



**RELAXO FOOTWEARS LIMITED**

CIN: L74899DL1984PLC019097

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## **RELAXO FOOTWEARS LIMITED – 39<sup>TH</sup> AGM TRANSCRIPT**

**Moderator** - Good Morning sir. As the quorum is present, you can proceed the meeting sir. Thank you. sir. You are on mute mode sir.

**Company Secretary (CS)**- Raj Kumar ji, thank you so much.

So Good Morning, Ladies & Gentlemen, I am, Ankit Jain, Company Secretary, of Relaxo Footwears Limited. I welcome all of you to the 39<sup>th</sup> Annual General Meeting of shareholders of the Company.

Before starting the proceedings of AGM, I take this opportunity to introduce directors of the Company to the new and existing members of the Company.

Mr. Pankaj Shrimali, Independent Director & Chairperson of Board and Audit Committee

Mr. Ramesh Kumar Dua Managing Director & Chairperson of Risk Management Committee and CSR & ESG committee

Mr. Mukand Lal Dua, Whole Time Director of the Company

Mr. Nikhil Dua, Whole Time Director of the Company,

Mr. Gaurav Dua, Whole Time Director of the Company,

Mr. Deval Ganguly, Whole Time Director of the Company,

Mr. Vivek Kumar, Independent Director & Chairperson of Stakeholders Relationship Committee,

Ms. Deepa Verma, Independent Director Chairperson of Nomination & Remuneration Committee,

Mr. Rajeev Rupendra Bhadauria, Independent Director of the Company,

Mr. Sushil Batra, CFO of the Company.

So all the Directors of your company are present in this meeting except Mr. Kuldip Singh Dhingra, Independent Director of the Company.

Pursuant to the provisions of the Companies Act, 2013 and relevant circulars and Articles of Association of the Company Mr. Pankaj Shrimali, Chairperson of the Board of Directors will act as Chairperson of this Meeting.

Mr. Mukesh Dua, is representing Statutory Auditor of the Company viz. M/s Gupta & Dua, Mr. Shashikant Tiwari, representing Secretarial Auditor and Mr. Baldev Singh Kashtwal, Scrutinizer of this AGM are also present at this meeting.

As the required quorum is present, I now request the Chairperson to call the meeting in order and for his remarks.

**Moderator** - Mr. Ramesh Kumar Dua switch on your camera?

**Ankit Jain**- Mr. Pankaj Shrimali Sir, you are on mute.

**Rajkumar**-Please sir.

**Chairman** - Good Morning Shareholders, The Meeting is in order. There are no adverse remarks in the Audit Report and with your permission I shall take the same as read. Now I request Mr. Ramesh Kumar Dua, Managing Director of the Company to share his views on the performance of the Company.

**Managing Director (MD)**- Good Morning Stakeholders, It gives me great pleasure in extending a warm welcome to you all for sparing your valuable time, on the occasion of the 39<sup>th</sup> AGM of your Company.

The Notice and Board's Report along with the Audited Financial Statements of your Company for the year ended 31st March 2023, have already been sent to you via email, and with your permission, I shall take them as read.

I am pleased to announce that despite market uncertainty, volatile raw material prices and dampened consumer sentiment, your Company managed a revenue growth of 5% to ₹2783 Crores with EBITDA of ₹ 336 Crores and PAT of ₹ 154 Crores.

Owing to high inflationary pressures, your Company's performance was subdued in initial quarters of Financial Year 22-23. Therefore, your Company promptly realigned itself in response with a strategic price correction. That, aided by a mature distribution network and strong brand equity, helped to recover market share during the last quarter of the year.

During the year, your Company continued its efforts to enhance consumer experience at its Exclusive Brand Outlets by building on sales capability and implementation of innovative marketing practices like having a consumer connect through celebration of various events and occasions.

Your company is well aware of the changing ecosystem and has been actively working towards harnessing the digital space, both with respect to brand equity as well as sales performance during the Financial Year 22-23. This will enable your Company to efficiently transcend geographical boundaries, showcase its latest range and tap into the new age consumer.

On the export front, your Company has continued its sustained efforts in strengthening distribution channels and launched new market relevant products which has resulted in significant growth in exports and I am pleased to report that your Company has now earned 2 Star Export status.

To understand & address the evolving consumer preferences, your Company has regularly conducted market sensing exercises and thereby developed and launched new products by adopting latest technological upgrades.

As a socially committed corporate citizen, your Company has continued to adopt various measures like retrofitting the DG sets to use dual fuel thereby reducing emissions; upgrading of STPs with ultra-filtration techniques, adopting digital billing at the Company EBOs; etc. along with tree plantation in & around plants; to reduce its carbon footprint without compromising operational efficiency.

Your Company recognizes its employees as its core assets and has continued to strengthen bond with them through reward & recognition initiatives and various training programs for creating and nurturing a talent pool for its growing future needs.

We have a positive outlook for the footwear industry and your company with a robust cash flow and debt free operations, is well-positioned to capitalize on opportunities arising due to the increased per capita footwear consumption and growing share of the organized market. We are confident that our efforts will continue to yield positive results in times to come.

I am pleased to inform that the Board of Directors has recommended a final dividend of 250% for the Financial Year 22-23.

Lastly, I would like to thank all our stakeholders, customers, business partners, Board of Directors, Bankers and employees for their valuable support and belief in the Company.

Thank you.

Now I call upon Mr. Ankit Jain, Company Secretary to proceed with the business of the meeting.

**Company Secretary (CS)** - Sir, Thank you so much for your detailed deliberation on business performance of the Company. Now Shareholders may note that this Annual General meeting is being held through video conferencing in accordance with Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. Facilities for joining this meeting through video conferencing is made available to the members.

Now some advisory for shareholders: All the members who have joined this meeting are by default placed on mute to avoid any disturbance arising from the background noise and to ensure smooth and seamless conduct of this meeting. Once the name of the speaker shareholder is called out by the moderator, the person will be unmuted by the moderator to enable him or her to speak. Before speaking the shareholder is requested to click on his video and audio icon appearing on the screen and switch it on. If for some reason shareholder is not able to join through the video mode, they can still speak through the audio mode. While speaking we request all shareholders to use ear phones so that they are clearly audible and it will also minimize any noise in the background. If there is connectivity problem at the speakers end the moderator will mute the speaker and next speaker will be invited to speak. Since this AGM is being

conducted through VC pursuant to the applicable provisions of Ministry of Corporate Affairs and SEBI, physical attendance of members has been dispensed with. Accordingly, facility of appointment of proxies is not available for this meeting.

The Register of Directors and KMP (Key Managerial personnel's) and their shareholding, Register of Contracts, the Memorandum and Article of Association of the Company and the Certificate from the Secretarial auditors of the Company relating to the implementation of the Company's ESOP Scheme and policy as required to be kept at the Annual General Meeting are available electronically for inspection by the members.

The Notice of the 39<sup>th</sup> AGM and the Audited Financial Statements of your Company for the year ended 31<sup>st</sup> March, 2023 along with Board's Report and Auditors report have been emailed within the statutory timeline to all the shareholders whose e-mail ids are registered with the Company or our Registrar Kfin Technologies Ltd. or Depository participants.

With the permission of the shareholders I am now taking the notice of the 39<sup>th</sup> AGM and the Boards Report which are circulated to the shareholders as read. As the Statutory Auditors Report does not contain any qualification, observation and comments or other remarks further the observations provided in the Secretarial Auditor's Report are self-explanatory for the period ending 31<sup>st</sup> March, 2023 and are also taken as read.

As per the provisions of Section 108 of the Companies Act, 2013 and rules made thereunder read with regulation 44 of SEBI (LODR) Regulations 2015, the Company has provided e-Voting facility to all the Members entitled to cast their vote on all resolutions through remote e-voting. As per the timelines provided in the AGM Notice, the E-voting facility was provided by the Company for three days between 21<sup>st</sup> to 23<sup>rd</sup> August, 2023 and concluded at 5:00 p.m. yesterday. Further in compliance with the rules of e-voting framed under Companies Act, 2013 and the circulars of MCA, the e-voting facility will be provided at the AGM also. The Shareholders who have not cast their vote through remote e-voting process and otherwise are not barred to do so, can cast their vote at the AGM through Instapoll by clicking the icon on the left-hand side below the screen where the AGM proceedings are shown. Once the Chairperson confirms and orders commencement of e-voting at the AGM, the vote tab on the screen will be activated to enable shareholders to cast their vote. They can vote by

clicking on the vote tab. Shareholders may please note that there will be no voting by show of hands.

Mr. Baldev Singh Kashtwal, Practicing Company Secretary has been appointed as scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM i.e. InstaPoll, in a fair and transparent manner. Results of the e-voting and Instapoll along with the Scrutinizer report shall be communicated to stock exchanges that is BSE & NSE where equity shares of the Company are listed and shall also be placed on the website of the Company and on the website of Kfin technologies Ltd. within 2 working days from the completion of this meeting.

Now let us move to the Agenda items before the AGM. There are 10 agenda items for approval of shareholders today.

There are Three ordinary businesses which are as under:

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, comprising of the Balance Sheet as at March 31, 2023 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, 2023, together with the Reports of Board of Directors and Auditors thereon.

Second item is to declare a final dividend @250% equivalent to ₹2.50 /- per equity share having Face Value of ₹1/- each for the Financial Year 2022-23.

Third item is to consider appointment of a Director in place of Mr. Deval Ganguly, Whole Time Director of the Company, who retires by rotation and being eligible, offers himself for reappointment. There are seven agenda items of special business, which are as under:

First to re-appoint Mr. Ramesh Kumar Dua as Managing Director of the company.

Second item is to re-appoint Mr. Mukand Lal Dua as a whole time director of the company.

Third item is to re-appoint Mr. Nikhil Dua as a whole time director of the company.

Fourth item is to re-appoint Mr. Gaurav Dua as a whole time director of the company.

Fifth item is to re-appoint Mr. Ritesh Dua as an Executive Vice President (Finance) of the company.

Sixth item is to re-appoint Mr. Nitin Dua as an Executive Vice President (Retail) of the company.

Seventh item is to re-appoint Mr. Rahul Dua as an Executive Vice President (Manufacturing) of the company.

The objectives and implications proposed at the AGM are already set out in notice of AGM and explanatory statement and for the sake of brevity are not being repeated again here. However, if members want to ask any further clarification they may raise it at the Question and Answer session.

Now we will have question answer session. I would now request the members to keep their questions brief and concise, so that all the speaker shareholder get opportunity to ask the questions. Two minutes will be given to each speaker shareholder to ask their question. To avoid confusion and repetition Board will answer questions at the end. Those shareholders who have not registered as speaker shareholder and wish to ask any question can use the tab just below the screen to ask any question.

Now I request the moderator to call the names of speaker shareholders one by one who have registered themselves to ask the questions. Moderator please.

**Moderator**-Thank you sir. We have some shareholders registered as speakers for the live AGM today. Mr. Anmol Jain from Delhi. May I request Mr. Anmol Jain from Delhi to unmute yourself, switch on your camera and speak please.

**Mr. Anmol Jain**- Good morning to everyone. Myself, Anmol Jain from New Delhi. I would like to first congratulate whole board of management for successfully conducting this annual general meeting. And also, thanks to Company secretary department for giving me this opportunity. As a retail investor, my investment in Relaxo is an instrumental for driving the growth and success of the company. My belief in board of management is completely confident and it's given me more confidence to invest more in these company. I have two questions and two suggestions. First question is when India is committed to get carbon neutral by 2027 what measures Relaxo taking to

reduce its carbon emission? And second question is Relaxo looking to enter into premium footwear segment? My suggestions are can we add additional stripes in the flat footwear because most of the time customers are facing problem in flat sleepers. And my second suggestion is please increase the discount coupon given to shareholders to up to 10,000 because it will increase the purchasing capacity of the shareholders and then I would like to say we have to come together collaborate to growth and success of the company and I support all the resolutions passed looking forward for a brighter future. Thank you.

**Moderator**-Thank you sir. Thank you for your question. We will move on to the next speaker. Next registered speaker is Mr. Praful Chavda from Hyderabad. Mr. Praful Chavda as there is no response from Mr. Praful Chavda, we will move on to the next speaker, Mr. Kaushik Narendra Shahukar from Mumbai. Kaushik Narendra Shahukar. As there is no response from Mr. Kaushik, we will move on to the next speaker, Mr. Manjit Singh. Mr. Manjit Singh. No response from Mr. Manjit Singh. And then we will move on to the next speaker, Sarvajit Singh. Mr. Sarvajit Singh. No response from Mr. Sarvajit Singh. We will move on to the next speaker, Ankur Chanda. Ankur Chanda. No response from Mr. Ankur Chanda. We will go to the next speaker, Praveen Kumar. Praveen Kumar. No response from Mr. Praveen Kumar. We will go to the next speaker, Shripal Singh Monoth Gurgaon. Mr. Shripal Singh Monoth, may I request you to unmute yourself switch on your camera and speak please Mr. Shripal Singh Monoth as there is no response from Mr. Shripal. Yeah Shripalji,

**Mr. Shripal Singh Monoth**- Haan, Namaskar Sir, Aapko meri awaaz aa rahi hai.

**Moderator**- Aa rai hai Sir, Aap apna Question pooch sakte ho ji.

**Mr.Shripal Singh Monoth**- Aap sakbo sadar Pranam sadar namaskar. Aap sabki mehnat se board bahut bahut achchha kaam kar rahi hai, uske liye main dhnyawad deta hoon. Aane wale salon mein aap kaisi vyawastha kar rahe hain aur kitni poonji ki vyavastha ho gayi, is poonji se kya layenge, Right issue layenge, ya bond ke through aap karenge. Aur R&D aur subsidiary company ke baare mein bhi kuchh bataiye. Aur hamari Digital Balance sheet ke upar kitna kaam ho gaya aur kitna kaam honi baaki hai, aur hamara mukhya pratidwandi is market mein kaun kaun hain, aur baaki Company Secretray sahab aur CFO sahab bahut achchha kaam kar rahe hain, unhone samay par balance sheet aur notice bhej diya hai, un sabka main aabhar vyakt karta hoon. Dhnyawad, Jai Hind.

**Moderator**- Thank you sir. Thank you for your question. The next speaker is Mr. Yusuf Yunus Rangwala. Mr.Yusuf Yunus Rangwala. no response. We, Move on to the next



speaker. Alloys Peter Mascarenas, Alloys Peter Mascarenas No response. From New Delhi Chetan Chaddha. Mr. Chetan Chaddha from New Delhi. No response from Mr. Chetan Chaddha. Next speaker. Celestine Elizabeth Mascarenas, Celestine Elizabeth Mascarenas no response. Next speaker is Rajesh Kevalram Chenani. Rajesh Kevalram chenani. no response. Last speaker is Ashish. no response. So, with this we are giving back the stage back to MD sir. Thank you, sir.

**Ramesh Kumar Dua-** Yes Mr. Anmol you asked about premium footwear and our company is focusing on premium footwear. We have recently opened our innovation center and which will lead to development of really innovated new products and the premiseization will be one of the focus areas. And then the slides you said one of the articles this year we have introduced lot of slides because last year also we did and we had a good response. So, we are giving sufficient attention to that. As for carbon footprint company had been taking regular steps and this year also we have taken steps as I mentioned in speech also that our gents' sets are now retrofit which can break at both the fuels which will reduce the carbon footprint. And similarly year after year we are taking steps to have that carbon footprint. And regarding the three points and their discount company it is a company policy. We are going with as per whatever is the need and we are doing it. We'll look into your suggestion also and then Shripal Singh, he talked about R&D as mentioned we have opened an innovation center and there this R&D new product development. All these activities will take place and that will be really a game changing for the company. Where lot of innovative articles will develop polymers there new innovated polymers a lot of things will happen there. So that is going to be a gaps area for the company and other things digital that also we are doing lot of things in that area. Competition. You know, What I would Like to say, every company has its own strategies. We are having our own strategy. We are i can't I won't say I am say what others are. So, I am following my own strategies. Some companies are following they are based on retail outlet chain they are trading. Some people are having one segment which is similar to us. But again they have a different kind of article that they want to develop or they will be developing. Ours is what you call it. 97% Industrial manufacturing Company. And whatever we produce ourselves, that is what we are selling. So our have a unique position in the society, serving masses at affordable prices and also entering now in premium space. So that's it. I don't consider any of the industries which are in it. My competitor, they are having their unique position in the market. They are serving the unique customers and we are serving our unique customers. We are trying to always understand the evolving needs of the consumers and developing the products accordingly. We are selling on multi brand outlets, we are selling on our own outlets. We are also selling ecommerce, live format stores and also exports. So we have our own way of assessing the need of the consumer and addressing those needs. That's it. Thank you.

**Moderator**-Yeah, Ankit ji, you can speak.

**Company Secretary (CS)** - Yeah. Thank you, Rajkumar ji. Now, we thank you all the shareholders for your questions. The management has answered most of the questions. However, if any shareholder wants any further details on queries he / she may e-mail us and we will try to provide relevant information separately. Now I request the Chairperson to activate the InstaPoll and for his closing remarks.

**Chairman** - The e-voting facility at the AGM Instapoll has been activated and members who have not cast their vote through remote e-voting can exercise their vote. The facility will be available for 15 minutes. Since there is no other item to transact, I declare the 39<sup>th</sup> AGM closed. I thank all the shareholders for connecting with us today.

**Company Secretary (CS)** - Thank you, sir.

**Moderator**-Thank you, sir. Now, Insta poll will be activated and it will be available for next 15 minutes for the shareholders to vote sir. Thank you.