



Quality Par Excellence

CHAIRMAN'S SPEECH



Dear Stakeholders,

It gives me immense pleasure in extending a warm welcome to all of you for sparing your valuable time on the occasion of the 32nd AGM of your Company.

I thank you all for your gracious presence.

The Notice and Directors report along with the Audited Financial Statement of your Company for the year ended 31st March, 2016 are already in your hands and

with your permission I shall take the same as read.

It gives me great pleasure to announce another year of profitable growth. Your Company has closed the Financial Year 2016 with increase in revenues by 16%; EBITDA by 21% and PAT by 17%. During the year your Company has achieved Net Profit of Rupees 120 Crores with EPS of Rs. 10.02.

With these pleasant upsides Your Board of Directors have recommended highest ever dividend of 60% for FY 16.

During the year your Company has taken some key initiatives that has driven the growth, with healthy mix of volume growth & premiumization. The Company has introduced more than 100 new products during the year and is continuously raising the bar. The Company has initiated end to end distributor and retailer programs to improve engagement levels and connect with channel partners. Your Company has also continued investing behind its brands through renowned brand ambassadors, thereby creating necessary awareness and pull for our products. We see Modern Trade and E-commerce as key growth engines of the future and we are well placed to take advantage of the same.

Our retail network has continued to expand in line with our intent of showcasing our entire product portfolio, brand building and establishing consumer connect to understand the evolving needs of the consumer. Your Company has added 43 new stores during the year taking the total number to 250 exclusive Company operated stores.

In order to support sustainable and profitable growth, Your Company took steps towards manufacturing excellence by rolling out world class manufacturing concepts, like Lean Manufacturing and Maynard Operation Sequence Technique (MOST) across key production units.

At Relaxo, we believe that our people are our most valuable assets. With this perspective the Company has continued to invest significantly on leadership development and long term incentive plan through ESOP to retain the key talent.

Over the last year, the government has launched a series of initiatives to revive the Indian economy, including building infrastructure in roads and railways, improving the ease of business, creating a more investor-friendly FDI policy regime, introducing banking reforms and targeting inflation. The latest being implementation of Goods and Services Tax, which backed by good monsoon will help to fast track economic growth and boost consumer confidence in coming years.

Lastly, I would like to express my sincere appreciation for continued support of Board of Directors, consumers, business partners, the bankers and all the valued employees for their valuable contribution and last but not the least, I am thankful to our valued shareholders for their continued trust and valuable support. I feel privileged for an opportunity to create value for all stakeholders.

Thank you.

Ramesh Kumar Dua
Chairman

