms agreed with the respective customers.

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).

The transaction price is the amount of consideration which the Company expects to be entitled in exchange for transferring promised goods to a customer.

The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Revenue is disclosed net of goods and services tax (GST), rebates, discounts, returns and claims as applicable.

o. Other Operating Revenue

Other operating revenue include revenue arising from a Company's operating activities, i.e., either its principal or ancillary revenue-generating activities, but which is not revenue arising from sale of products or rendering of services. The other operating revenue of the company includes revenue from scrap sales, export incentives, franchisee fees etc.

Export incentives are recognised as income on accrual basis to the extent its realisation is certain.

p. Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Difference between the sale price and carrying value of investment is recognised in other income.

Other income is recognised on accrual basis in the financial statements, except when there is uncertainty of collection.

q. Employee Benefits

All employee benefits like salaries, wages etc. payable wholly within twelve months of rendering the service are classified as short-term employee benefits. A liability

Material Accounting Policies

is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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 Relaxo Footwears Limited Employees Group Gratuity Scheme. Company's liability is determined using the projected unit credit method at the end of each year.

Remeasurement of the net defined benefit liability (asset) comprise:

- Actuarial gains and losses
- The return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset) and
- Any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

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 accumulated 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.

r. Share Based Payment

Employees of the Company receive part remuneration in the form of share-based payments in consideration of the services rendered. The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 "Share based Payment". Stock options

granted by the Company to its employees are accounted as equity settled options. Accordingly, the estimated fair value of options granted that is determined on the date of grant, is charged to statement of profit and loss on a proportionate basis over the vesting period of options which is the requisite service period, with a corresponding increase in equity. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model.

s. 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.

t. Depreciation and Amortisation

Depreciation on Property, Plant and Equipment is provided pro-rata to the period of use on straight line method based on the estimated useful lives of the assets, which have been determined as per Schedule II of Companies Act, 2013.

Freehold land is not depreciated.

Lease hold improvements are depreciated on straight line method over shorter of the asset's useful life and their initial agreement period.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intellectual Property Rights are amortised on straight line method over their useful life.

Computer software and licenses are amortised on straight line method over the period of five years.

The amortisation period and method for intangible assets with a finite useful life are reviewed at each financial year end and adjusted prospectively, if appropriate.

Material Accounting Policies

u. Earnings Per Share

Basic earnings per share is computed by dividing the profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. 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 year attributable to equity

shareholders by the weighted-average number of equity shares outstanding during the year and adjusted for the effects of all dilutive potential equity shares.

v. Dividend Payments

Final dividend is recognised, when it is approved by the shareholders and the distribution is no longer at the discretion of the Company. However, Interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

Notes forming part of Financial Statements

Note No. 30: Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent Liabilities*		
Claims against the Company not acknowledged as debt in respect of :		
Sales Tax Matters related to Purchase tax, Input tax, Entry tax and GST	38.67	38.49
Income Tax Matters related to Dividend Distribution tax, TDS and Transfer Pricing	2.64	4.84
Others - Custom Duty	0.10	-
	41.41	43.33
Other money for which the Company is contingently liable		
Interest on Entry tax, Haryana**	87.78	79.35
Additional demand of Industrial Plot no.37, Bahadurgarh, Haryana***	18.73	18.73
Additional demand of Industrial Plot no.342-343, Bahadurgarh, Haryana***	1.51	1.51
	108.02	99.59
Commitments		
Capital Commitments		
Estimated amount of Contracts remaining to be executed on Capital Account (net of advance)	65.45	27.25
	65.45	27.25
Other Commitments		
Export Obligation under Export Promotion Capital Goods (EPCG) scheme	154.92	279.12
Unspent Corporate Social Responsibility Obligations (<i>Refer note no.16</i>)	13.88	14.42
	168.80	293.54

* 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 Supreme Court of India vide order passed in November 2016, upheld the constitutional validity of entry tax and directed the Company to file fresh appeal before the High Court to decide other matters related to levy of entry tax in the state of Haryana. The matter is pending before the Punjab & Haryana High Court. However, the principal liability amounting to ₹46.80 crores for entry tax has been disclosed in note no.18.

*** The Company along with other plot allottees has received a demand notice from Haryana State Industrial & Infrastructure Development Corporation ('HSIIDC') towards enhanced cost for the industrial plots allotted to the Company.

Based on the Company's own assessment and advice given by its legal counsel, the Company has a good case in the above cases. Pending final disposal of the matters before the appropriate forum, the same have been disclosed as contingent liability.

The lawsuits in respect of certain intellectual property rights and other laws / matter are pending in courts / forums. The proceedings are going on before appropriate authorities and the ultimate outcome of the matter cannot presently be determined. In the opinion of management the amount involved is not material.

Notes forming part of Financial Statements

Note No. 31 : 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 no.23)

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's Contribution to Provident Fund	19.33	17.77
Employer's Contribution to ESIC Scheme	3.05	3.06
Employer's Contribution to Other Funds	2.39	2.29
	24.77	23.12

(b) Defined Benefit Plan - Gratuity (Funded): The Company pays annual contribution to Life Insurance Corporation of India (LIC) through a Trust, namely Relaxo Footwears Limited Employees 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, an amount equivalent to 15 days of last drawn basic 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 Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present Value of Obligation at the beginning of year	50.81	46.97
Current Service Cost	7.38	7.05
Interest Cost	3.74	3.05
Remeasurement (gains) / losses arising from:		
Change in demographic assumptions	(1.28)	-
Change in financial assumptions	0.84	(2.66)
Experience variance (i.e. actual experience vs assumptions)	(2.16)	(0.33)
Benefits Paid	(2.41)	(3.27)
Present Value of Obligation at the end of year	56.92	50.81
Fair Value of Plan Assets at the beginning of year	46.27	44.43
Investment Income	3.40	2.88
Employer's Contribution	9.33	2.60
Return on plan assets, excluding amount recognised in net interest cost	0.22	(0.37)
Benefits Paid	(2.41)	(3.27)
Fair Value of Plan Assets at the end of year	56.81	46.27
Major categories of Plan Assets (as percentage of total plan assets)		
Funds managed by Insurer (%)	100	100
Balance Sheet Position at the end of year (Refer note no.16)		
Present value of obligation	56.92	50.81
Fair value of plan assets	56.81	46.27
Net Liability	0.11	4.54
Expenses Recognised in the Income Statement (Refer note no.23)		
Current Service Cost	7.38	7.05
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.34	0.17
	7.72	7.22

Notes forming part of Financial Statements

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Comprehensive Income		
Remeasurement (gains) / losses arising from:		
Change in demographic assumptions	(1.28)	-
Change in financial assumptions	0.84	(2.66)
Experience variance (i.e. actual experience vs assumptions)	(2.16)	(0.33)
Return on plan assets, excluding amount recognised in net interest cost	(0.22)	0.37
	(2.82)	(2.62)
Expected Contribution during the next annual reporting period	7.37	6.70
Financial Assumptions		
Discount Rate (per annum %)	7.10	7.35
Salary growth rate (per annum %)	10.00	10.00
Demographic Assumptions		
Mortality Rate	100% of IALM 2012-2014	
Normal Retirement Age		
For Employees of Group A (Years)	60	60
For Employees of Group B (Years)	70	70
Attrition / Withdrawal rate (per annum %)	17.50	15.00

Sensitivity Analysis for Significant Assumptions are given below:

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present Value of Defined Benefit Obligation at the end of year	56.92	50.81
Change in Discount Rate		
Increase by 1%	(2.78)	(2.83)
Decrease by 1%	3.07	3.16
Change in Salary Growth Rate		
Increase by 1%	2.95	3.05
Decrease by 1%	(2.74)	(2.79)
Change in Attrition Rate		
Increase by 50%	(2.99)	(2.77)
Decrease by 50%	6.27	5.44
Change in Mortality Rate		
Increase by 10%	(0.01)	(0.01)
Decrease by 10%	0.01	0.01

Figures in bracket denotes reduction in defined benefit obligation.

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 reporting period if all other assumptions remain constant.

Notes forming part of Financial Statements

Maturity Profile of Defined Benefit Obligation based on Discounted Cash flows

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Weighted Average Duration of the Defined Benefit Obligation (Years)	6	6
Expected Payment in future years		
Within next 12 months	10.21	7.29
Between 1 and 5 years	24.94	20.99
More than 5 years	21.77	22.53
	56.92	50.81

The estimates of escalation in salary takes into account inflation, seniority, promotion and other relevant factors.

Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows :

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability.

Salary Escalation Risk: The present value of the defined benefit plan 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.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on investment.

Note No. 32: Disclosure on Employee Share Based Payment

Disclosure is hereby given in pursuant to Ind AS 102 "Share Based Payment".

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 latest available closing price, prior to the date of meeting of the Board / Nomination & Remuneration Committee, in which options are granted 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 reserved (No. of Shares)	31,79,940
Persons Entitled	Whole Time Director and Employees
Options Grant Date during the year	May 10, 2023, July 24, 2023, November 1, 2023
Vesting Period	1 - 3 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	Date of Grant		
	May 10, 2023	July 24, 2023	November 1, 2023
Vesting Schedule at first year	20%	20%	20%
Vesting Schedule at second year	30%	30%	30%
Vesting Schedule at third year	50%	50%	50%
Exercise Period (Years)	4		
Exercise Price (₹)	842.80	921.70	898.00
Market Price (₹)	842.80	921.70	898.00

The Details of activity under the scheme are summarised below:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	No. of Options	Weighted Average Exercise Price (₹)	No. of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of year	7,82,110	751.88	3,56,850	1266.95
Granted during the year	53,300	885.67	8,38,100	776.63
Cancelled during the year	1,18,500	759.87	4,00,300	1275.68
Exercised during the year (Refer note no.12)	-	-	12,540	342.74
Outstanding at the end of year	7,16,910	760.66	7,82,110	751.88
Exercisable at the end of year	10,910	517.89	10,910	517.89

The Details of options outstanding are summarised below:

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Options Outstanding	Range of Exercise Price (₹)	Weighted Average remaining contractual life (Years)	No. of Options Outstanding	Range of Exercise Price (₹)	Weighted Average remaining contractual life (Years)
RFL Employee Stock Option Plan 2014	7,10,150	501-1000	5.70	7,75,350	501-1000	6.70
	6,760	1-500	1.10	6,760	1-500	2.11

The weighted average fair value of stock options granted during the year ended on March 31, 2024 is ₹220.55 per option. (previous year ₹224.77 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, 2024	Year ended March 31, 2023
Stock Price (₹)	885.67	776.63
Volatility (%)	25.23	27.98
Risk Free Rate (%)	7.01	7.13
Exercise Price (₹)	885.67	776.63
Time to Maturity (Years)	2.83	3.24
Dividend Yield (%)	0.29	0.32

Notes forming part of Financial Statements

Note No. 33: Disclosure on Earnings Per Share (EPS)

Disclosure is hereby given in pursuant to Ind AS 33 "Earnings Per Share".

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Basic Earnings per share		
Profit attributable to Equity Shareholders as per statement of profit and loss (₹ in Crores)	200.47	154.47
Weighted average number of Equity Shares outstanding	24,89,38,586	24,89,26,115
Basic Earnings per Equity Share (Face Value of ₹1/- each) (In ₹)	8.05	6.21
Diluted Earnings per share		
Numerator for calculating dilutive earnings per share (₹ in Crores)	200.47	154.47
Weighted average number of Equity Shares outstanding	24,89,38,586	24,89,26,115
Dilutive impact for Employee Stock Options (No. of Equity Shares)	1,03,731	21,777
Diluted weighted average number of Equity Shares outstanding	24,90,42,317	24,89,47,892
Diluted Earnings per Equity Share (Face Value of ₹1/- each) (In ₹)	8.05	6.21

Note No. 34: Foreign Currency Exposure

The details of foreign currency (FCY) exposure are given below :

(Amount in Crores)

Nature of Foreign Currency Exposure	UoM	As at March 31, 2024		As at March 31, 2023	
		FCY	INR	FCY	INR
Unhedged Foreign Currency Exposure					
Import Payables	USD	0.11	8.91	0.12	9.73
Import Payables	AED	0.00	0.05	0.01	0.15
Import Payables	EURO	0.00	0.12	0.00	0.06
Export Receivables	USD	0.51	42.37	0.48	39.32
Export Receivables	EURO	0.02	2.04	-	-
Bank Balance	AED	0.03	0.60	0.02	0.46
Cash on Hand (Dubai office)	AED	0.00	0.00	0.00	0.00
Employee Benefits Payable	AED	0.00	0.05	0.00	0.03
Security Deposit	AED	0.00	0.03	0.00	0.05
Expenses Payable	AED	0.00	0.00	-	-
Hedged Foreign Currency Exposure					
Number of Buy Forward Contracts	Nos.	40		26	
Import Payables	USD	0.35	28.95	0.34	27.91
Import Orders	USD	0.56	46.80	0.28	23.10

Note No. 35: Trade Receivables Ageing Schedule

Disclosure is hereby given on ageing schedule of trade receivables in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013.

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Within 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	
As at March 31, 2024							
Undisputed Trade Receivables							
Considered Good	290.57	63.81	1.99	0.84	0.02	-	357.23
Credit Impaired	0.29	0.44	0.08	0.09	0.02	0.03	0.95
Disputed Trade Receivables							
Considered Good	-	-	-	0.46	0.05	-	0.51
Credit Impaired	-	-	-	0.05	0.05	2.16	2.26
	290.86	64.25	2.07	1.44	0.14	2.19	360.95

Notes forming part of Financial Statements

Note No. 35: Trade Receivables Ageing Schedule (contd.)

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Within 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade Receivables							
Considered Good	232.58	30.05	3.74	2.34	1.63	-	270.34
Credit Impaired	0.23	1.65	-	0.41	0.41	0.00	2.70
Disputed Trade Receivables							
Considered Good	-	-	-	-	-	-	-
Credit Impaired	-	0.02	0.49	0.17	-	2.25	2.93
	232.81	31.72	4.23	2.92	2.04	2.25	275.97

Refer note no. 9 & 36

Note No. 36: Financial Risk Management

Financial risk management is an ongoing process within the Company. The Company has a robust risk management framework to identify, monitor, mitigate and minimise risks arising from financial instruments.

The Company's financial liabilities other than derivative instruments comprise of borrowings, trade payables, lease liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations.

The Company's financial assets include balances with banks, cash and cash equivalents, trade receivables, security deposits and other financial assets that are derived directly from its operations.

The Company holds investments carried at fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVTOCI).

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	Balances with banks including cash and cash equivalents, Trade Receivables, Investments and other Financial Assets.	Credit ratings and Ageing analysis	<ul style="list-style-type: none"> a. Trade receivables are reviewed and assessed for impairment losses at every reporting period. b. Fixing of credit limits for customers. c. Dealing with high credit rated banks / mutual funds.
Liquidity Risk	Borrowings, Trade Payables and other Financial Liabilities.	Maturity analysis	<ul style="list-style-type: none"> a. Preparing and monitoring forecasts of cash flows as well as maintaining sufficient cash and cash equivalents. b. Availability of committed credit lines / borrowing facilities from banks.
Market Risk			
Currency Risk	Financial assets and liabilities denominated in other than functional currency.	Sensitivity analysis	Risk coverage through foreign exchange forward contracts.
Interest Rate Risk	Working Capital facilities from Bank.	Sensitivity analysis	Periodical review of interest rate linked to market.
Price Risk	Commodities mainly raw materials and Investment in mutual funds & perpetual bonds.	Sensitivity analysis	Portfolio diversification and continuously monitoring the price trend of key raw materials in global / domestic markets.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligation 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, balances with banks including cash and cash equivalents and from its investing activities, derivative instruments.

Notes forming part of Financial Statements

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. The Company has adopted a policy of only dealing with creditworthy counterparties, therefore the Company does not expect any material risk on this account.

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.

Credit risk arising from balances with banks, including cash and cash equivalents, investment in mutual funds & perpetual bonds and derivative instruments is limited because the counterparties are banks / mutual funds with high credit ratings.

The Company has exposure in financial assets as per details given below. The Company has set counter-party limits based on multiple factors including financial position, credit rating, etc.

(₹ in Crores)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Financial Assets for which loss allowance is measured using 12 Months Expected Credit Loss			
Non Current Assets			
Investments	4	24.79	24.69
Loans	5	0.13	0.03
Other Financial Assets	6	20.71	18.00
Current Assets			
Investments	4	82.87	200.59
Cash and Cash Equivalents	10	40.35	10.27
Bank Balances other than Cash and Cash Equivalents	11	57.35	63.74
Loans	5	0.54	0.58
Other Financial Assets	6	2.00	2.34
		228.74	320.24
Financial Assets for which loss allowance is measured using life time Expected Credit Loss			
Current Assets			
Trade Receivables (Refer note no. 35)	9	357.74	270.34
		357.74	270.34

The following table summarises the movement in allowance for expected credit loss measured using the life time expected credit loss model.

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	5.63	5.01
Addition / (Reversal) during the year	(0.28)	0.75
Provision no longer required written back during the year	(2.14)	(0.13)
Closing Balance (Refer note no. 9)	3.21	5.63

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 and 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 Crores)

Particulars	Note No.	As at March 31, 2024				As at March 31, 2023			
		Carrying Amount	Within 1 year	Between 1 and 5 years	More than 5 years	Carrying Amount	Within 1 year	Between 1 and 5 years	More than 5 years
Non-Current Liabilities									
Financial Liabilities									
Lease Liabilities		186.75	-	137.30	49.45	161.04	-	118.97	42.07
Current Liabilities									
Financial Liabilities									
Borrowings	14	18.54	18.54	-	-	-	-	-	-
Lease Liabilities		49.27	49.27	-	-	47.94	47.94	-	-
Trade Payables									
Micro and Small Enterprises		72.65	72.65	-	-	70.41	70.41	-	-
Other than Micro and Small Enterprises		182.02	182.02	-	-	182.46	182.46	-	-
Other Financial Liabilities	15	99.07	99.07	-	-	89.69	89.69	-	-
		608.30	421.55	137.30	49.45	551.54	390.50	118.97	42.07

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises of currency risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. Financial instruments affected by market risk includes borrowings, trade payables and Investments etc.

Currency Risk

Currency 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 i.e. import of materials, capital items and export of finished goods, when revenue or expense is denominated in a foreign currency.

Exposure to Currency Risk

The Company uses foreign exchange forward contracts to mitigate foreign exchange related risk exposures. The Company's exposure to unhedged foreign currency risk as at March 31, 2024 and March 31, 2023 has been disclosed in note no.34.

Currency 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 unhedged monetary assets and liabilities is given below:

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Impact on Profit Before Tax due to change in USD rate*		
Increase by 2%	0.67	0.59
Decrease by 2%	(0.67)	(0.59)

* Figures in bracket denotes reduction in profit

The Company's unhedged foreign currency exposure denominated in Euro and 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, 2024, the exposure to interest rate risk due to variable interest rate borrowings amounted to ₹18.54 crores (previous year Nil).

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 borrowings is given below: (₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Impact on Profit Before Tax due to change in Interest rate*		
Increase by 0.50%	(0.17)	(0.09)
Decrease by 0.50%	0.17	0.09

*Figures in bracket denotes reduction in profit

Price Risk

The Company's exposure to price risk arises from investment in mutual funds, bonds and equity instruments held and classified as FVTPL or FVTOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets with banks / mutual funds with high credit ratings.

The Company's unquoted equity instruments are susceptible to market price risk arising from uncertainties about future value of the investment. The investment in unquoted equity instruments is not significant, hence sensitivity analysis has not been disclosed.

The following table demonstrate the sensitivity to a reasonably possible change in prices of investment in mutual funds and bonds with all other variables held constant. The impact on the Company's profit before tax due to changes in the prices of investments is given below: (₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Impact on Profit Before Tax due to change in price of Investments*		
Increase by 0.50%	1.14	0.93
Decrease by 0.50%	(1.14)	(0.93)

* Figures in bracket denotes reduction in profit

Commodity Price Risk

The key raw materials used in the manufacturing of footwear are natural / synthetic rubber, EVA, PU etc. Price volatility of these commodities depend mainly on demand and supply, fluctuation in the price of crude oil and its derivatives. To mitigate price risk and availability issues, the Company is taking several pro-active initiatives like continuously monitoring the price trend of key materials in global / domestic markets by subscribing to various commodity reports, development of new vendors and alternate material for better price competitiveness and quality sustainability / improvement etc.

Notes forming part of Financial Statements

Note No. 37: 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 optimal 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.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt comprises of total debts minus cash and cash equivalents, bank deposits and current investments. (₹ in Crores)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Equity Share Capital	12	24.89	24.89
Other Equity	13	1976.22	1830.16
Total Equity		2001.11	1855.05
Net Debt		-	-
Gearing Ratio		-	-

No changes were made in the objectives, policies or processes for managing capital.

Note No. 38: Collaterals

The Company has hypothecated its entire current assets against its working capital borrowings. (Refer note no.14)

Note No. 39: Related Party Transactions

Disclosure is hereby given in pursuant to Ind AS 24 "Related Party Disclosures".

i) Names of related parties with whom transactions have taken place during the year and their relationship

(a) Individuals having control and 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

Gaurav Kumaar Dua, Whole Time Director (w.e.f. 26.07.2022)

Deval Ganguly, Whole Time Director (up to 31.03.2024)

(c) Entities where individuals and Key Management Personnel (KMP) as defined in Note No. 39 (i) (a) and 39 (i) (b) exercise significant influence

Patel Oil Mills

Ramesh Kumar Dua (H.U.F)

Mukand Lal Dua (H.U.F)

Smt. Ram Ditti Dua Memorial Society

Shri Mool Chand Dua Memorial Society

Notes forming part of Financial Statements

(d) Close Members of individuals and Key Management Personnel (KMP) as defined in Note No. 39(i)(a) and 39(i)(b)

Lalita Dua, wife of Ramesh Kumar Dua
 Gaurav Kumaar Dua, son of Ramesh Kumar Dua
 Rahul Dua, son of Ramesh Kumar Dua
 Sakshi Dua, daughter of Ramesh Kumar Dua
 Usha Dua, wife of Mukand Lal Dua
 Ritesh Dua, son of Mukand Lal Dua
 Nitin Dua, son of Mukand Lal Dua

(e) Independent Directors (KMP) and their close members

Pankaj Shrimali (up to 31.03.2024)
 Vivek Kumar (up to 31.03.2024)
 Deepa Verma
 Rajeev Rupendra Bhadauria
 Kuldip Singh Dhingra (w.e.f. 26.07.2022)
 Madhuri Shrimali, wife of Pankaj Shrimali
 Meeta Dhingra, wife of Kuldip Singh Dhingra

(f) Post Employment Benefit Plan Trust

Relaxo Footwears Limited Employees Group Gratuity Scheme

ii) Related Party Transactions

(₹ in Crores)

Particulars	Individuals having control and significant influence over the Company and KMP	KMP	Entities where individuals and KMP exercise significant influence	Close Members of Individuals and KMP	Independent Directors and their close members	Post Employment Benefit Plan Trust	Total
Transactions during the year							
Sale of goods	-	-	0.04	-	-	-	0.04
	-	-	(0.01)	-	-	-	(0.01)
Lease Rent	1.32	1.50	1.87	1.76	-	-	6.45
	(1.32)	(1.50)	(0.93)	(1.76)	-	-	(5.51)
Dividend	27.29	4.65	0.13	12.29	0.01	-	44.37
	(26.99)	(4.65)	(0.13)	(12.29)	(0.00)	-	(44.06)
Short-Term Employee Benefits							
Salary	3.70	4.06	-	3.95	-	-	11.71
	(3.66)	(3.83)	-	(3.69)	-	-	(11.18)
Sitting Fee	-	-	-	-	0.18	-	0.18
	-	-	-	-	(0.16)	-	(0.16)
Director's Commission (Refer note no.15)	21.32	-	-	-	0.12	-	21.44
	(15.30)	-	-	-	(0.12)	-	(15.42)
	25.02	4.06	-	3.95	0.30	-	33.33
	(18.96)	(3.83)	-	(3.69)	(0.28)	-	(26.76)

Notes forming part of Financial Statements

ii) Related Party Transactions (contd.)

(₹ in Crores)

Particulars	Individuals having control and significant influence over the Company and KMP	KMP	Entities where individuals and KMP exercise significant influence	Close Members of Individuals and KMP	Independent Directors and their close members	Post Employment Benefit Plan Trust	Total
Post-Employment Benefits (Provident Fund and Gratuity)	0.44 (0.44)	0.21 (0.24)	- -	0.15 (0.22)	- -	- -	0.80 (0.90)
Other Long-Term Benefits (Compensated Absences)	- -	0.02 (0.05)	- -	- -	- -	- -	0.02 (0.05)
Share Based Payment	- -	- (0.01)	- -	- -	- -	- -	- (0.01)
Contribution to Post Employment Benefit Plan Trust	- -	- -	- -	- -	- -	9.33 (2.60)	9.33 (2.60)
Guarantees and Collaterals taken*	260.00 (260.00)	- -	- -	- -	- -	- -	260.00 (260.00)

Previous year figures are given in bracket.

*Off Balance Sheet item.

Note No. 40: Fair Value Measurements

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The following section describes the valuation techniques used and key inputs for fair valuation :

- Foreign exchange forward contracts are valued using market observable inputs such as foreign exchange spot rates and forward rates at the end of reporting period.
- Fair value of mutual funds are at published net asset value (NAV).
- The fair value of perpetual bonds are determined based on prevailing yield to discount future cash flows.
- Unquoted equity instruments where most recent information to measure fair value is insufficient, cost has been considered as best estimate of fair value.
- The carrying amount of other financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Fair Value Hierarchy

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.

Notes forming part of Financial Statements

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 Crores)

Particulars	Note No.	As at March 31, 2024			As at March 31, 2023		
		Carrying Amount	Fair Value	Fair Value Hierarchy	Carrying Amount	Fair Value	Fair Value Hierarchy
Financial Assets carried at Amortised Cost							
Non-Current Assets							
Loans	5						
Loans to Employees		0.13	0.13	Level 3	0.03	0.03	Level 3
Other Financial Assets	6						
Security Deposits		20.70	20.70	Level 3	17.98	17.98	Level 3
Bank Deposits pledged as security with Government Authorities		0.01	0.01	Level 2	0.02	0.02	Level 2
Interest accrued on Bank Deposits		0.00	0.00	Level 2	0.00	0.00	Level 2
Current Assets							
Trade Receivables	9	357.74	357.74	Level 3	270.34	270.34	Level 3
Cash and Cash Equivalents	10	40.35	40.35	Level 1	10.27	10.27	Level 1
Bank Balances other than Cash and Cash Equivalents	11	57.35	57.35	Level 2	63.74	63.74	Level 2
Loans	5						
Loans to Employees		0.54	0.54	Level 3	0.58	0.58	Level 3
Other Financial Assets	6						
Interest accrued on Bonds		1.93	1.93	Level 2	2.34	2.34	Level 2
		478.75	478.75		365.30	365.30	
Financial Assets carried at Fair Value through Profit or Loss							
Non-Current Assets							
Investments	4						
Perpetual Bonds - Quoted		24.59	24.59	Level 2	24.49	24.49	Level 2
Current Assets							
Investments	4						
Mutual Funds - Quoted		38.19	38.19	Level 1	175.46	175.46	Level 1
Perpetual Bonds - Quoted		44.68	44.68	Level 2	25.13	25.13	Level 2
Other Financial Assets	6						
Foreign Exchange Forward Contracts		0.07	0.07	Level 2	-	-	-
		107.53	107.53		225.08	225.08	
Financial Assets carried at Fair Value through Other Comprehensive Income							
Non-Current Assets							
Investments	4						
Unquoted Equity Instruments		0.20	0.20	Level 3	0.20	0.20	Level 3
		0.20	0.20		0.20	0.20	
Financial Liabilities carried at Amortised Cost							
Non-Current Liabilities							
Lease Liabilities		150.43	150.43	Level 3	128.28	128.28	Level 3

Notes forming part of Financial Statements

(₹ in Crores)

Particulars	Note No.	As at March 31, 2024			As at March 31, 2023		
		Carrying Amount	Fair Value	Fair Value Hierarchy	Carrying Amount	Fair Value	Fair Value Hierarchy
Current Liabilities							
Borrowings	14	18.54	18.54	Level 2	-	-	-
Lease Liabilities		36.00	36.00	Level 3	35.80	35.80	Level 3
Trade Payables							
Micro and Small Enterprises		72.65	72.65	Level 3	70.41	70.41	Level 3
Other than Micro and Small Enterprises		182.02	182.02	Level 3	182.46	182.46	Level 3
Other Financial Liabilities	15						
Retention Money		3.60	3.60	Level 3	3.68	3.68	Level 3
Interest accrued on Borrowings from Banks		0.06	0.06	Level 2	0.00	0.00	Level 2
Security Deposit							
Customers		31.81	31.81	Level 3	29.80	29.80	Level 3
Others		0.61	0.61	Level 3	0.61	0.61	Level 3
Unpaid Dividends		0.37	0.37	Level 2	0.34	0.34	Level 2
Payable to Employees		38.92	38.92	Level 3	35.92	35.92	Level 3
Director's Commission Payable		21.43	21.43	Level 3	15.41	15.41	Level 3
Payable for Capital Goods		2.27	2.27	Level 3	3.68	3.68	Level 3
		558.71	558.71		506.39	506.39	
Financial Liabilities carried at Fair Value through Profit or Loss							
Current Liabilities							
Other Financial Liabilities	15						
Foreign Exchange Forward Contracts		-	-	-	0.25	0.25	Level 2
		-	-	-	0.25	0.25	

Note No. 41: Corporate Social Responsibility (CSR)

Company implements its CSR activities through partner organisations registered with Ministry of Corporate Affairs (MCA). Company has a vision of ensuring sustained human development of the most deprived communities primarily under thematic areas viz. Education, Health & Hygiene, Skill Development and Environment Conservation.

Company has formed a CSR & ESG committee under section 135 of the Companies Act 2013 for implementation of CSR policy.

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent by the Company during the year (Refer note no.26)	6.21	6.73
Expenditure incurred*	1.52	0.38
Shortfall at the end of year**	4.69	6.35
Total of previous years shortfall	-	-

*₹5.23 crores (previous year ₹2.59 crores) spent against CSR provision for earlier years. (Refer note no.16)

**Provision of ₹4.69 crores (previous year ₹6.35 crores) for unspent CSR amount has been made. (Refer note no.16)

There is no transaction with related party in relation to CSR expenditure as per Ind AS 24 "Related Party Disclosures".

Nature of CSR activities

Short Term Projects: The Company is undertaking two initiatives namely Remedial Education Project and Skill Development Project.

Notes forming part of Financial Statements

Long Term Projects: The Company reaffirms its unwavering dedication to its ongoing educational initiative, the Parivartan Model School Project, aimed at fostering equitable educational opportunities for rural children. Currently, the project encompasses a total of 104 Government Primary, Upper Primary and Higher Secondary Schools located in Khanpur and Laksar blocks of Haridwar District, Uttarakhand. Your company is working for the holistic development of these schools in collaboration with the Samagra Shiksha and School Education Department of Uttarakhand state.

Focusing over the good health for all, Company has decided to continue the projects like Mobile Health Unit, providing basic primary health care services including diagnosis, medicines and some pathology tests etc. and Project NAYAN for addressing avoidable blindness by providing preventive and curative services.

Company is keenly focusing to implement the environment conservation projects such as Water Conservation and Plantation work in Rajasthan and Haryana. These projects are being implemented in consultation with the Watershed Development & Soil Conservation Department and Forest Department.

Reasons for shortfall : Company is on track in spending the allocated funds towards the long term projects envisaged for the year. The amount of ₹4.69 crores (previous year ₹6.35 crores) has been transferred to unspent CSR account on April 29, 2024.

Note No. 42: Payments to Statutory Auditor

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Audit fees	0.24	0.22
Limited Review and certification services	0.09	0.06
Tax Audit fees	0.05	0.03
Reimbursement of expenses	0.01	0.00
	0.39	0.31

Included in legal and professional. (Refer note no.26)

Note No. 43: The Micro, Small and Medium Enterprises Development Act, 2006

Disclosure is hereby given in pursuant to requirement of section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year.		
Principal Amount	72.65	70.41
Interest Due	-	0.00
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	0.03	0.02
The amount of interest accrued and remaining unpaid at the end of accounting year.	0.11	0.29
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	0.11	0.29

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. (Refer note no. 44)

Notes forming part of Financial Statements

Note No. 44: Trade Payables Ageing Schedule

Disclosure is hereby given on ageing schedule of trade payables in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013. (₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Within 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	
As at March 31, 2024						
Undisputed dues						
Micro and Small Enterprises	72.65	-	-	-	-	72.65
Others	170.69	11.31	0.02	-	-	182.02
Disputed dues						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
	243.34	11.31	0.02	-	-	254.67
As at March 31, 2023						
Undisputed dues						
Micro and Small Enterprises	69.69	0.72	-	-	-	70.41
Others	158.38	24.08	0.00	0.00	-	182.46
Disputed dues						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
	228.07	24.80	0.00	0.00	-	252.87

Refer note no. 43.

Note No. 45: Segment Reporting

Operating Segment

Based on guidance given in Ind AS 108 on "Operating Segments", the Company's business activities falls within a single operating segment namely, "Footwear and Related Products", hence no specific disclosures have been made.

Entity-wide Disclosure under Ind AS 108 "Operating Segments"

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Geographical Area wise Revenue (Footwear)*		
Within India	2752.71	2633.19
Outside India	129.17	118.86
	2881.88	2752.05

*Refer note no. 20 & 47.

There is no customer having revenue amounting to 10% or more of Company's total revenue.

Note No. 46: Disclosure as per Ind AS 116 "Leases"

The movement in lease liabilities is given below :

(₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	164.08	154.04
Recognition of new leases	69.36	48.30
Gain on Lease Modification, Termination and Concession (Refer note no.21)	(2.92)	(0.85)
Payment of Principal Lease Liabilities	(44.09)	(37.41)
Closing Balance	186.43	164.08

Maturity profile of lease liabilities is given in note no.36.

Variable lease payments of ₹0.15 crore (previous year ₹0.13 crore) are not included in measurement of lease liability.

Notes forming part of Financial Statements

Note No. 47: Disclosure as per Ind AS 115 "Revenue from Contracts with Customers"

Reconciliation of revenue (footwear) as per contract price and as recognised in statement of profit and loss is given below : (₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per Contract Price	3082.08	2943.23
Less:		
Discounts	57.68	74.10
Rebates	142.52	117.08
Revenue as per Statement of Profit and Loss*	2881.88	2752.05

*Refer note no. 20 & 45.

Note No. 48: Events Occurring after the Balance Sheet Date

The Board of Directors at its meeting held on May 9, 2024 have recommended final dividend at the rate of ₹3.00 per share of face value of ₹1/- each for the approval of shareholders aggregating to ₹74.68 crores for the year ended March 31, 2024.

Note No. 49: Additional Regulatory Information

a. Title deeds of Immovable Property not held in name of the Company

Disclosure is hereby given on title deed of immovable property not held in the name of the Company in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013.

Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ in Crores)	Title deeds held in the name of	Whether title deed holder is a Promoter, Director or their Relative or Employee	Property held since which date	Reason for not being held in the name of the Company
Right-of-Use Assets (Refer note no.3)	Leasehold Land at Pathredi Industrial Area, Bhiwadi, Rajasthan	127.06	Orient Craft Limited	No	December 30, 2023	Title deed registration is under process.

b. Capital Work-in-Progress and Intangible Assets under Development Ageing Schedule

Disclosure is hereby given on ageing schedule of capital work-in-progress and intangible assets under development in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013. (₹ in Crores)

Particulars	Within 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	Total
As at March 31, 2024					
Capital Work-in-Progress	12.79	19.53	0.20	-	32.52
Intangible Assets under Development	0.26	0.03	0.16	0.30	0.75
	13.05	19.56	0.36	0.30	33.27
As at March 31, 2023					
Capital Work-in-Progress	87.30	0.47	-	-	87.77
Intangible Assets under Development	0.13	0.25	0.23	0.57	1.18
	87.43	0.72	0.23	0.57	88.95

Refer note no.1 & 2.

There are no projects where activity has been suspended.

c. Details of Benami Property held

Company does not hold any benami property. No proceedings have been initiated or pending against the Company for holding any benami property under Prohibition of Benami Property Transactions Act, 1988 and the rules made thereunder.

Notes forming part of Financial Statements

d. Borrowings Secured against Current Assets

Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

e. Wilful Defaulter

The Company is not declared wilful defaulter by any bank in accordance with the guidelines on wilful defaulters issued by the RBI.

f. Relationship with Struck off Companies

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013. This is determined to the extent such parties have been identified on the basis of information available with the Company.

g. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has registered all charges or satisfaction with Registrar of Companies (ROC) within the statutory period.

h. Compliance with number of layers of Company

The number of layers prescribed under clause (87) section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

i. Financial Ratios

Financial Ratios are hereby given in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013

Particulars	UoM	Numerator	Denominator	FY 24	FY 23	Reason for Variance [^]
Current Ratio		Current Assets	Current Liabilities	2.40	2.54	
Debt - Equity Ratio		Total Debt	Shareholder's Equity	0.01	-	*
Debt Service Coverage Ratio		Earnings Available for Debt Service	Debt Service	5.92	5.62	
Trade Receivables Turnover Ratio	Times	Net Credit Sales	Trade Receivables (Average)	8.38	9.69	
Trade Payables Turnover Ratio		Net Credit Purchases	Trade Payables (Average)	8.32	8.43	
Net Capital Turnover Ratio		Net Sales	Working Capital (Average)	3.99	3.82	
Inventory Turnover Ratio		Cost of Goods Sold	Inventory (Average)	3.36	3.20	
Return on Equity (ROE)		Net Profit after Tax before OCI	Shareholder's Equity (Average)	10.40	8.55	
Net Profit Ratio		Net Profit after Tax before OCI	Net Sales	6.93	5.59	
Return on Capital Employed (ROCE)	%	Earnings before Interest and Taxes	Capital Employed (Average)	14.69	12.47	
Return on Investment		Income Generated from Invested Funds	Invested Funds (Average)	7.90	5.94	**

[^] For cases with variation of more than 25% as compared to previous year.

* Utilisation of working capital limits.

** Increase in interest rates and optimal mix of investment during the year, resulted into better return on investment.

j. Compliance with approved Scheme(s) of Arrangements

During the year, no scheme of arrangements has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013.

k. Utilisation of Borrowed Funds and Share Premium

The Company has not advanced or loaned or invested funds to any other persons (intermediaries) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or provide any guarantee in any manner whatsoever on behalf of the Company (ultimate beneficiary).

The Company has also not received any fund from any persons with the understanding that the Company shall directly lend or invest or provide any guarantee to any other persons on behalf of the funding party.

Notes forming part of Financial Statements

Note No. 50: Undisclosed Income

Company does not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Note No. 51: Details of Crypto Currency or Virtual Currency

Company has not traded or invested in crypto currency or virtual currency during the year.

As per our report of even date

For and on behalf of the Board of Directors

For **Gupta & Dua**

Chartered Accountants
Firm's Registration No.: 003849N

Ramesh Kumar Dua

Chairman & Managing Director
DIN: 00157872

Mukand Lal Dua

Whole Time Director
DIN: 00157898

Mukesh Dua

Partner
Membership No.: 085323

Sushil Batra

Executive Director & Chief Financial Officer
DIN: 09351823

Ankit Jain

Company Secretary
Membership No.: FCS 8188

Delhi, May 9, 2024

AWARDS & ACCOLADES



sparx
GO FOR IT

IT'S IN ME



Breathable
Fly Knit Upper



Optimized
Fit for Grip



Highly Responsive
Cushioning



SM 863

Akshay Kumar is wearing SM-882

Shop at www.relaxof footwear.com



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 | **Investor's email:** cs@relaxofootwear.com

www.relaxofootwear.com

CIN No.: L74899DL1984PLC019097

[f](https://www.facebook.com/relaxofootwears) /relaxofootwears | [t](https://twitter.com/relaxofootwears) @relaxofootwears | [You Tube](https://www.youtube.com/channel/UC...) /relaxoindia

RELAXO

RELAXO FOOTWEARS LIMITED

CIN: L74899DL1984PLC019097

Registered Office: - Aggarwal City Square, Plot No. 10, Manglam Place, District Centre, Sector-3, Rohini, Delhi-110085 (India)

Telephone: (011)-46800600, **Fax:** (011)-46800692, **E-mail:** cs@relaxofootwear.com **Website:** www.relaxofootwear.com

NOTICE

NOTICE is hereby given that the 40th Annual General Meeting ("AGM or e-AGM or Meeting") of the Members of Relaxo Footwears Limited ("the Company") to be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") on Thursday, 29th day of August, 2024 at 10:30 a.m. to transact the following business:

ORDINARY BUSINESSES

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, comprising of the Balance Sheet as at March 31, 2024 and the statement of Profit and Loss Account for the Financial Year ended on that date including Statement of cash flows for the year ended as at March 31, 2024, together with the Reports of Board of Directors and Auditors thereon.
2. To declare a final dividend @300% equivalent to ₹3.00/- per equity share having Face Value of ₹1/- each for the Financial Year 2023-24.
3. To consider the re-appointment of Mr. Nikhil Dua, Whole Time Director (DIN: 00157919) of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider the re-appointment of Mr. Gaurav Kumar Dua, Whole Time Director (DIN - 09674786) of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. RE-APPOINTMENT OF MR. RAJEEV RUPENDRA BHADOURIA (DIN: 00376562), AS NON EXECUTIVE AND 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 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulation 25 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Rajeev Rupendra Bhadouria (DIN: 00376562), who holds office as an Independent Director upto August 22, 2024 and who was appointed as an Additional Director (Non-Executive and Independent Director) of the Company and who has submitted a declaration that he meets the criteria of Independence under section 149 (6) of the Act and the Rules made thereunder and Regulation 16(1) (b) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from its member under section 160 of the Act, be and is hereby re-appointed as Non-Executive and Independent Director of the Company, for a second term of 5 (five) consecutive years with effect from August 23, 2024 upto August 22, 2029 (Both days inclusive) and that he shall not be liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts, deed, matters and things and take all such steps as may be necessary, proper, desirable or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto, to give effect to the foregoing resolution."

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

Ankit Jain

Company Secretary & Compliance Officer
ICSI Membership No. FCS- 8188
Address: Aggarwal City Square, Plot No.-10,
Manglam Place, District Centre,
Sector-3, Rohini, Delhi - 110085

Date: July 31, 2024
Place: Delhi

NOTES: -

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") with respect to special business set out in the Notice is annexed hereto.
2. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Secretarial Standard 2 ("SS-2") issued by Institute of Company Secretaries of India ("ICSI") notified by the Ministry of Corporate Affairs ("MCA"), the details of Director seeking re-appointment - whether due to retirement by rotation or for second term as Independent Director, are provided in the "**Annexure-I**" to the Notice. Directors have also furnished requisite declarations/disclosure under section 164/184 and other applicable provisions of the Act, including rules framed there under and the SEBI Listing Regulations.
3. The MCA vide its, Circular No. 20/2020 dated May 05, 2020, read with General Circular No.10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 any other relevant circulars issued by MCA or SEBI (hereinafter collectively referred as "Applicable Circulars") have permitted companies to hold their AGM through VC/OAVM without physical presence of Members till September 30, 2024 and prescribed the procedures and manner of conducting the AGM through VC/ OAVM.
4. In compliance with applicable provisions of the Act read with aforesaid applicable Circulars, the 40th AGM of the Company being conducted through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only.
5. In accordance with the SS-2 read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 and amendments thereof dated April 1, 2024 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
6. The Company has appointed KFin Technologies Limited, Registrar & Share Transfer Agent ("RTA") of the Company, (earlier known as KFin Technologies Private Limited) ("KFin" or "KFintech") to provide facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM facility and e-voting at the e-AGM through e-voting at the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 17 below.
7. All the documents referred to in the Notice and explanatory statement will be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. August 29, 2024. Members seeking to inspect such documents can send an e-mail to cs@relaxofootwear.com. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act and all the documents referred in the Notice of AGM and explanatory statement including certificate from the Secretarial Auditors of the Company under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the Members during the AGM.
8. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on August 22, 2024 (**cut-off date**). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.
9. Final Dividend @ 300% i.e. ₹3.00/- per equity share for the year ended March 31, 2024 as recommended by the Board of Directors in their meeting held on May 9, 2024 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 August 22, 2024. The Final Dividend will be paid on or before September 27, 2024 to the eligible shareholders. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the RTA by sending e-mail to the RTA's e-mail address at inward.ris@kfintech.com. For details members may refer to the communication on TDS on Dividend Distribution appended to this notice as "**Annexure-II**". For members who hold shares in physical form, the Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May 2024 read with SEBI/HO/MIRSD/POD1/P/CIR/2024/81 dated 10th June 2024, as amended from time to time, has

mandated furnishing of PAN linked with Aadhar and KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhar etc.). In case any of the aforesaid documents/ details are not available in the record of the Company/ Registrar and Share Transfer Agent ("RTA"), the member shall not be eligible to lodge grievance or avail any service request from the RTA until they furnish complete KYC details/ documents. Further, with effect from 1st April 2024, any payment of dividend shall only be made in electronic mode to such members.

10. Pursuant to the circulars issued by MCA on conducting the AGM through VC/OAVM:

- a) Members can attend the meeting through log in credentials provided to them to connect to VC. Physical attendance of the Members at the Meeting venue has been dispensed with.
- b) Appointment of proxy to attend and cast vote on behalf of the member is not available for this e-AGM and hence, the Route map, Proxy Form and Attendance Slip are not annexed to this Notice.
- c) Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.

11. The facility of participation at the AGM through VC/OAVM will be made available for 2,000 members on first come first served ("FCFS") basis. The facility for joining the AGM shall open 15 minutes before the time scheduled for AGM and will continue till the conclusion of the AGM.

12. No restrictions on account of FCFS entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors (i.e. Statutory Auditor and Secretarial Auditor) etc.

13. The attendance of the Members (through Members login) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

14. Remote e-Voting: Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and applicable Circulars the Company is providing facility of remote e-voting to its Members through KFin on all the businesses/ resolutions set forth in this Notice.

15. E-voting system at the e-AGM: Members who could not vote through remote e-voting may avail the e-voting system at the e-AGM i.e. InstaPoll provided by KFin.

16. In line with applicable MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.relaxof footwear.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and is also available on the website of e-voting agency KFin at the website address <https://evoting.kfintech.com>

17. Procedure for obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose e-mail addresses are not registered with the depositories or with RTA on physical folios:

In Compliance with applicable Circulars, and to support 'Green Initiative' Financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the Financial Year ended March 31, 2024, including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/ KFin or the Depository Participant(s). The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member. Members are requested to register/update their e-mail addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with KFin by following due procedure:

- a) Members are requested to register their e-mail addresses in respect of shares held in electronic form with their Depository Participant(s) and in respect of shares held in physical form by clicking at <https://ris.kfintech.com/clientservices/isc/default.aspx> or by submitting physical copy of Form ISR-1 to the RTA along with relevant documents at below mentioned address at KFin Technologies Limited, Unit: Relaxo Footwears Limited, Selenium Building Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Hyderabad - 500032, India or by sending e-mail to inward.ris@kfintech.com
- b) After due verification, the Company/KFin will forward your login credentials to your registered e-mail address.
- c) Members are advised to receive the Notice convening the 40th AGM and Annual Report for FY 2023-24 via e-mail, by updating their e-mail ID by accessing the link <https://ris.kfintech.com/clientservices/isc/default.aspx>

- d) Alternatively, Notice of 40th AGM can be downloaded through <https://evoting.kfintech.com/public/Downloads.aspx>
- e) Members are also requested to visit the website of the Company www.relaxofootwear.com or the website of the RTA www.kfintech.com for downloading the Annual Report and Notice of the e-AGM.

18. Instructions for the Members for attending the e-AGM through Video Conference:

The Company is providing VC/OAVM facility to its Members for joining/participating at the AGM. Members may join the Meeting through Desktops, Laptops, Smartphones, Tablets and iPads. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. The Company will provide VC / OAVM facility to its Members for participating at the e-AGM.

- a) Members will be able to attend the e-AGM through VC/ OAVM at <https://emeetingsKfintech.com> by using their e-voting login credentials. **Members are requested to follow the procedure given below:**
 - i. Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>
 - ii. Enter the login credentials (i.e., User ID and password for e-voting).
 - iii. After logging in, click on "Video Conference" tab, and select the EVEN of the Company
 - iv. Click on the video symbol and accept the meeting etiquettes to join the meeting.
- b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.

Members who would like to express their views or ask questions during the e-AGM may register themselves by logging on to <https://emeetings.Kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during August 21, 2024 (09:00 Hours) to August 24, 2024 (5:00 Hours). Only those members who have registered themselves as speaker will be allowed to express their views or ask questions at the e-AGM. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the number of questions and number

of speakers, depending upon availability of time as appropriate for smooth conduct of the e-AGM. Members are requested to remember the same and wait for their turn to be called by the Chairman of the Meeting during the Question and Answer Session. Due to inherent limitation of transmission and Co-ordination during the e-AGM, the Company may have to dispense with or curtail the Question and Answer Session. Hence, Members are encouraged to get themselves registered as speaker during that period to ask questions/queries etc. at the e-AGM. The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Members may login through the user id and password provided in the mail received from KFinTech. On successful login, Members may post the questions in the 'Post Your Question' tab.

- c) Members who need assistance before or during the e-AGM can contact KFin on evoting@kfintech.com or call on toll free numbers 1-800-3094-001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.
- d) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the e-AGM.
- e) Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the e-AGM.

19. Instructions for members for e-Voting during the e-AGM:

- a) Only those Members/ shareholders, who will be present in the e-AGM through Video Conference facility and have not casted their vote through remote e-Voting are eligible to vote through 'InstaPoll' in the e-AGM.
- b) However, Members who have cast their vote through remote e-Voting will be eligible to attend the e-AGM. However, will not be entitled to cast their vote at the meeting.
- c) The procedure for Instapoll on the day of the e-AGM is same as the instructions mentioned for Remote e-voting.

20. (a) Members holding shares in physical mode:

- a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI;
- b) are advised to register the nomination in respect of their shareholding in the Company in Nomination Form (SH-13);

- c) are requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically; and
- d) are requested to notify the Company / RTA, of any change in their address or bank mandates immediately.

Members holding shares in physical mode are requested to always quote their Folio Number or DP ID and Client ID Numbers in all correspondence with the Company.

(b) Procedure for Registration of e-mail and Mobile: Securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link:

<https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

ISR Form(s) and the supporting documents can be provided through hard copies which are self-attested, which can be shared on the address below:

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the e-mail and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT A/c is being held.

21. Members holding shares in electronic mode:

- a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts;
- b) are advised to contact their respective DPs for registering the nomination;
- c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically; and

- d) are requested to notify respective depository participant of any change in their addresses and particulars of their bank accounts immediately.

22. Non-Resident Indian members are requested to inform RTA/ respective DPs, immediately of:

- a) change in their residential status on return to India for permanent settlement; and
- b) 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.

23. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules, 2019 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.relaxof footwear.com. The said information was also filed with MCA which is available on their website at www.iepf.gov.in. 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.relaxof footwear.com. During FY24, the Company transferred unclaimed dividend amounts of ₹1,98,991.20 from the Final Dividend for the Financial Year 2015 - 2016 to the IEPF.

Members who have not encashed their dividend warrants towards the Final Dividend for the Financial Year 2016-2017 or thereafter are requested to write to the Company's RTA.

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 Unpaid Dividend A/C	Last date of claim	Last date of transfer to IEPF	Amount of Unclaimed Dividend as on March 31, 2024 (in ₹)
2016-17	21.09.2017	27.10.2017	26.10.2024	25.11.2024	2,93,309.00
2017-18	27.09.2018	02.11.2018	01.11.2025	01.12.2025	4,91,500.50
2018-19	26.09.2019	01.11.2019	31.10.2026	30.11.2026	3,00,259.80
2019-20	27.02.2020	03.04.2020	02.04.2027	02.05.2027	6,11,896.25
2020-21	26.08.2021	02.10.2021	01.10.2028	31.10.2028	6,39,787.00
2021-22	25.08.2022	01.10.2022	30.09.2029	30.10.2029	6,16,963.50
2022-23	24.08.2023	30.09.2023	29.09.2030	29.10.2030	7,64,748.50

Members who have not encashed their dividend warrants are requested to send back their warrants for revalidation or lodge their claims to our RTA.

- a) Pursuant to Regulation 39 and Schedule V and VI of the Listing Regulations, the details of unclaimed shares in its Unclaimed Suspense Account are given in Board's Report.
- The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.
- b) 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 RTA for doing the needful.
- c) In accordance with the proviso to Regulation 40(1) of the Listing Regulations, transfers / transmission / transposition of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) However, in pursuant to the above mentioned circular, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- c) Further, the facility for voting through electronic voting system will also be made available at the AGM ("InstaPoll") and members attending the Meeting who have not casted their vote(s) by remote e-voting, will be able to vote at the Meeting through InstaPoll. The Company has engaged the services of KFin as the agency to provide e-voting facility at the AGM.
- d) 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 either through remote e-voting or at the meeting through InstaPoll. The cut-off date for eligibility for remote e-voting is August 22, 2024. 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 through VC/OAVM but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.

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 Listing Regulations, and in terms of SEBI vide circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 in relation to e-Voting Facility provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by KFin, on all the resolutions set forth in this Notice.

- e) The e-voting facility will be available during the following period:
- Commencement of e-voting: 09:00 Hours (IST) on August 26, 2024.
 - End of e-voting: 17:00 Hours (IST) on August 28, 2024.
- f) The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin upon expiry of aforesaid period.
- g) The Board of Directors has appointed Mr. Baldev Singh Kashtwal, Practicing Company Secretary, (C.P. No. 3169) as the Scrutinizer to scrutinize the remote e-voting and InstaPoll process in a fair and transparent manner.
- j) The procedure and instructions for the remote e-voting facility for Individual shareholders holding securities in demat mode are provided as follows:

- h) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he/she is already registered with KFinTech for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
- i) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method" for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IdeAS facility:</p> <ol style="list-style-type: none"> Visit URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under "Login" under 'IdeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IdeAS e-Services</p> <ol style="list-style-type: none"> To register click on link : https://eservices.nsdl.com Select "Register Online for IdeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in point 1. <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com Click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFinTech. On successful selection, you will be redirected to KFinTech e-Voting page for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <p>I. Visit URL: https://web.cdslindia.com/myeasitoken/home/login/ or URL: www.cdslindia.com</p> <p>II. Click on New System Myeasi</p> <p>III. Login with your registered user id and password.</p> <p>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/</p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1.</p> <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <p>I. Visit URL: www.cdslindia.com</p> <p>II. Provide your demat account number and PAN.</p> <p>III. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e. KFintech where the e- Voting is in progress.</p>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

k) The procedure and instructions for remote e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode are provided as follows:

Members whose e-mail IDs are registered with the Company/ Depository Participants (s), will receive an e-mail from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com>

- ii. Enter the login credentials (i.e. User ID and password mentioned in the e-mail). In case of physical folio, User ID will be EVEN (E-Voting Event Number) of Relaxo Footwears Ltd e-AGM, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for login.
- iii. After entering these details appropriately, 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 of minimum 8 characters consisting of at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will 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 "EVEN" i.e. e-voting event number for Relaxo Footwears Ltd e-AGM.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item 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 have voted on the resolution (s), 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/Authority Letter etc.,

authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail id bskashwal@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name EVEN No."

- l) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio No./ DP ID - Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID - Client ID to 9212993399
 - ✓ Example for NSDL:
MYEPWD <SPACE> IN12345612345678
 - ✓ Example for CDSL:
MYEPWD <SPACE> 1402345612345678
 - ✓ Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID - Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click "Forgot Password" and enter Folio No. or DP ID - Client ID and PAN to generate a password.
 - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFinTech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.
- m) 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 KFin's website for e-voting: <https://evoting.kfintech.com> and/or contact Mr. Sankara Gokavarapu, Senior Manager - Corporate Registry, Unit: Relaxo Footwears Limited of KFin Technologies Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at inward.ris@kfintech.com or contact no. 040 - 6716 2222 or call KFin's toll free No. 1800-3094-001 for any further clarifications. The Members of the Company



can also contact Mr. Ankit Jain, 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 cs@relaxofootwear.com.

- n) The Scrutinizer, after scrutinizing the voting through remote e-voting and e-voting at the AGM, shall make a consolidated scrutinizer's report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or any other person authorised by the Chairman in writing. The Chairman or the authorized person shall declare the voting results, along with the consolidated scrutinizer's report within the timeframe prescribed under the Act and SEBI Listing Regulations. The voting results declared

shall be available on the website of the Company www.relaxofootwear.com and on the website of KFin at <https://evoting.kfintech.com> and shall also be displayed on the notice board at the registered office. The results shall simultaneously be communicated to the Stock Exchanges. The resolutions set out in this Notice, shall be deemed to be passed on the date of AGM, subject to receipt of the requisite number of votes in favour of the resolutions.

- o) The recorded transcript of the AGM shall be maintained by the Company and also be made available on the website of the Company www.relaxofootwear.com in the Investor Section, at the earliest soon after the conclusion of the Meeting.

'Annexure-I' to the Notice

Information pursuant to Regulation 36 of SEBI (Listing Obligations 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)	Mr. Gaurav Kumar Dua (DIN: 09674786) (Item No. 4)	Mr. Rajeev Rupendra Bhadauria (DIN: 00376562) (Item No. 5)
Brief Resume of the Director & Qualification	He has over 28 years of experience in production and new product development and has rich knowledge of product mix in Footwear Industry. He is a Commerce Graduate & has studied from International School of Modern Shoe-making, Czech Republic.	He has over 23 years of experience in Sales & Marketing in footwear industry. He has done MBA from University of Wales.	He has over 37 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.) He has completed his graduation and LLB from Allahabad University.
Age	48 years	43 Years	64 years
Experience and nature of his Expertise in Specific functional areas	Experience over 28 years in production and new product development and has rich knowledge of product mix in Footwear Industry.	Experience over 23 years in Sales & Marketing. He has been pivotal for various initiatives in the Company for revenue, growth, market expansion and branding rejuvenation.	Experience as a Human Resource (HR) professional over 37 years both in Public and Private sectors.
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.	Related to Mr. Ramesh Kumar Dua, Chairman & Managing Director of the Company.	None
Date of First Appointment on the Board	February 22, 1997	July 26, 2022	August 23, 2019
Name of entities in which persons hold Directorship of the Board	Nil	Nil	Dhirubhai Ambani Law School And Foundation
Name of Listed entities in which persons also holds Directorship of the Board and the memberships of Committees of the Board along with listed entities from which the person has resigned in the past three years	Nil	Nil	Nil
Shareholding in the company including shareholding as a beneficial owner	92,43,674 equity shares	93,43,674 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 pursuant to Section 152 of the Companies Act, 2013. Please refer Corporate Governance Report section for past remuneration.	Refer to explanatory statement
Number of meetings of the Board attended during the Year (01.04.2023 to 31.03.2024)	Please refer Corporate Governance Report Section of the Annual Report		
Chairman / member of Committees of other Boards	Nil	Nil	Nil

Name of Director(s)	Mr. Nikhil Dua (DIN: 00157919) (Item No. 3)	Mr. Gaurav Kumar Dua (DIN: 09674786) (Item No. 4)	Mr. Rajeev Rupendra Bhadauria (DIN: 00376562) (Item No. 5)
Chairman / member of Committee of Relaxo Footwears Limited	Member of Audit Committee	Nil	<ol style="list-style-type: none"> 1. Chairman of Stakeholders Relationship Committee 2. Member of Audit Committee 3. Member of Nomination & Remuneration Committee 4. Member of CSR & ESG Committee
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	<ul style="list-style-type: none"> - Business strategy and Corporate Management - Manufacturing & Operations - Production and Product development, - Plant Management 	<ul style="list-style-type: none"> - Sales & Marketing - Business strategy and Corporate Management - Manufacturing & Operations - Quality enhancement, - Plant Management, 	<ul style="list-style-type: none"> - Finance & Marketing - Human Resource Development - Investment & commercial banking - Institution affairs - Marketing & Sales - Strategy & Planning - Business strategy and Corporate Management
Justification for choosing the appointees for appointment as Independent Director	N.A	N,A	Mr. Rajeev Bhadauria has served his first term and the performance of him was evaluated satisfactory as an Independent Director of the Company. The Board and its allied Committees have benefitted from his relevant specialisation and expertise.

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

Ankit Jain

Company Secretary & Compliance Officer
ICSI Membership No. FCS- 8188
Address: Aggarwal City Square, Plot No.-10,
Manglam Place, District Centre,
Sector-3, Rohini, Delhi – 110085

Date: July 31, 2024
Place: Delhi

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

Item No. 5

Mr. Rajeev Rupendra Bhadauria (DIN: 00376562) was appointed as an Independent Director on the Board of Directors of the Company in the Annual General Meeting (AGM) held in the Calendar year 2019 to hold office for a period of 5 (Five) consecutive years with effect from August 23, 2019.

In terms of Section 149 of the Companies Act, 2013 (“Act”), an Independent Director is eligible for re-appointment on passing of Special Resolution. As Mr. Rajeev Rupendra Bhadauria will be completing his initial term on August 22, 2024, to ensure the continuity of his term as an Independent Director without interruption and being eligible for re-appointment as Independent Director for 2nd term, Mr. Bhadauria was appointed as an Additional Director by the Board in its meeting held on July 31, 2024, in the capacity of Non-Executive Independent Director, effective from August 23, 2024, for a subsequent five years subject to shareholders approval in ensuing AGM.

Accordingly, it is proposed to re-appoint Mr. Bhadauria as Non-Executive Independent Director for a second term of 5 (Five) consecutive years upon the expiry of his first term i.e., with effect from August 23, 2024 upto August 22, 2029 (both days inclusive). In the opinion of the Board, Mr. Rajeev Rupendra Bhadauria fulfils the conditions specified in the Act and rules made thereunder for his reappointment as an Independent Director of the Company and is independent of the Management.

Mr. Rajeev Bhadauria has served his first term and the Performance of him was evaluated satisfactory by the Board and he has effectively and efficiently discharged his role and responsibilities as an Independent Director of the Company. The Board and its allied Committees have benefitted from his relevant specialisation and expertise.

The Company has received all statutory disclosures / declarations, including:

- (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (“the Appointment Rules”);
- (ii) Intimation in Form DIR 8 in terms of the Appointment Rules to the effect that he is not disqualified under subsection (2) of Section 164 of the Act;
- (iii) Notice of interest in Form MBP-1, Pursuant to Section 184(1) of the Companies Act, 2013 and Rule 9(1) of the Appointment Rules;
 - (i) Declaration to the effect that he meets the criteria of independence as provided in sub-section (6)


of Section 149 of the Act and under Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”);

- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any order passed by the SEBI or any other such authority;
- (v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge duties as an Independent Director of the Company;
- (vi) A notice in writing by a member proposing his candidature under Section 160(1) of the Act;
- (vii) Confirmation that he is in compliance with Rules 6(1) and 6(2) of the Appointment Rules, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs; and
- (viii) Confirmation that he had not been a partner of a firm that had transactions during the last three financial years with Relaxo Footwears Limited amounting to 10 (Ten) percent or more of its gross turnover.

In the opinion of the Board, Mr. Rajeev Rupendra Bhadauria continue to fulfil the conditions specified in the Act, the Rules framed thereunder and SEBI Listing Regulations for re-appointment as Non-Executive Independent Director. Mr. Rajeev Rupendra Bhadauria is independent of the management and possesses appropriate skills, experience and knowledge.

The Board of Directors of the Company (‘the Board’) at the meeting held on July 31, 2024, on the recommendation of the Nomination & Remuneration Committee, recommended for the approval of the members, the re-appointment of Mr. Rajeev Rupendra Bhadauria 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 August 23, 2024 for a period of 5 (five) consecutive years, in terms of Section 149 read with Schedule IV of the Act and Regulation 17 of the SEBI Listing Regulations, or any amendment thereto or modification thereof.

The 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 <https://www.relaxofootwear.com>



Mr. Rajeev Rupendra Bhadauria is interested in the resolution set out at Item No. 5 of the AGM to the Notice of the 40th AGM with regard to his re-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 this 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 Notice of the 40th AGM for the approval by the members.

'Annexure-II'

TDS ON DIVIDEND:

1. Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members with effect from April 1, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to Members at the prescribed rates. Members are requested to update their Permanent Account Number ("PAN") with the Company/ KFinTech (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
2. **For Resident Shareholders**, tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @ 10% unless exempt under any of the provisions of the Act, on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2024-25 provided PAN is furnished by the Shareholder. If PAN is not submitted, TDS would be deducted @20% as per Section 206AA of the Income-tax Act, 1961.
3. However, no Tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2024-25 does not exceed ₹5,000. Please note that this includes the future dividends, if any, which may be declared by the Board in the FY 2024-25.
4. Separately, in cases where the Shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual who is of the age of 60 years or more), no tax at source shall be deducted provided that the eligibility conditions are being met. Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not linked with Aadhar, tax will be deducted at a higher rate of 20%.
5. Section 206AB introduced by the Finance Act, 2021 effective July 01, 2021 provides for deduction of higher rate of tax in case a person:
 - a) Had not filed Income Tax return (ITR) for the preceding previous year where the time limit to file the return of income prescribed u/s 139 (1) of the Income-tax Act, 1961 has expired; and
 - b) Had aggregate TDS/TCS credit of ₹50,000 or more in that preceding year.Accordingly, in case both the above conditions are not fulfilled, tax would be deducted at a higher rate.
6. **For Non-Resident Shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income-tax Act, 1961 at the applicable rates in force. As per the relevant provisions of Section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of Foreign Portfolio Investors/ Foreign Institutional Investors, the withholding tax shall be as per the rate specified in 196D of the Act plus applicable surcharge and cess on the amount of Dividend payable to them.
7. However, as per Section 90 read with Section 195 of the Income-tax Act, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the Non-Resident Shareholder will have to provide the following on or before August 22, 2024:
 - a) Self-attested true copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident for the Financial Year 2024-25;
 - b) Self-declaration in Form 10F w.e.f. April 1, 2023, electronic Form 10F is mandatory as per notification no. 03/2022 dated July 16, 2022 issued by Central Board of Direct taxes;
 - c) Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
 - d) Self-declaration in the format prescribed by the Company, certifying the following points:
 - i. Shareholders are and will continue to remain a tax resident of the country of their residence during the Financial Year 2024-25;
 - ii. Shareholders are eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Shareholders have no reason to believe that their claim for the benefits of the DTAA is impaired in any manner;
 - iv. Shareholder does not have a taxable presence or a Permanent Establishment ("PE") in India during the Financial Year 2024-25. In any case, the amounts paid/ payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
 - v. Shareholder is the ultimate beneficial owner of shares held in the Company and dividend receivable from the Company; and

- vi. Non-Resident Shareholder is satisfying the Principle Purpose Test as per the respective tax treaty effective April 01, 2020 (if applicable).

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts.

- 8. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-Resident Shareholder.
- 9. Members may submit the aforementioned documents on the link: <https://ris.kfintech.com/form15/>. For further information, Members are requested to refer e-mail communication sent to them in this regard.
- 10. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

- 11. The Company shall arrange to e-mail the soft copy of TDS certificate to the Shareholders at the registered e-mail ID in due course, post payment of the said Dividend and generation of TDS Certificates.
- 12. An e-mail communication informing the Shareholders regarding this change in the Income Tax Act, 1961 as well as the relevant procedure to be adopted by them to avail the applicable tax rate is being sent by the Company at the registered e-mail IDs of the Shareholders.
- 13. No communication on the tax determination or deduction shall be entertained post August 22, 2024.
- 14. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/National Electronic Fund Transfer (NEFT)/ Real Time Gross Settlement (RTGS)/ Direct Credit, etc.