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Group that adapt go on to produce new inventions, while those that do not end up extinct. Relaxo Footwears follows the similar path. Those that respond to threats & capitalize on opportunities become leaders. By embracing evolving outlook & advancing corporate strategies, Relaxo Footwears has left behind its reputation as performers.

CORPORATE VALUES & PHILOSOPHY

We, at Relaxo are Committed to Provide Consistent Value Added Quality Footwear and Services to Satisfy our Customers through Continual Improvement and Innovation.



CORPORATE GOALS & OBJECTIVES

Our Corporate Objectives provide a single-minded focus for every member of the Relaxo family to aspire to:

1. Developing human assets through effective training
2. Product innovation through design and development
3. Meet & exceed customer requirement (both internal & external)
4. Increased customer satisfaction
5. Quality improvement through control of rejection
6. Optimum utilization of resources
7. Waste reduction at all stages
8. To explore national and international markets
9. ISO 9001:2008 compliance

BOARD OF DIRECTORS



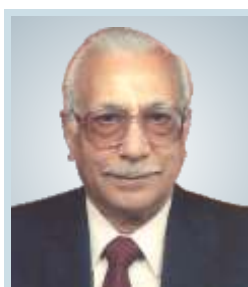
Ramesh Kumar Dua
Managing Director



Mukand Lal Dua
Whole Time Director



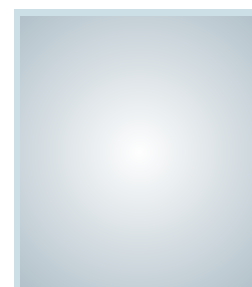
Nikhil Dua
Whole Time Director



S.K. Sapra
Independent Director



Vivek Kumar
Independent Director



Pankaj Shrimali
Independent Director

COMPANY SECRETARY

Kapil Garg

CHIEF FINANCIAL OFFICER

Sushil Batra

AUDITORS

GUPTA & DUA
Chartered Accountants
9, Darya Ganj, Delhi-110 002

BANKERS

State Bank of India
HDFC Bank
Standard Chartered Bank
ING Vysya Bank

SHARE TRANSFER AGENTS

M/s. Karvy Computershare Private Limited
Plot No. 17-24, Vittalrao Nagar, Madhapur,
Hyderabad-500 081

REGISTERED OFFICE

316-319, Allied House, Inderlok Chowk,
Old Rohtak Road, Delhi-110 035

WORKS

RFL-I

- Plot No. 326, MIE,
Bahadurgarh, Haryana

RFL-II

- Plot No. 327, MIE,
Bahadurgarh, Haryana

RFL-III

- A-1130 & 1130 (A)
RIICO Industrial Area,
Phase-III, Bhiwadi, Rajasthan

RFL-IV

- 30/3/2, Rakba Mooja Hasanpur
Tikri Border (Near Sales Tax Office)
Bahadurgarh, Haryana

RFL-V

- 83-92, SIDCUL Industrial Area,
BHEL, Haridwar, Uttaranchal

RFL-VI

- 342-343, Footwear Park,
Industrial Estate, Sector-17,
Bahadurgarh, Haryana

RFL-VII

- Plot No. 328-329, MIE,
Bahadurgarh, Haryana



Ramesh Kumar Dua
Managing Director

Wings ...for a bigger sky.

MD'S MESSAGE

Destiny

Every journey has a purpose. Every step, has a beginning.

Relaxo Footwears' has been a long and eventful odyssey, one that began as a humble dream in 1976. The years that followed saw the rise of a phenomenon Growth. Today, your Company manufactures over 3 lakh pairs of footwear per day, which approximately adds up to over 90 million pairs per year. More importantly, we bring Quality with comfort to the customer. It's no stretch to say that, at Relaxo Footwears, we celebrate new beginning, everyday. Concern for the wishes & needs of customers becomes the focus for every decision. What the customer wants, the Company provides. Quality is that something extra which will be perceived by the customer as a valid reason for either paying more or for buying again. Relaxo doesn't just bridge a need in the footwear space but emphasis to provide value for money to its customer.

At the core of all this action lie our faith in man, more than machines: *people are the most valuable resource*. We are in a position to employ relevant talent, thus giving national employment a shot-in-the-arm by employing over 7000 people. Being in a sector that is blessed with a non-ending need or demand, we are also in a position to re-engineer systems, polish best practices, raise the quality bar and introduce innovations, responsibilities that we take to heart, and are committed to honour.

Relaxo Footwears has responded to these times of change by adopting intuitive re-

structuring measures to boost the company's overall viability. Specifically, we have focused on value re-engineering, on cost rationalization rather than on cost-chopping.

It is an universe as diverse, complex and competitive as this, that your Company bestrides with distinction and pride. Consider our recent performance. The annual turnover has grown 2.3 times in the last 3 years to a mammoth ` 686 crore in 2010-11. I applaud the efforts of all our workers and managers who dug in their heels to make this happen, and to all our stakeholders who kept the faith at every step of the way.

But there's more reason to rejoice, for at Relaxo Footwears, the future has just begun...

At Relaxo Footwears, we have deployed a three-pronged approach of re-strategizing, re-humanization and re-creation to sew up bottlenecks, bolster competencies and explore new areas of growth.

Re-strategizing at Relaxo Footwears has entailed investments in new technology, IT and management processes, setting up new production units to strengthen back-end dynamics and supply management, putting checks and controls (including cost rationalization) in place, and applying higher benchmarks of quality excellence at every stage of our production assembly line. Re-strategizing at Relaxo Footwears has also been about analysing shifting customer habits and trends, and responding to them with powerful merchandizing mechanisms, retail expansion and advertising exercises that increase touch-point level engagement with

our customers, maximize sales-gains and drive brand recall across age and social groups.

Re-humanization at Relaxo Footwears has been about mining talent in our workforce and getting the best out of them. For this, we have been organizing 'Goal-setting Workshops', Success Meets, Strategy-workshops & Target Achievement Celebrations.

Re-creation at Relaxo Footwear has been all about leveraging R&D for product innovation, nurturing brand ideas, technology and comfort in uncommon ways to appeal to a more value-conscious consumer, and surveying new markets of expansion.

Relaxo Footwears is nurturing creativity, building competencies, and continuously seeking unexplored new highways of growth. Outstanding growth at Relaxo Footwears has been a direct upshot of innovations and endeavours on the ground. We ventured into categories like Flite and Sparx, and both the

products have witnessed a very positive response from intended target groups. In general, your Company enjoys great brand pull in the market. Demand is robust and the company will be hitting an expansion trail of 20%.

In the front-end, with a view to reaching out to new customers and demographics, Relaxo Footwears has opened several new outlets across the length and breadth of the country. At the back-end, we have muscled-up our competencies by significant outlays in IT and R&D.

These are exciting times indeed at Relaxo Footwears. Horizons are expanding, young markets are being discovered, and the sky is getting bigger, everyday. It's time for another giant step. I thank you for your continued support, and for sharing our dream, I extend to you a cordial invitation...

To another golden journey, that's just beginning...



DELIVERING

...from the edge

Over the years, Relaxo has steadily integrated its competencies at the back-end, and today, our production units are spread right across the length and breadth of Northern India. Leading edge technology, heavy-duty machinery and custom-made infrastructure stand by at each of these facilities, ready to deliver at short notice. Manning them are some of the finest and most dedicated professionals in the industry. On top of things is our proactive R&D team – orchestrating assembly and monitoring market feedback at every step to keep both design and delivery at the edge of innovation, and ever-ready to adjust with shifting trends and customer feedback.

Relaxo has 7 actively functioning facilities at the following locations:

S No.	Unit	Location	Products Manufactured
1	RFL I	Bahadurgarh (Haryana)	Hawaii, Spark Hawaii
2	RFL II	Bahadurgarh (Haryana)	Hawaii
3	RFL III	Bhiwadi (Rajasthan)	Hawai
4	RFL IV	Bahadurgarh (Haryana)	Flite
5	RFL V	Haridwar (Uttarakhand)	Sparx Shoes & Sandals
6	RFL VI	Bahadurgarh (Haryana)	Flite, Schoolmate, Casualz, Sparx DIP
7	RFL VII	Bahadurgarh (Haryana)	Canvas, Sparx Shoes, Sandals



YOU KNOW US BY NAME

Strongly and brightly comfortable, products from the Relaxo stable are recognized for their freshness of design and value for money. They are memorable and popular expressions of the research and passion we bring to the table.



Quality Par Excellence

Relaxo: This is where it all began for us. Several years on, with an output of 20,000 pairs a day, Relaxo is by far the largest manufacturer of Hawaii in India. With changing times, our Hawaii has changed too, and is available in a range of shades and styles.



Schoolmate celebrates the wonder years by giving school boys and girls a shoe they can be truly proud of. Crafted with an extra layer of love and attention, the superb workmanship and adaptable designs is every child's favorite today.

Casualz are sandal type of footwear & float loafer styles that many people enjoy wearing on their feet. Casual implies that the footwear is informal or in other words is to be used for everyday use.



Flite is all about upper-crest and exclusivity. Cutting-edge EVA technology makes Flite fashionable and light, and an array of colors and designs make it a favorite with people from all walks of life.

Flite Pu-Fashion is a type of footwear for both men & women. Flite Pu-Fashion is what suits your desires as an individual. Their comfort makes them a choice of many.



Sparx appeals to the bold new generation, and is a line of sports shoes, sandals and Hawaii slippers that oozes creativity and zest for life. It is available in a stunning enfold of hues and silhouettes, and has become an instant hit with the masses.

Other brands of Relaxo are : Elena, Mary Jane and Boston.



AT RELAXO, *a better day begins...everyday*

Corporate Social Responsibility

Despite being an economy on the fast-track to global eminence, India remains a country ridden with predicaments such as poverty, illiteracy, lack of healthcare, lack of awareness about the environment, inadequate civic facilities and infrastructure. Having evolved from charity and donations, CSR today has taken an organized shape, and is an integral part of the forward vision and goals of most organizations.

What is doubly satisfying is that in most of these endeavors, it is our employees who have taken a proactive roles by volunteering and contributing with their time and skills to implement them. The company actively advocates the use of recyclable material at every level (such as canvas and jute bags), and the avoidance of environmentally inimical elements such as plastic.

Relaxo Footwears stretches this commitment to a better tomorrow to a pan-national level by foraying into wind power. Our 6 MW capacity windmills at Jodhpur in Rajasthan have a generation of approximately 12 Million units per annum. What is of note, is that the energy they will produce will be clean, non-polluting and a tangible contribution to a healthier and greener planet.

Corporate Social Responsibility has always been at the heart of the activities of your Company. As a part of its Corporate Social Responsibility, the Company is dedicated towards the Cancer care programme which is expanding day by day and the dying patients at Ganga Prem Hospice are being treated and cured from the support of Relaxo and they are now able to care for more patients at Rishikesh, Haridwar and Uttaranchal.

The Company has been making humble contributions & taking meaningful measures to enrich the socio-economic environment & living standard of the people around especially the backwards & economically weaker sections of the society. The Company is in collaboration with IL&FS Clusters in order to uplift the backward class of the society by imparting training to the trainees selected from rural BPL families in respect of operator courses, which is making them technically aware and then hiring them. The Company has so far employed 70 trained people in their manufacturing unit with a vision to create sustainable livelihoods for the rural population of India. The Indian Footwear Industry provides employment opportunities to a total of 1.1 million people, mostly from the weaker section of the society.



An advanced small cell carcinoma patient at Nurse at Ganga Prem Hospice Cancer Clinic, Rishikesh



PLAN, DO, CHECK, ACT

Management systems at Relaxo is based around the structured integration of best practices into daily routines and processes. It dovetails information sharing, benchmarking, team-synchronization and thought-leadership into a well-oiled delivery system that helps the company achieve continuous improvement in performance. Our management systems and Initiatives reflect some of the sharpest ideas and practices in the corporate world today. Each plan is thoughtfully weighed for impact, meticulously implemented and powerfully activated for maximum on-the-ground impact. Relaxo's winning matrix of MS rests of the following check-posts :

1. Annual Business Planning objective setting
2. Capacity assessment and planning
3. Monthly Business review through performance score card
4. Quarterly business review
5. QMS: ISO 9001:2008
6. Rolling out of ERP across Relaxo (SAP)
7. OTIF (On Time In Full)
8. Initiating continuous improvement through team projects
9. Suggestion schemes (Parivartan)
10. Designing Software called "Shoemaster", designed through "CAD"



REACHING OUT

...to the world

Relaxo Footwears leverages its enormous and strategically spread-out, pan-India distribution network to respond to the demands of its customers on time. We also serve large retail chain stores as their trusted OE manufacturers and suppliers. The consistency of our quality and our professional ethics have made us the preferred partner of several reputed names across industries. Relaxo Footwears has its reach in more than 400 districts, stores & retail outlets in more than 125 areas and foots in more than 5000 Multi-brand shops across the country and exporting to 10 countries.

EXPANSION PROGRAMME

Flite Pu-Fashion: What you wear on your feet distinguishes who you are. There is no single 'best shoe'- everyone has different needs. Covering all sorts of your needs, Relaxo has launched new range of men & women footwear called Flite Pu-Fashion which will certainly make an enormous difference with its fabulous features like already existing PU sole, light weight, longevity, high fashion class, skill resistance & non-slippery. It allows you to multi-task your activities & provides you sufficient support & versatility with better designs. Flite Pu-Fashion is a range that will keep your feet comfortable. They are proving to be best amongst comfort conscious people as their style & comfort speaks for themselves. Today's footwear has become more multi dimensional and so a pair of shoes can suit different purposes. With peoples lifestyles also changing they need to have items of footwear that can do many things including providing all around wearability.



Notice

NOTICE

Notice is hereby given that 27th Annual General Meeting of the Members of RELAXO FOOTWEARS LIMITED will be held at Sri Sathya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110 003 on Tuesday, 20th day of September, 2011 at 10.30 a.m. to transact the following business: -

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2011 and the Profit and Loss Account for the year ended on that date and Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vivek Kumar, Director who retires by rotation as a Director and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pankaj Shrimali, Director who retires by rotation as a Director and being eligible, offers himself for re-appointment.
4. To confirm the payment of interim dividend and declare final dividend on equity shares for the financial year 2010-11.
5. To appoint Statutory Auditor and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT M/s. Gupta & Dua, Chartered Accountants (Firm Registration No. 003849 N) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

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

**Place: Delhi
Date: July 30, 2011**

Kapil Garg
Company Secretary

NOTES:-

- I. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS, BEFORE THE COMMENCEMENT OF THE MEETING.**
- II. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- III.
 - a) The Register of Members and Share Transfer Book of the Company shall remain closed from Wednesday, 14.09.2011 to Tuesday, 20.09.2011 (both days inclusive)
 - b) Dividend on Equity Share of the Company, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on or before Thursday, 20th day of October, 2011.

Notice

- c) Members may please note that the dividend warrants/drafts are payable at par at the designated branches of the bank for an initial period of 3 months only. Thereafter, the dividend warrant or revalidation is payable at all branches of the bank. The members are therefore advised to encash dividend warrants/drafts within initial validity period.
- IV. Members/proxies are requested to bring their Attendance Slip duly filled in and signed for attending the meeting. Members who hold share in Dematerialised Form are requested to write their Client ID and DP ID and those who hold share in physical form are requested to write their Folio Number in Attendance Slip for attending the meeting and please note that no gift or coupon will be distributed at the meeting.
- V. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 10.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting, except on Sundays and other Holidays.
- VI. Members desiring any information on the Accounts are requested to write to the Company at its Registered Office, 316-319, Allied House, Inderlok Chowk, Old Rohtak Road, Delhi-110 035, giving at least 7 days notice prior to the date of Annual General Meeting to enable the Management to collect and keep the information ready.
- VII. In order to avoid the incidence of fraudulent encashment of dividend warrants, the Members holding shares in physical form are requested to provide their Bank Account Number, Name and Address of the Bank/Branch to the Company or Karvy to enable them to incorporate the same in dividend warrant.
- Members holding shares in electronic form may please note that the Bank Account details and 9-digit MICR Code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through National Electronic Clearing Service (NECS), or for printing on dividend warrants wherever applicable. Therefore, members are requested to update their Bank Account particulars, Change of address and other details with their respective Depository Participants.
- VIII. Members are hereby informed that dividends which remain unclaimed / unencashed over a period of 7 Years have to be transferred by the Company to Investor Education & Protection Fund (IEPF) constituted by the Central Government under section 250A and 205C of the Companies Act, 1956. Further, under the Companies Act, 1956 no claim shall lie for the unclaimed dividend from IEPF by the Shareholders.
- IX. The Ministry of Corporate Affairs has introduced 'Green Initiative' whereby the documents are permitted to be served on the members through electronic mode i.e email. The initiative is a step towards protection of environment and enabling faster communication with the members.

Accordingly, the Company proposed to serve all the documents to e-mail addresses of the members. Members are requested to provide/update their e-mail addresses with their respective Depository Participants (DP) or send an email at relaxo@karvy.com to get the Annual Report and other documents on such e-mail address. Members holding shares in physical form are also requested to intimate their e-mail address to Karvy by email at relaxo@karvy.com or by sending a communication at the address mentioned below:

M/s. KARVY COMPUTERSHARE PRIVATE LIMITED
17-24, Vittal Rao Nagar
Madhapur-Hyderabad
Andherpradesh-India

Notice

X. The details in respect of unclaimed dividend when due for transfer to the said fund are given below:

Financial Year	Date of Declaration	Date of Transfer to Unpaid Dividend A/C	Last date of Claim	Due date of transfer to IEPF	Amount of Dividend as on 31.03.2011(₹)
2003-04	24.09.04	30.10.04	29.10.11	28.11.11	313
2004-05	22.09.05	28.10.05	27.10.12	26.11.12	1315
2005-06	21.09.06	27.10.06	26.10.13	25.11.13	19052
2006-07	24.09.07	30.10.07	29.10.14	28.11.14	58140
2007-08	26.09.08	01.11.08	31.10.15	30.11.15	49143
2008-09	25.09.09	31.10.09	30.10.16	29.11.16	55340
2009-10 (Interim)	31.10.09	06.12.09	05.12.16	04.01.17	64965
2009-10	24.09.10	30.10.10	29.10.17	28.11.17	85076
2010-11 (Interim)	03.11.10	19.11.10	08.12.17	07.12.17	41876

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

Place: Delhi
Date: July 30, 2011

Kapil Garg
Company Secretary

INFORMATION REQUIRED TO BE GIVEN PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

1. Mr. Vivek Kumar is an Electrical Engineer from the university of Roorkee (now IIT Roorkee) and MBA from faculty of Management Studies, Delhi University. He has 19 years of corporate experience in India's leading business houses where he has been operational head besides setting up a number of electrical appliances plants. His contribution has been in the form of improved productivity, quality and efficiency. He is also a Management consultant to many corporate in India and abroad in the areas of Quality, Productivity, Environment, Safety etc. Presently, he is Senior Professor of the Management. He does not hold any equity shares of the Company.
2. Mr. Pankaj Shrimali is a fellow members of the Institute of Chartered Accountants of India, Institute of Company Secretaries of India, Institute of Cost and Works Accountants of India. He has over 26 years of experience in area of Finance, Accounts, Secretarial, Corporate Management, Legal & Corporate consultancy services, Strategic Management, Investment Banking for reputed corporate houses etc. He is also member of Audit Committee and Remuneration Committee of the Company. He is also Director in Network Limited, Kritikal Solutions Private Limited and Ventura Strategic Management Solutions Private Limited. He holds 2200 equity shares of the Company.

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

Place: Delhi
Date: July 30, 2011

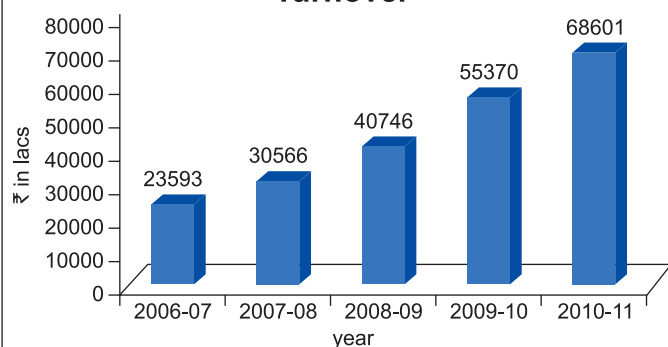
Kapil Garg
Company Secretary

Financial Highlights

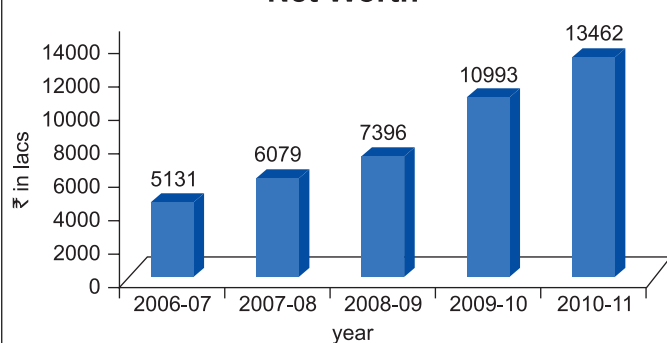
(₹ in Lacs)

Particulars	2010-11	2009-10	2008-09	2007-08	2006-07
No of Pairs sold (in lacs)	865.74	842.97	684.50	639.00	519.75
Sales	68601.03	55369.99	40746.35	30566.22	23593.48
Total Income	69213.20	55781.93	41004.86	30731.73	23687.62
EBIDTA	7219.96	8029.27	4371.82	3300.73	2372.20
Interest	1566.85	1105.69	926.78	692.47	469.48
Depreciation	2095.48	1545.70	1047.01	934.43	830.17
Tax	886.32	1608.66	974.80	621.42	460.60
Net Profit	2671.31	3769.22	1423.23	1052.41	611.95
Equity Share Capital	600.06	600.06	600.06	600.06	600.06
Net Worth	13462.27	10992.69	7396.46	6078.54	5131.44
Gross Fixed Assets	35408.09	29222.05	21271.40	15368.74	12776.85
Net Fixed Assets	26960.68	22841.06	15907.69	11026.34	9352.36
Total Assets	34242.62	27525.64	19187.68	14010.08	12030.08
Growth in Sales (%)	23.90	35.89	33.31	29.55	17.46
EBIDTA to Sales (%)	10.52	14.50	10.73	10.80	10.05
EPS in ₹	22.26	31.41	11.86	8.77	5.10
Book Value per share (in ₹)	112.17	91.60	61.63	50.64	42.76
ROCE (%)	18.62	33.79	23.73	19.67	15.87

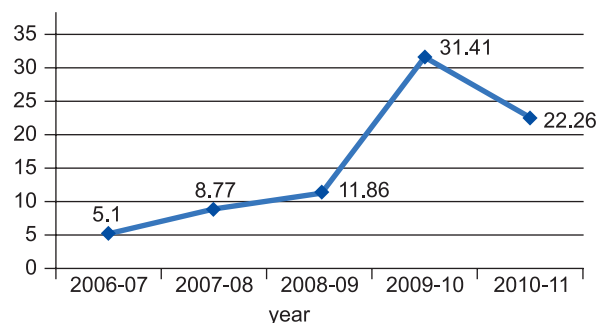
Turnover



Net Worth



EPS in ₹



Directors' Report

Dear Members,

The Board of Directors of your Company take pleasure in presenting its report on the working of the Company for the Financial Year 2010-11

1. FINANCIAL RESULTS

(₹ in Lacs)

Particulars:	2010-11	2009-10
Sales & Other Income	69213.20	55781.93
Total Expenditure	63560.09	48857.13
Profit before Depreciation & Tax	5653.11	6924.80
Depreciation	2095.48	1545.70
Profit before Tax & Extra Ordinary items	3557.63	5379.10
Extra Ordinary items	-	1.22
Profit before Tax	3357.63	5377.88
Payment/Provision for Tax	686.32	1608.66
Profit after Tax	2671.31	3769.22
Balance brought forward from Previous year	859.59	1293.36
Prior Period Adjustment	7.73	7.16
Amount available for Appropriation	3538.63	5069.74
Appropriation :		
Final Dividend	120.01	120.01
Tax on Final Dividend	19.47	19.93
Interim Dividend	60.01	60.01
Tax on Interim Dividend	9.97	10.2
Transfer to General Reserve	3000.00	4000.00
Balance carried to Balance Sheet	329.17	859.59
TOTAL	3538.63	5069.74
Basic and Diluted Earning per Share	22.26	31.41

2. OPERATIONS

During the year under review, the Company recorded a Gross Income of ₹ 692.13 crores against ₹ 557.81 crores in previous year i.e an increase of 24%. However, Net Profit after tax has decreased from ₹ 37.69 crores to ₹ 26.71 crores due to constant increase in Material Cost during the year.

Now, the Company is optimistic and striving in order to maintain adequate margin in forthcoming years.

3. DIVIDEND

Your Directors are pleased to recommend a dividend of 20% on the equity shares of the Company for the financial year 2010-11 in addition to 10%. Interim Dividend paid during the year.

Directors' Report

4. AUDITORS

The Statutory Auditors of the Company M/s. Gupta & Dua, Chartered Accountants hold office till the conclusion of the ensuing Annual General Meeting are eligible for re-appointment. They have furnished the requisite certificate to the effect that their re-appointment, if effected, will be in accordance with Section 224(1B) of the Companies Act, 1956

The Statutory Auditors of the Company changed their firm's name from M/s. Gupta & Jhunjhunwala to M/s. Gupta & Dua, Chartered Accountants during the current financial year.

5. AUDITORS' REPORT

The observation of the Auditors on the Accounts for the year under report have been suitably explained in the Notes to Accounts and do not require any further clarification.

6. DIRECTORS

Mr. Vivek Kumar and Mr. Pankaj Shrimali, Directors of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Your Directors recommend his appointment as the Director of the Company .

7. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report as required under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of this Report.

8. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report as stipulated under Clause 49 of the Listing Agreement, forms part of this Report.

The requisite certificate from the Statutory Auditors of the Company, M/s. Gupta & Dua, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to Corporate Governance Report.

9. FIXED DEPOSITS

The Company has not invited or accepted any Fixed Deposits from Public during the year under review.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 with regard to Directors' Responsibility Statement. It is hereby confirmed :-

1. That the applicable Accounting Standards have been followed in the preparation of the Annual Accounts and that there have no material departures there from;
2. That the Directors have selected such accounting policies and applied them 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 year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the Annual Accounts on a going concern basis.

11. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO;

The particulars as prescribed under section 217(1)(e) of the Companies Act, 1956 read with Companies [Disclosure of Particulars in the report of Board of Directors] Rules, 1988, are set out in Annexure forming part of the Directors' Report.

Directors' Report

12. LISTING AT NATIONAL STOCK EXCHANGE

Your Directors are pleased to inform that Equity shares of the Company has been listed on National Stock Exchange of India Limited with effect from 17.06.2011 in addition to existing listing with Bombay Stock Exchange Limited.

13. FINANCIAL RISK

The Company has policy to hedge payment of foreign currency in order to reduce risk of volatile international market of foreign exchange.

All properties, including building, plant, machineries, furniture, fixture and stocks of the Company have been properly insured against all kind of risks.

14. HUMAN RESOURCES MANAGEMENT & INDUSTRIAL RELATIONS

The Company during the year organized training and development to boost up the morale of employees, maintain work life balance and to create a feeling of team –work to develop capabilities to enhance its leadership in the talent domain. Areas of focus have been leadership development, sales and quality of services. The Industrial Relations in all the units of the Company continued to be cordial during the year under review.

15. CEO AND CFO CERTIFICATION

Pursuant to the requirement of Clause 49 of the Listing Agreement, the CEO and CFO certification is attached herewith the Annual Report. The Managing Director & CEO and the Chief Financial Officer also provide quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

16. PARTICULARS OF EMPLOYEES

The Statement of Particulars pursuant to section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2002 forms part of this report. However, as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the Reports and Accounts are being sent to all shareholders excluding the above statement. The statement is available for inspection at the Registered Office during working hours up to the date of the Annual General Meeting or write to the Company Secretary for a copy.

17. ACKNOWLEDGEMENT

Your Directors express their gratitude to the Company's shareholders, business partners and suppliers for their understanding and support. Your Director's record their appreciation and gratitude to the banks for their continued and timely assistance in meeting the Company's resource requirement. Finally, your Directors acknowledged the dedicated services rendered by all employees of the Company.

For and on behalf of the Board of Directors

Place: Delhi
Date: July 30, 2011

Ramesh Kumar Dua
 Managing Director

Mukand Lal Dua
 Whole Time Director

Annexure to the Directors' Report

A. CONSERVATION OF ENERGY

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

The energy conservation measure indicated above has helped the Company to restrict the impact of increase in the cost of energy thereby reducing the cost of production of goods to that extent.

B. TECHNOLOGY ABSORPTION

I. RESEARCH AND DEVELOPMENT

a) Specific areas in which R & D carried out by the Company:

- Material Development
- Product/process development.
- Energy Saving
- Moulds Development
- Waste recycling.
- Cater to Export Special requirement.

b) Benefits derived as a result of R & D

- Improvement in quality
- Development of new product/process.

c) Expenditure on R & D

- Recurring : ₹ 4.36 Lacs charged out as expenses through respective Heads of accounts.

II. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

a) Efforts made towards technology

- Introduction of low shrinkage footwear
- Introduction of light weight footwear
- Introduction of P.U. footwear

b) Benefit derived as a result of the above result

- Better market acceptance
- Improvement in quality
- Reduction in process cycle time
- More Participation in Export
- Reduction in overall cost of production

c) Technology imported during last 5 years Nil

III. 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 Middle East, Europe & Africa and these markets will increase overall export of Company in coming years.

b) Total Foreign Currency used and earned

Used : ₹ 3947.13 Lacs

Earned : ₹ 2111.05 Lacs

Management Discussion and Analysis

Industry scenario and future challenges

THE INDIAN ECONOMY

Post recession, the Indian economy has emerged as a major player in the world. The Indian equity markets fared better than most other emerging markets in 2010. The inherent strength of India's domestic demand will enable it to maintain high levels of annual growth over the next year (ranging between 9% and 11%). In this, it will be supported by domestic demand, a large & growing young population, robust consumption habits, boost in infrastructure, friendly government policies, investment rates, rising exports and an exploding rural market.

FOOTWEAR IN INDIA

India Produces 2065 million pairs of footwear (leather footwear - 909 million pairs, leather shoe uppers - 100 million pairs, and non-leather footwear - 1056 million pairs) annually. Footwear today contributes significantly to Indian Growth. In India, footwear extends itself to both the traditional and the modern sector. The traditional sector, comprising mostly small scale units, accounts for over 55% of total production. The modern sector, on the other hand, is made up of companies with more advanced technological infrastructure and contemporary attitudes, and with in-house design units that are catering to shifting consumer preferences.

Footwear exports, which fuels this upward curve, is expected to reach \$4.53 billion by 2010-11, across 30 countries. The non-leather segment, on its part, is expected to touch ₹ 2000 crore point in the coming time.

A BOOST... TO NATIONAL EMPLOYMENT

The labor-intensive nature of the footwear industry in the India impacts the national economy significantly and measurably by employing skilled, semi-skilled and non-qualified workers. It provides a much-needed fillip to our workforce by profitably engaging a large section of the population of the land.

RETAIL IN INDIA

Front-ending this happy tide is the parallel explosion in India's retail sector. Retail in India today is booming, and is estimated to show 20% annual growth in the coming time (vis-à-vis 8.5% currently) with rural India accounting for 55 per cent of private retail consumption. India's rural market is forecasted to cross US\$ 60.43 billion by 2015, where the next phase of growth is likely to be seen.

STRENGTHS & OPPORTUNITIES

The footwear industry in India stands poised on the threshold of a deluge of new vistas and opportunities. Some of the factors driving demand, competencies and optimism in the sector today are the availability of labor, large supply-hinterland of raw material & inputs, sufficient productive capacity in tanning, massive institutional support (for technical services, designing, manpower development and marketing), better technology, better linkages with international markets (via fairs and BSMs) and the growing demand worldwide.

WEAKNESSES AND THREATS

Some of the bottlenecks that persist in the footwear sector in India today are the unorganized nature of the sector (at large), poor technology and labor productivity that persist in many areas, insufficient focus on value innovation, R&D, unhygienic environments, etc.

EXPORT

With an eye to tapping new frontiers and opportunities, your Company has been actively seeking new markets in Asia, Middle East, South Africa and Europe. India's leadership in the global footwear sector expedites this endeavor of ours, and we have already received warm response to the feelers sent out by us.



Quality Par Excellence

Management Discussion and Analysis

INTERNAL AUDIT AND INTERNAL CONTROL

The Company insures against loss by a stringent system of internal control measures. The controls ensure optimal utilisation and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations as also internal policies and procedures. The internal control system is augmented by extensive internal audits, regular reviews by management, and well documented policies and guidelines to ensure reliability of financial and all other records and data. Internal auditors are in charge of orchestrating comprehensive internal checks and audits to ensure compliance and identify weaknesses in the system.

RISK MANAGEMENT

Appropriate procedures for risk assessment and minimization thereof have been laid down by your Company Management – to account for the varied nature of risks the Company is exposed to in the course of its daily and routine operations. The same is, further, reviewed by the Management from time to time.

For and on behalf of the Board of Directors

Place: Delhi
Date: July 30, 2011

Ramesh Kumar Dua
Managing Director

Mukand Lal Dua
Whole Time Director

Corporate Governance Report

AT THE HEART OF THE CORPORATE

Corporate governance is about commitment to human values in business, and translates to ethical corporate conduct. It is the story of a company chooses to manage itself. Corporate governance is the concern of many – the corporate and other structures, its 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 can measurably impact the activities, processes and policies of the organization, and portray a positive vision to investors, and enhance the trust and confidence of the stakeholders. It can also influence its immediate corporate environment and the society at large in a positive way, and have a healthy impact on the national economy.

At Relaxo Footwears, we fully comply with, and indeed go beyond, all of theme. We believe that sound corporate governance is vital to retaining stakeholder faith, and in winning new investor trust. Some of the salient principles of Corporate Governance at Relaxo Footwears are satisfying not just the letter - but the spirit - of the law, transparency in conduct and communication, making a clear distinction between personal conveniences and corporate resources, clarity and timeliness in dissemination of information, compliance with all laws, and an ethical and honest corporate structure that is driven solely by business considerations.

1. PHILOSOPHY OF THE COMPANY ON CORPORATE GOVERNANCE

Corporate Governance has occupied pivotal position at Relaxo Footwears Limited since inception. The business has, since then, been conducted in most transparent and ethical manner. All the necessary steps have been taken, with changing socio-economic scenario, to ensure that the conduct of business is as per the policies of the Management namely “Honesty, Transparency and Ethical Behavior”. The Company’s Policies and Practices are aimed at efficient conduct of business and in sincerely and effective meeting its obligations towards its stakeholders through an effective and professional Board of Directors, complete and timely dissemination of information through timely disclosures and maximization of shareholder’s wealth

2. BOARD OF DIRECTORS

In terms of clause 49 of the Listing Agreement, the Board should have an optimum combination of Executive and Non-Executive Directors and at least 50% of the Board should comprise of Non-Executive Directors, Further at least one-third of the Board should comprise of Independent Directors, if the Chairman is Non-Executive and at least half of the Board should be of independent Directors in case of an Executive Chairman.

Composition of the Board of Directors

The Composition of the present Board of Directors of the Company is in line with Clause 49 of the Listing Agreement. It has one Managing Director, Two Whole Time Directors and Three Non- Executive Independent Directors.

Category	Name of Directors
Promoter and Executive Director	Mr. Ramesh Kumar Dua, Managing Director Mr. Mukand Lal Dua, Whole Time Director Mr. Nikhil Dua, Whole Time Director
Independent and Non-Executive Director	Mr. S.K. Sapra Mr. Vivek Kumar Mr. Pankaj Shrimali

Details of Board Meeting

During the Financial year 2010-11 the Board of Directors met five times

The maximum gap between any two meeting was less than 4 month as given below:

Date of Meetings	No of Directors present	Total Strength of the Board
29.05.2010	6	6
13.08.2010	6	6
24.09.2010	6	6
03.11.2010	6	6
29.01.2011	6	6

Corporate Governance Report

Attendance records of the Directors at Board Meeting and at Annual General Meeting (AGM) during the Financial year – 2010-2011

Name of Directors	No of Board Meetings attended	Attendance AGM held on 24.09.2010	Number of other Companies in which Directorship held
Mr. Ramesh Kumar Dua	5	Present	2
Mr. Mukand Lal Dua	5	Present	2
Mr. Nikhil Dua	5	Present	-
Mr. S.K. Sapra	5	Present	-
Mr. Vivek Kumar	5	Present	1
Mr. Pankaj Shrimali	5	Present	3

3. COMMITTEES OF THE BOARD OF DIRECTORS AS ON 31.03.2011

- I. Audit Committee
- II. Shareholders'/Investors' Grievance and Share Transfer Committee
- III. Remuneration Committee

I. AUDIT COMMITTEE

The Company constituted the Audit Committee in line with the requirement of Section 292 A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement

TERMS OF REFERENCES

- a) Overseeing Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Reviewing with the Management, the annual financial statements before submission to the Board for approval
- c) Discussion and review of periodic audit reports.
- d) Discussion with External Auditors about the scope of audit including the observations of the Auditors
- e) Approving internal audit plans and internal control function and reviewing the efficacy of the functions

The Audit Committee is empowered, pursuant to the term of reference to:

- Investigate any activity within its terms of reference and to seek any information its 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.

COMPOSITION AND ATTENDANCE

The Audit Committee comprised three Directors Mr. Pankaj Shrimali, Independent Director and Chairman of the Committee, Mr. S.K. Sapra, Independent Director and Mr. Nikhil Dua, Executive Director .

The details of the meeting and the attendance of members of the Committee in the meetings held during the Financial year 2010-11 are given below:-

Name of Members	No. of Meetings held	No. of Meetings attended
Mr. Pankaj Shrimali	4	4
Mr. S.K. Sapra	4	4
Mr. Nikhil Dua	4	4

Members of the Audit Committee have requisite Financial and Management expertise. The Company Secretary of the Company acts as the Secretary of the Committee.

Corporate Governance Report

II. SHAREHOLDERS'/INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE

The Company has constituted Shareholders'/Investors' Grievance and Share Transfer Committee to specifically look into the redressal of Shareholders and Investors complaints.

TERMS OF REFERENCES

The Committee supervises the mechanism for redressal of investors' grievance and ensure cordial investor relations. The Committee performs the following functions :

- Transfer/transmission of shares
- Split-up/sub-division and consolidation of shares
- Issue of new and duplicate share certificate
- Registration of Power of Attorneys, Probates, Letter of transmission or other documents
- To open/close bank account(s) of the Company for remittance of dividend and issue instructions to bank from time to time in this regard.
- To look into the redressal of shareholders' complaints and enquiries
- Any allied matters out of and incidental to these functions.

COMPOSITION AND ATTENDANCE

The Committee comprised three members Mr. S.K. Sapra, Non Executive Independent Director and Chairman of the Committee, Mr. Ramesh Kumar Dua, Managing Director and Mr. Mukand Lal Dua, Whole Time Director.

During the financial year 2010-11 four meetings of the Committee were held and the attendance of members at the meeting is given below:-

Name of Directors	No. of Meeting held	No. of Meetings attended
Mr. S.K. Sapra	4	4
Mr. Ramesh Kumar Dua	4	4
Mr. Mukand Lal Dua	4	4

All complaints, suggestions and grievances are promptly dealt with and resolved within 15 days unless there is a dispute and /or other legal constraint.

Mr. Kapil Garg, Company Secretary is the Compliance Officer of the Company.

III. REMUNERATION COMMITTEE

The Company constituted the "Remuneration Committee" to recommend the Board of Directors, the compensation and remuneration of Directors and Senior Managerial Personnel.

TERMS OF REFERENCE

The remuneration policy of the Company is directed towards rewarding performance, based on periodic review of performance and achievements and is primarily based on the following criteria:

- Performance of the Company, its divisions and units
- Track record, potential, personal attitude & Performance of individual manger and external competitive environment.

The remuneration policy of the Company is in line with Industry's practice. The objective of the remuneration Committee is to motivate employees to excel in their performance, recognize their contribution and retain talent in the organization.

Composition and Attendance

The Committee comprised three Non-executive cum Independent Director, Mr. Pankaj Shrimali, Chairman of the Committee, Mr. S.K. Sapra and Mr. Vivek Kumar members of the Committee During the financial year 2010-11, one meeting held on 29.05.2010 and two members were present in the meeting.

Corporate Governance Report

4. DETAILS OF REMUNERATION TO DIRECTORS FOR THE FINANCIAL YEAR 2010-11

- i) Executive Directors :- The Managing Director and Whole- Time Directors are paid remuneration as per the terms approved by the Board of Directors of the Company and confirmed by the Shareholders of the Company and subject to such other statutory approvals as may be necessary. Details of remuneration paid to the Executive Directors for the financial year 2010-11 is as follows:-

(Amount in ₹)

Name of Directors	Designation	Salary	Commission	Total
Mr. Ramesh Kumar Dua	Managing Director	4200000	14332317	18532317
Mr. Mukand Lal Dua	Whole Time Director	4200000	14332317	18532317
Mr. Nikhil Dua	Whole Time Director	3112852	-	3112852

Mr. Ramesh Kumar Dua, Managing Director and Mr. Mukand Lal Dua, Whole-time Director of the Company were appointed with effect from 01.04.2009 for a period of five years. Mr. Nikhil Dua, Whole-time Director was appointed with effect from 01.10.2010 for a period of three years. However, no one is entitled for any kind of severance fees from the Company .

- ii) Non Executive Directors- The sitting fees paid to Non-Executive Directors for the financial year 2010-11 was ₹ 60000/- to Mr. Pankaj Shrimali, ₹ 52500/- to Mr. Vivek Kumar and ₹ 66500/- to Mr. S.K. Sapra for attending the meeting

5. VENUE TIME OF ANNUAL GENERAL MEETING

Year	Venue	No. of Special Resolution	Day and Date	Time
2009-10	Sri Sathya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110 003	5	Friday, 24 th September, 2010	10.30 A.M.
2008-09	-do-	-	Friday, 25 th September, 2009	10.30 A.M.
2007-08	-do-	4	Friday, 26 th September, 2008	10.30 A.M.

6. POSTAL BALLOT

There is no resolution at the ensuing Annual General Meeting of the Company which is required to be passed through Postal ballot process.

7. DISCLOSURES

A. Related Party Transactions

There were no materially significant related party transactions with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. All related party transactions have been reported and form part of the Notes to Accounts of the Balance Sheet.

B. Disclosure of Accounting treatment

The Company has followed all relevant Accounting Standards while preparing the Financial Statements.

C. Non-Compliance by the Company

There has not been any non-compliance by the Company and no penalties or strictures imposed on the Company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years . The Company has complied with applicable rules and regulations prescribed by Stock Exchange, SEBI or any other statutory authority relating to Capital Market. All returns/reports were filed within stipulated time with the stock exchanges/ other authorities.

D. Compliance of clause 49 of Listing Agreement

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement

Corporate Governance Report

E. Non- mandatory requirement

The Company at present has adopted the non-mandatory requirement with regard to constitution of Remuneration Committee, which has been constituted to determine the remuneration package of Whole-time Director and Senior Management Personnel.

F. Policy for Prevention of Insider Trading

With a view to prevent trading of shares of the Company by an insider on the basis of unpublished price sensitive information, the Board has approved "Policy for Prevention of Insider Trading" the policy in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. Under the policy, insiders are prohibited to deal in the Company's share while in possession of unpublished price sensitive information.

8. RECONCILIATION OF SHARE CAPITAL

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

9. CODE OF CONDUCT

The Company has laid down a Code of Conduct for all Board Meeting and Senior Management of the Company. The Code of Conduct is available on the web-site of the Company www.Relaxofootwear.com. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer is given below-

All the Board Members and Senior Management Personnel have affirmed compliance with the provisions of the code of conduct of Relaxo Footwears Limited in the Financial Year ended on 31st March, 2011.

Place: Delhi
Date: July 30, 2011

RAMESH KUMAR DUA
CEO & Managing Director

10. MEANS OF COMMUNICATION

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

As per the Listing Agreement with Bombay Stock Exchange Limited, Quarterly, Half-yearly, Nine Months and Annual financial statements of the Company are generally published in Financial Express/Economic Times (in English Language) and in Jansatta/Navbharat Times (in Hindi Language)

The financial results of the Company for the Quarter, Half yearly, Nine months and whole year are posted on website of the Company i.e relaxofootwear.com with:-

- Full version of the Annual Report including the Balance Sheet, Profit and Loss Account, Directors' Report and Auditors' Report, Cash Flow Statement and quarterly Financial Statement.
- Shareholding Pattern.

11. GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting

Date	:	20.09.2011
Time	:	10.30 a.m.
Venue	:	Sri Sathya Sai International Centre Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003

Corporate Governance Report

2. Financial Year

For the financial year ended 31st March, 2012, results will be announced on (tentative) :

Last week of July, 2011 : First Quarter ended on 30th June, 2011
 Last week of October, 2011 : Half year ended on 30th September, 2011
 Last week of January, 2011 : Third Quarter ended on 31st December, 2011
 Last week of May, 2011 : Fourth Quarter and year ended on 31st March, 2011

3. **Book Closure Date** : From 14th September, 2011 to 20th September, 2011 (Both days inclusive)

4. **Dividend Payment Date** : For the year 2010-11, an interim dividend of 10% of equity shares was declared on 03.11.2010 and paid on 08.11.2010

Final Dividend date: on or before 20th October, 2011
 (Subject to the approval of the shareholders)

5. **Registered Office** : 316-319, Allied House, Inderlok Chowk,
 Old Rohtak Road, Delhi-110035
 Tel.: 23658354, 23658365

6. **Listing on Stock Exchange** : National Stock Exchange of India Limited
 Exchange Plaza, C-1, Block-G,
 Bandra-Kurla Complex, Bandra (E)
 Mumbai-400051
 Stock Symbol of NSE-Relaxo
 (The annual listing fee has been paid to NSE upto year 2011-12)

Bombay Stock Exchange Limited
 Phirozee Jeejeebhoy Towers
 Dalal Street, Mumbai-400001
 Stock Code of BSE-530517
 (The annual listing fee has been paid to BSE upto year 2011-12)

The Company has also paid annual custody fees for 2011-12 to National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL)

7. Market Price Data

Table showing monthly price movement during the Financial Year 2010-11

Month & Year	High (₹)	Low (₹)	Close (₹)	Market Capital (₹ In Lacs)
April, 2010	334.50	221.55	317.70	38127.81
May, 2010	339.00	261.00	304.95	36597.66
June, 2010	381.45	271.00	365.15	43822.38
July, 2010	430.00	340.00	400.25	48034.80
August, 2010	460.00	350.00	408.10	48976.90
September, 2010	475.00	403.15	439.10	52697.27
October, 2010	514.00	396.00	437.45	52499.25
November, 2010	451.00	320.00	355.35	42646.26
December, 2010	386.95	308.00	377.35	45286.53
January, 2011	392.20	291.00	305.0	36603.66
February, 2011	301.50	215.00	281.30	33759.38
March, 2011	282.95	225.00	278.95	33477.35

Corporate Governance Report

8. **Registrar and Transfer Agents:** Securities Exchange Board of India (SEBI), has made it mandatory that all work related to share transfer registry, both in Physical and Electronic form, to be handled either wholly 'in house' by Companies or wholly by a SEBI registered external Registrar and Transfer Agent. The Company has appointed M/s. Karvy Computershare Private Limited as the Registrar and Transfer Agent of the Company. Detail of the Registrar and Transfer Agent of the Company is given below-

M/s. KARVY COMPUTERSHARE PRIVATE LIMITED
17-24, Vittal Rao Nagar
Madhapur-Hyderabad
Andherpradesh- India
Email : mahendersingh@karvy.com

9. Share Transfer System

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

Pursuant to clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificate on half yearly basis confirming due compliance of Share Transfer formalities by the Company and certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 1996 have been submitted to stock exchange.

10. Distribution of Shareholding as on 31st March, 2011

i) Shareholding pattern in form of size:

S. No.	No. of Equity Share held	No. of Shareholders	% of total Shareholders	No. of Shares held	% of total Shares
1	1 - 500	2215	89.60	233062	1.94
2	501 - 1000	133	5.38	104608	0.87
3	1001 - 2000	52	2.10	77301	0.65
4	2001 - 3000	17	0.69	42329	0.35
5	3001 - 4000	7	0.28	26107	0.22
6	4001 - 5000	3	0.12	14475	0.12
7	5001 - 10000	15	0.61	114202	0.95
8	10001 and above	30	1.22	11389116	94.90
	TOTAL	2472	100.00	12001200	100.00

ii) Shareholding pattern in form of Ownership Category :

S. No.	Category	No. of Shareholders	% of total Shareholders	No. of Shares held	% of total shares
1	PROMOTERS	12	0.49	9000900	75.000
2	BODIES CORPORATES	91	3.68	1985644	16.545
3	RESIDENT INDIVIDUALS	2288	92.55	838811	6.989
4	H U F	38	1.54	7462	0.062
5	CLEARING MEMBERS	7	0.28	342	0.003
6	NON RESIDENT INDIANS	35	1.42	18041	0.151
7	FOREIGN INSTITUTIONAL INVESTORS	1	0.04	150000	1.250
	TOTAL	2472	100.00	12001200	100.00

Corporate Governance Report

11. Dematerialization of Shares

The shares of the Company are under the Compulsory Demat Scheme. For the purpose of dematerialization of the shares, the Company has entered into the agreement with two depositories:-

1. National Securities Depository Limited (NSDL)
2. Central Depository Services Limited (CDSL)

The detail of shares of the Company in demat and physical form is given below:-

REMATERIALISATION OF SHARES AS ON 31.3.2011

PARTICULARS	NO. OF SHARES	%AGE FO PAID UP CAPITAL	NO. OF SHAREHOLDERS
1. National Securities Depository Limited	11662858	97.18	1404
2. Central Depository Services (India) Ltd	157147	1.31	561
SHARES IN DEMAT FORM	11820005	98.49	1965
SHARES IN PHYSICAL FORM	181195	1.51	507
TOTAL	12001200	100.00	2472

12. Investor Correspondence

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

CS Kapil Garg, Company Secretary & Compliance Officer
Relaxo Footwears Limited
316-319, Allied House, Inderlok Chowk,
Old Rohtak Road, Delhi-110 035
E-mail; kapilgarg@relaxofootwear.com.

The Company addresses all complaints, suggestions, grievances and other correspondence expeditiously and replies are sent usually within 7-10 days except in case of other impediments. The Company endeavours to implement suggestions as and when received from the investors. During the year under review, a total of 49 investors' complaints were received and resolved.

13. Corporate Identity Number (CIN) : L74899DL1984PLC019097

14. Per Share Data

Particulars	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Net Earning (₹ in Lacs)	2671.31	3769.22	1423.23	1052.41	611.95	328.85	372.31
Cash Earning (₹ in Lacs)	5653.11	6924.80	3485.36	2608.26	1902.72	1190.85	1161.12
E.P.S. (in ₹)	22.26	31.41	11.86	8.77	5.10	2.72	3.10
C.E.P.S. (in ₹)	47.10	57.70	29.04	21.74	15.86	9.92	9.67
Dividend (Including Interim Dividend per share) (in ₹)	1.50	1.50	0.75	0.75	0.75	0.75	0.75
Dividend Pay out (%)	6.74	4.78	6.32	8.55	14.70	27.57	24.19
Book Value Per Share (in ₹)	112.17	91.60	61.63	50.64	42.76	38.30	36.15
Face value Per Share (in ₹)	5.00	5.00	5.00	5.00	5.00	5.00	5.00

15. There was no outstanding ADRS/GDRS/Warrants or any other convertible instruments, conversions date and likely impact on equity during the year under review.

Corporate Governance Report

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

Pursuant to the provisions of Section 205 A of the Companies Act, 1956, the dividend by the Company which remain unclaimed for a period of seven year shall be transferred by the Company to Investor Education and Protection Fund established by the Central Government under section 205 C of the Companies Act, 1956 read with the Investors Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

During the year under review the Company has deposited a sum of ₹ 53157/- to the Investor Education and Protection Fund in respect of unpaid dividend of year ending on 31.03.2002

17. Other useful information for 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 share 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 109A of the Companies Act, 1956 extends nomination facility to individuals holding shares in physical form in Companies. Members, in particulars those holding shares in single name, may avail of the above facility by furnishing the particulars of their nomination in the prescribed Nomination form.

For and on behalf of the Board of Directors

Place: Delhi
Date: July 30, 2011

Ramesh Kumar Dua
 Managing Director

Mukand Lal Dua
 Whole Time Director

CEO/CFO Certification

To

The Board of Directors
Relaxo Footwears Limited

SUB: CEO/CFO Certification

We Ramesh Kumar Dua, Chief Executive Officer and Managing Director and Sushil Batra, Chief Financial Officer of Relaxo Footwears Limited, Certify that-

1. We have reviewed financial statements and the cash flow statements for the financial year ended on 31st March, 2011.
2. To the best of our knowledge and information-
 - i) these statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions, entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to the auditors and the Audit Committee.
 - i. Significant changes in internal control over financial reporting during the year, if any:
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
 - iii. Instances of fraud, whether or not significant, of which we have become aware and the involvement thereto, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

RAMESH KUMAR DUA
Chief Executive Officer and
Managing Director

SUSHIL BATRA
Chief Financial Officer

Place: Delhi
Date: 26.05.2011

Auditor's Certificate on Corporate Governance

TO THE MEMBERS OF RELAXO FOOTWEARS LIMITED

We have examined the compliance of conditions of Corporate Governance by RELAXO FOOTWEARS LIMITED for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by Shareholders'/Investors' Grievance and share transfer Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or the effectiveness with which the Management has conducted the affairs of the Company.

FOR GUPTA & DUA
Chartered Accountants
(Registration No. 003849N)

C.A. MUKESH DUA
Partner
M.No. 085323

New Delhi
May 26, 2011



Quality Par Excellence

Auditors' Report

Auditors' Report

Balance Sheet as at 31st March, 2011

(₹ in Lacs)

Particulars	Schedule	As at 31/03/2011	As at 31/03/2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	600.06	600.06
Reserves & Surplus	2	12862.21	10392.63
LOAN FUNDS	3		
Secured Loans		14376.52	11204.01
Unsecured Loans		4174.92	3485.51
DEFERRED TAX LIABILITY (NET)		2228.91	1843.43
Total		34242.62	27525.64
APPLICATION OF FUNDS			
FIXED ASSETS	4		
Gross Block		35290.14	28553.51
Less : Depreciation		8447.41	6380.99
NET BLOCK		26842.73	22172.52
Capital work-in-progress		117.95	668.54
		26960.68	22841.06
INVESTMENTS	5	6.11	6.11
CURRENT ASSETS, LOANS AND ADVANCES	6		
Inventories		11658.91	6716.40
Sundry Debtors		2324.31	2085.56
Cash and Bank Balances		215.50	103.93
Other Current Assets		2.34	0.64
Loans and Advances		2046.80	2714.34
		16247.86	11620.87
LESS: CURRENT LIABILITIES AND PROVISIONS	7		
Liabilities		8481.83	6478.88
Provisions		490.20	463.52
		8972.03	6942.40
NET CURRENT ASSETS		7275.83	4678.47
Total		34242.62	27525.64
Significant Accounting Policies and Notes on Accounts	15		

Schedules referred to above and Accounting Policies and Notes form an integral part of Balance Sheet.

As per our report of even date

FOR GUPTA & DUA

Chartered Accountants

CA. MUKESH DUA

Partner

M.No. 085323

Place : Delhi

Dated : May 26, 2011

SUSHIL BATRA

Chief Financial Officer

KAPIL GARG

Company Secretary

RAMESH KUMAR DUA

Managing Director

MUKAND LAL DUA

Whole Time Director

Profit and Loss Account for the year ended 31st March, 2011

(₹ in Lacs)

Particulars	Schedule	2010-11	2009-10
INCOME			
Gross Sales	8	68656.34	55391.92
Less: Excise Duty		55.31	21.93
Net Sales		68601.03	55369.99
Other Income	9	612.17	411.94
Total		69213.20	55781.93
EXPENDITURE			
Material & Manufacturing Expenses	10	45353.88	33302.30
(Increase) / Decrease in Stock	11	(3733.98)	(1277.50)
Personnel Expenses	12	7448.09	5536.86
Administrative, Selling & Other Expenses	13	11293.66	8740.10
Finance Charges	14	3198.44	2555.37
Total		63560.09	48857.13
Profit Before Depreciation		5653.11	6924.80
Depreciation		2095.48	1545.70
Profit Before Tax and Extra Ordinary Items		3557.63	5379.10
Extra Ordinary Items		-	(1.22)
Profit Before Tax		3557.63	5377.88
MAT Credit		(211.62)	(217.92)
Less : Provisions for Taxation			
- Current Tax		712.51	936.13
- Deferred Tax		385.48	890.30
- For Earlier Years		(0.05)	0.15
Profit After Tax		2671.31	3769.22
Balance brought forward from previous year		859.59	1293.36
Add/(Less) Prior period adjustments (Net)		7.73	7.16
Amount available for appropriation		3538.63	5069.74
APPROPRIATIONS			
Transfer to General Reserve		3000.00	4000.00
Proposed Final Dividend on Equity Shares		120.01	120.01
Tax on Proposed Final Dividend		19.47	19.93
Interim Dividend on Equity Shares		60.01	60.01
Tax on Interim Dividend		9.97	10.20
Surplus carried to Balance Sheet		329.17	859.59
Total		3538.63	5069.74
Basic & Diluted Earning Per Share of ₹ 5/- each (₹)		22.26	31.41
Significant Accounting Policies and Notes on Accounts	15		

Schedules referred to above and Accounting Policies and Notes form an integral part of Profit and Loss Account.

As per our report of even date

FOR GUPTA & DUA

Chartered Accountants

CA. MUKESH DUA

Partner

M.No. 085323

Place : Delhi

Dated : May 26, 2011

SUSHIL BATRA

Chief Financial Officer

KAPIL GARG

Company Secretary

RAMESH KUMAR DUA

Managing Director

MUKAND LAL DUA

Whole Time Director

Cash Flow Statement for the year ended 31st March 2011

(₹ in Lacs)

S.No.	Particulars	2010-11	2009-10
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS	3557.63	5379.10
	ADJUSTMENTS FOR		
	Depreciation	2095.48	1545.70
	Financial Expenses	3198.44	2555.37
	Interest received	(4.22)	(3.55)
	Prior Period adjustment	7.73	7.16
	Capital Subsidy	-	30.00
	(Profit)/Loss on sale of Assets	43.07	2.82
	Operating Profit before extra-ordinary items	8898.13	9516.60
	Extraordinary Items	-	(1.22)
	Operating Profit before working capital changes	8898.13	9515.38
	ADJUSTMENTS FOR		
	Investments	-	-
	Trade and Other receivables	(238.75)	(112.58)
	Inventories	(4942.51)	(2735.62)
	Other Current Assets	877.51	(1183.50)
	Income Tax	(835.73)	(801.88)
	Trade Payables	1948.37	1025.91
	Other Current Liabilities	209.37	1477.96
	Net cash flow from operating activities	5916.39	7185.67
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets	(6265.80)	(9248.42)
	Fixed Assets sold / discarded	7.63	766.54
	Interest received	4.22	3.55
	Net Cash used in investing activities	(6253.95)	(8478.33)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from borrowings (Net of repayments)	3861.92	3851.43
	Dividend paid	(209.28)	(174.84)
	Financial Expenses	(3198.44)	(2555.37)
	Net cash from Financing activities	454.20	1121.22
	Net increase in cash & cash equivalents	116.64	(171.44)
	Cash & cash equivalents at the -beginning of the year	98.86	270.30
	Cash & cash equivalents at the -end of the year	215.50	98.86

As per our report of even date

FOR GUPTA & DUA

Chartered Accountants

CA. MUKESH DUA

Partner

M.No. 085323

Place : Delhi

Dated : May 26, 2011

SUSHIL BATRA

Chief Financial Officer

KAPIL GARG

Company Secretary

RAMESH KUMAR DUA

Managing Director

MUKAND LAL DUA

Whole Time Director

Schedules Annexed to and forming part of Financial Statements

SCHEDULE - 1

SHARE CAPITAL

(₹ in Lacs)

Particulars	As at 31/03/2011	As at 31/03/2010
AUTHORISED		
2,00,00,000 Equity Shares of ₹ 5/- each	1000.00	1000.00
ISSUED, SUBSCRIBED AND PAID UP		
1,20,01,200 Equity Shares of ₹ 5/- each fully Paid.		
(Of the above 1,02,28,600 Equity Shares are allotted as fully	600.06	600.06
paid-up by way of Bonus Shares issued by capitalisation of		
General Reserve and Share Premium Account)		
Total	600.06	600.06

SCHEDULE - 2

RESERVES AND SURPLUS

(A) CAPITAL RESERVE		
Opening Balance	45.36	15.36
Add: Addition during the year	-	30.00
	45.36	45.36
(B) SHARE PREMIUM ACCOUNT	73.94	73.94
(C) GENERAL RESERVE		
Opening Balance	9413.74	5413.74
Add : Transferred from Profit and Loss Account	3000.00	4000.00
	12413.74	9413.74
(D) PROFIT & LOSS ACCOUNT		
Balance as per Profit and Loss Account	329.17	859.59
Total (A+B+C+D)	12862.21	10392.63

Schedules Annexed to and forming part of Financial Statements

SCHEDULE - 3

LOAN FUNDS

(₹ in Lacs)

Particulars	As at 31/03/2011	As at 31/03/2010
(A) SECURED LOANS		
TERM LOANS FROM BANK	8324.22	7005.04
- Interest Accrued and Due on Loans	24.58	42.29
	8348.80	7047.33
WORKING CAPITAL LOANS FROM BANK	6027.72	4156.68
Total (A)	14376.52	11204.01
(B) UNSECURED LOANS		
LONG TERM		
- From Directors	873.20	658.62
- From Others	3000.68	2588.98
- Security Deposits from Distributors	301.04	237.91
Total (B)	4174.92	3485.51
Total (A+B)	18551.44	14689.52
Term Loan includes repayable within one year	2586.64	2100.94

Term loans are secured by first charge on existing and proposed fixed assets of the Company. Working capital loans are secured by first charge on current assets, inventories and book-debts of the Company. These loans are further secured by way of collateral security of equitable mortgage of commercial, residential land and buildings in the name of Managing Director and Whole Time Directors and their relatives. These loans are also secured by personal guarantees of Managing Director and Whole Time Directors.

SCHEDULE - 4
FIXED ASSETS

* Includes net adjustment of ₹ 92.93 lacs in Gross Block & ₹ 24.08 lacs in Depreciation towards final settlement of Insurance Claim.

Schedules Annexed to and forming part of Financial Statements

SCHEDULE - 5

INVESTMENTS

(₹ in Lacs)

Particulars	As at 31/03/2011	As at 31/03/2010
LONG TERM		
GOVERNMENT SECURITIES (UNQUOTED) (AT COST)		
6 Years National Savings Certificates	0.10	0.10
(Pledged with Government authorities)		
IN EQUITY SHARES (UNQUOTED) (TRADE) (AT COST)	6.01	6.01
6,040 equity Shares of ₹100/- each fully paid of		
Relaxo Rubber Pvt. Ltd. an associate company.		
(Includes 30 bonus shares)		
Total	6.11	6.11

SCHEDULE - 6

CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS		
I. INVENTORIES (At lower of cost or net realizable value)		
Stock in Trade*	5496.43	3195.00
Stock in Process	2296.71	849.98
Raw Material*	3481.47	2516.48
Packing Material and Fuel	214.75	154.94
Store, Spare & Tools	169.55	-
Total (I)	11658.91	6716.40
II. SUNDRY DEBTORS (Unsecured)		
Debts outstanding for a period exceeding six months		
Considered good	11.79	8.74
Considered doubtful	57.72	64.14
Other Debts**		
Considered good	2312.52	2076.82
	2382.03	2149.70
Less: provision for doubtful debts	57.72	64.14
Total (II)	2324.31	2085.56
III. CASH AND BANK BALANCES		
Cash in hand	40.21	41.72
Balances with Scheduled Banks		
In Current Accounts	68.79	38.75
In Fixed Deposits	106.50	23.46
(Includes Margin Money on Letters of Credit and Bank Guarantees)		
Total (III)	215.50	103.93
IV. OTHER CURRENT ASSETS		
Interest accrued on deposits and advances	2.34	0.64
Total (I+II+III+IV)	14201.06	8906.53

Schedules Annexed to and forming part of Financial Statements

SCHEDULE - 6 (Contd.)

(₹ in Lacs)

Particulars	As at 31/03/2011	As at 31/03/2010
B. LOANS AND ADVANCES		
(Unsecured-considered good)		
Advances recoverable in cash or in kind or for value to be received	278.39	1715.87
Advances to suppliers***	643.20	269.21
Loans	25.76	16.53
Security Deposits	669.86	494.81
MAT Credit	429.59	217.92
Total (B)	2046.80	2714.34
Total (A+B)	16247.86	11620.87

* Includes goods-in-transit of ₹ Nil in Stock in trade & ₹ 231.70 lacs in Raw Material (Previous year ₹ 9.44 lacs in Stock in trade & ₹ 544.07 lacs in Raw Material)

** Includes ₹ 78.82 lacs from a firm in which Directors are interested (Previous year ₹ 40.71 lacs)

*** Includes ₹ 65.91 lacs from a firm in which Directors are interested (Previous year ₹ 12.81 lacs)

SCHEDULE - 7

CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES		
Sundry Creditors (Refer Note 22)	5444.69	3496.32
Advances from Customers	315.03	412.64
Interest accrued but not due	188.31	64.56
Other Liabilities	2530.04	2497.17
Book overdraft with scheduled bank	-	5.07
Investor Education and Protection Fund shall be credited by the following amounts as and when due, namely:		
Unclaimed Dividend	3.76	3.12
Total (A)	8481.83	6478.88
B. PROVISIONS		
Taxation*	7.69	112.85
Dividend	120.01	120.01
Dividend Tax	19.47	19.93
Leave Encashment	275.55	152.42
Providend Fund Scheme	49.70	36.65
Interest on Income Tax	0.04	18.10
Other Provisions	17.74	3.56
Total (B)	490.20	463.52
Total (A+B)	8972.03	6942.40

* After setting off TDS and Advance tax paid.

Schedules Annexed to and forming part of Financial Statements

SCHEDULE - 8

GROSS SALES

(₹ in Lacs)

Particulars	2010-11	2009-10
Footwear	68200.77	55279.49
Power	455.57	112.43
Total	68656.34	55391.92

SCHEDULE - 9

OTHER INCOME

Export Incentive	186.66	90.92
Interest (Gross) on Deposit and others	4.22	3.55
[Tax deducted at source ₹ 0.42 Lacs, (Previous year ₹ 0.32 Lacs)]		
Scrap Sale	163.30	88.47
Miscellaneous Receipts	257.99	229.00
Total	612.17	411.94

SCHEDULE - 10

MATERIAL & MANUFACTURING EXPENSES

i. Purchases (Trading Goods)	7714.60	7111.27
ii. Material Consumed	33582.63	23175.73
iii. Manufacturing Expenses		
Power & Fuel	2615.77	2166.59
Factory Rent	338.09	135.77
Repairs- Building	24.02	18.21
Repairs- Machinery (Including stores & spares consumed of ₹ 144.30 lacs)	307.90	307.65
Repairs- Others	21.78	29.45
Handling and Others Charges	749.09	357.63
Total (iii)	4056.65	3015.30
Total (i+ii+iii)	45353.88	33302.30

SCHEDULE - 11

(INCREASE)/DECREASE IN STOCK

CLOSING STOCK		
Stock in Trade	5496.43	3195.00
Stock in Process	2296.71	849.98
	7793.14	4044.98
OPENING STOCK		
Stock in Trade	3195.00	2430.11
Stock in Process	849.98	333.81
	4044.98	2763.92
(Increase)/Decrease	(3748.16)	(1281.06)
Change in Excise Duty on Stocks	14.18	3.56
Total	(3733.98)	(1277.50)

Schedules Annexed to and forming part of Financial Statements

SCHEDULE - 12

PERSONNEL EXPENSES

(₹ in Lacs)

Particulars	2010-11	2009-10
Salaries, Wages, Bonus & Allowances	6735.78	5062.82
Contribution to Provident & Other Funds	444.85	314.08
Employees' Welfare expenses	267.46	159.96
Total	7448.09	5536.86

SCHEDULE - 13

ADMINISTRATIVE, SELLING AND OTHER EXPENSES

Rent	1114.02	828.49
Insurance	105.78	63.97
Travelling & Conveyance	551.81	405.08
Advertisement & Publicity	2482.38	2084.83
Sales Promotion & Incentives	2941.38	3443.75
Remuneration to Auditors	9.49	9.49
Rates & Taxes	19.36	22.41
Repairs & Maintenance	448.35	278.29
Bad Debts written off	7.69	12.86
Provision for doubtful debts	1.31	7.69
Cartage Outward	2468.87	587.48
Printing & Stationery	80.13	54.20
Electricity & Fuel	172.51	117.38
Communication Expenses	166.91	137.22
Security Expenses	237.23	160.12
Legal & Professional Expenses	80.03	92.46
Loss on Sale of Assets (Net)	43.07	2.82
Miscellaneous Expenses	363.34	431.56
Total	11293.66	8740.10

SCHEDULE - 14

FINANCE CHARGES

Interest	1566.85	1105.69
Bank Charges	101.10	69.53
Cash Discount	1530.49	1380.15
Total	3198.44	2555.37

Accounting Policies and Notes on Accounts

SCHEDULE - 15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and the provisions of the Companies Act, 1956.

2. FIXED ASSETS

Fixed assets are stated at historical cost of acquisition / construction less accumulated depreciation. All cost including interest relating to acquisition of fixed assets till the time of commissioning of such assets are capitalized. Grants/ subsidy received have been reduced from the cost of specific fixed assets.

Incidental Expenditure during construction period is included under capital work-in-progress and the same is allocated to the respective fixed assets on completion of construction.

Any impairment loss is recognized, whenever carrying value of fixed assets exceeds the market value or value in use, whichever is higher.

3. DEPRECIATION

Depreciation has been provided on straight-line method (SLM) at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. The value of leasehold land has been granted for long period and is therefore, not amortized, except value of leasehold land of Windmill, which is amortised over the period of lease. Cost of leasehold improvements are amortised over the period of lease or their useful lives whichever is lower. The Trade Marks are amortised over their useful life or ten years whichever is lower. Computer softwares are amortised over the period of five years.

4. INVENTORIES

Inventories are valued as under :

- Raw Material, Packing Material, Fuel, Stores, Spares Consumables and Trading Goods at cost or net realizable value, whichever is lower. The cost is determined on weighted average basis and includes freight, taxes and duties and is net of credit under VAT and CENVAT scheme, wherever applicable.
- Manufactured Goods at cost or net realizable value, whichever is lower. Cost include all direct costs and applicable production overheads to bring the goods to the present location and condition.
- Excise duty accrued on the production of manufactured goods is included in the valuation of inventories, wherever applicable.

5. EMPLOYEE BENEFITS

Retirement benefits in the form of Provident Fund & Gratuity are defined contribution plan and the contribution are charged to Profit & Loss Account of the year when the contribution to the respective funds are due. In case of Gratuity obligations, company has taken policy from Life Insurance Corporation of India. There are no other obligations other than the contributions payable to the respective authorities. Leave encashment benefit is charged to Profit & Loss Account on the basis of actuarial valuation at the end of financial year.

6. REVENUE RECOGNITION

Sales are net of trade discounts and claims. Other items of revenue are recognized in accordance with the Accounting Standard (AS-9) issued by the Institute of Chartered Accountants of India.

7. RESEARCH & DEVELOPMENT

Capital expenditure on Research and Development is capitalized under various fixed assets. Revenue expenses are charged to Profit and Loss Account, when incurred.

Accounting Policies and Notes on Accounts

8. PRIOR PERIOD & EXTRA ORDINARY ITEMS

Prior period as well as Extra Ordinary items having material impact on the financial affairs of the company are disclosed separately.

9. TAX ON INCOME

Provision for current Tax is made as per the provision of Income Tax Act, 1961.

Deferred tax is recognized on timing difference between the book and taxable profit for the year and quantified using the tax rates and law enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forwarded only to the extent that there is a reasonable certainty that asset will be realized in future.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period. In the period/ year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Profit & Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

10. FOREIGN CURRENCY TRANSACTION

Transaction in foreign currency are accounted for at the exchange rates prevailing on the date of the transaction. Monetary current assets and liabilities at the year end are translated at the rate prevailing on last day of financial year. The difference thereon and also the exchange difference on settlement of foreign currency transactions during the year are recognized as income or expenses in Profit & Loss Account. Non-monetary items are carried at historical cost. Derivative transactions are considered as off-balance sheet items and cash flows arising thereon are recognized in the books of account on principle of Prudence as prescribed in the Accounting Standard (AS-1) issued by the Institute of Chartered Accountants of India.

11. PROVISIONS & CONTINGENT LIABILITIES

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities, if material, are disclosed by way of notes.

12. INVESTMENTS

Long Term Investments are stated at cost.

13. LEASES

Lease rentals in respect of assets taken on 'Operating Lease' are charged to Profit & loss Account on a straight line basis over the lease term.

14. GOVERNMENT GRANTS

Grants in the form of Capital/ Investment subsidy are treated as Capital Reserve. Any Grants/ Subsidy received against specific fixed assets have been reduced from the cost of fixed assets.

15. SEGMENT ACCOUNTING

The generally accepted accounting principles used in the preparation of financial statements are applied to record revenue and expenditure in individual segments.

Expenses that are directly identifiable to segments are considered for determining the segment results. Expenses that are not allocable to segments are included under unallocated corporate expenses.

Segments assets and liabilities include those directly identifiable with the respective segments. Unallocated corporate assets & liabilities represent the assets & liabilities that are not allocable to any segment.

Accounting Policies and Notes on Accounts

B. NOTES ON ACCOUNTS

- Contingent Liabilities not provided for :-

(₹ in lacs)

Particulars	As on 31.03.2011	As on 31.03.2010
- Outstanding Letters of Credit	699.17	31.92
- Outstanding Bank Guarantees	38.50	52.39
- Statutory Liabilities that may arise in respect of matters in appeal.	95.50	51.32
- Surety Bonds given to Govt. Authorities	28.23	28.23
<p>- The Company has obtained licenses under the Export Promotion Capital Goods (EPCG) Scheme for importing capital goods at the concessional rate of custom duty. As per the scheme, the company is obliged to export eight times of duty saved in next 8 years. The total export obligation is ₹ 5457.68 lacs against total duty saved of ₹ 682.21 lacs (Previous year - ₹ 3395.76 lacs against duty saved of ₹ 424.47 lacs).</p> <p>- The lawsuits in respect of certain Intellectual Property Rights & Trademarks are pending in Courts. The proceedings are at the preliminary stage and the ultimate outcome of the matter cannot presently be determined. No provision for any liability that may result has been made.</p>		

- Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 182.90 lacs (Previous Year - ₹ 1012.46 lacs).
- Plant situated at A-1130 & 1130(A), Industrial Area, Phase – III, Bhiwadi was damaged in fire on 18.10.2008. Claim of above loss has been settled with Insurer & balance final payment of ₹ 1280.33 lacs was received during the year in addition to Adhoc payment of ₹ 900.00 lacs received in previous year. Difference in estimated claim and actual settlement in respect of assets provided in earlier years has been accounted for by increasing/reducing the respective assets as the case may be, as the Insurance policy was with reinstatement clause. Difference in case of repairs & stocks has been accounted for in Profit & Loss Account.
- Capital Work in progress includes Nil (Previous year - ₹ 1.23 lacs) on account of preoperative expenses incurred during the year. It includes Advances to Suppliers of ₹ 34.41 lacs (Previous Year - ₹ 131.28 lacs).
- The company has changed the method of valuation of Raw material/Packing material from First-in-First-Out (FIFO) to Weighted Average method due to SAP (ERP) implementation during the year. The Stores, Spares & Consumables also are being inventorised which earlier were being treated as consumed during the year of purchase. Consequently, the value of inventory and profit for the year are higher by ₹ 144.95 lacs.
- The aggregate managerial remuneration under Section 198 of the Companies Act 1956 is as under:-

(₹ in Lacs)

Particulars	2010-11	2009-10
Salary	115.13	108.87
Commission*	286.65	491.24
Contribution to P.F	12.17	11.70
Sitting fee	1.79	0.90
Total Managerial Remuneration	415.74	612.71

Accounting Policies and Notes on Accounts

Computation of Net Profit and Commission payable as per Section 349 of The Companies Act, 1956.

(₹ in Lacs)

Particulars	2010-11		2009-10	
Net profit		3557.63		5377.88
Add : Managerial Remuneration	415.74		612.71	
Provision for doubtful debts	1.31		7.69	
Loss on sale of Fixed assets	43.07	460.12	2.82	623.22
Net Profit		4017.75		6001.10
Total remuneration allowable U/s 198 read with section 309(5) i.e. 10% of net profit		401.78		600.11
Less: Remuneration paid on monthly basis		115.13		108.87
Balance payable as commission*		286.65		491.24

Note : The Gratuity & Leave Encashment is provided for the company as a whole, therefore, the amount pertaining to directors is not ascertainable & not included above.

7. Certain balances of Sundry Debtors, Creditors and Advances from Customers are subject to confirmation.

8. ADDITIONAL INFORMATION REQUIRED UNDER SCHEDULE VI OF THE COMPANIES ACT, 1956

(a) Details as regards to Opening Stock, Production, Purchase, Sale & Closing Stock

(₹ in Lacs)

Particulars	Unit	Installed Capacity Per day	Opening Stock		Production	Purchase		Sales		Closing Stock	
			(Qty.)	Value		(Qty.)	Value	(Qty.)	Value	(Qty.)	Value
Footwear	Pair (in lacs)	3.52 (3.10)	39.78 (24.00)	3,195.00 (2430.11)	807.24 (776.42)	70.75 (82.33)	7283.34* (6932.01)	865.74 (842.97)	67,602.15 (55082.59)	52.03 (39.78)	5,496.43 (3195.00)
Power	KWH (in lacs)	1.44 (1.44)	- (-)	- (-)	106.44 (26.27)	- (-)	- (-)	106.44 (26.27)	455.57 (112.43)	- (-)	- (-)
Others			- (-)	- (-)	- (-)	- (-)	431.26 (174.97)	- (-)	543.31** (174.97)	- (-)	- (-)
Total				3,195.00 (2430.11)			7,714.60 (7106.98)		68,601.03 (55369.99)		5,496.43 (3195.00)

* Excludes DEPB Licence discount of ₹ Nil (Previous Year - ₹ 0.72 Lacs)

** Includes sale of manufactured goods other than footwear.

Notes :

- (1) No industrial licence is required to manufacture any of the products of the Company.
- (2) Installed capacity, as certified by the management.
- (3) Figures within brackets pertain to previous year.

Accounting Policies and Notes on Accounts

(b) Raw material consumed:

(₹ in Lacs)

Particulars	2010-11		2009-10	
	Qty (M.T.)	Value	Qty (M.T.)	Value
Raw Rubber	3250.45	6,252.46	3569.73	3,997.39
EVA	8711.95	10,174.36	7123.80	6,413.62
Synthetic Rubber	627.30	941.27	741.66	771.95
Others	-	16,214.54	-	11,992.77
Total		33582.63		23175.73

(c) Value of imported and indigenous material consumed and percentage thereof.

(₹ in Lacs)

Particulars	2010-11		2009-10	
	%	Value	%	Value
Imported	1.54	518.70	3.98	922.74
Indigenous	98.46	33,063.93	96.02	22,252.99
Total	100.00	33,582.63	100.00	23,175.73

(d) C.I.F. value of imports.

(₹ in Lacs)

Particulars	2010-11	2009-10
i. Capital goods	1,611.06	1,936.52
ii. Materials including Stores, Spares	1,896.63	854.96

(e) Expenditure in foreign currency (on accrual basis)

(₹ in Lacs)

Particulars	2010-11	2009-10
i. Travelling Expenses	16.80	7.65
ii. Interest	385.96	325.08
iii. Others	36.68	18.45

(f) Earning in Foreign Exchange (FOB value of export sale) 2,111.05 1,058.21

9. Provision for Income Tax includes Wealth Tax provision of ₹ 3.15 lacs (previous year ₹ 2.79 lacs).

Accounting Policies and Notes on Accounts

10. Related party relationships/transactions warranting disclosures under AS-18 issued by “The Institute of Chartered Accountants of India” are as under:

1) Names and relationship of the parties.

Name	Relationship
Relaxo Rubber Private Limited	Associate company
Marvel Polymers Private Limited	Associate company
Relaxo International	Associate concern
Nu wave Shoes	Associate concern
Patel Oil Mills	Associate concern
Shri Mool Chand Dua Memorial Society }	Entities where Key Management Personnel exercise significant influence.
Shrimati Ram Ditti Dua Memorial Society }	

2) Key Management Personnel & their relatives

Key Management Personnel

Mr. Ramesh Kumar Dua	Managing Director
Mr. Mukand Lal Dua	Whole time Director
Mr. Nikhil Dua	Whole time Director

Relatives

Ms. Usha Dua	Wife of Whole Time Director
Ms. Lalita Dua	Wife of Managing Director
Mr. Ritesh Dua	Son of Whole Time Director
Mr. Nitin Dua	Son of Whole Time Director
Mr. Gaurav Dua	Son of Managing Director
Ms. Sakshi Dua	Daughter of Managing Director
Mr. Rahul Dua	Son of Managing Director
Ms. Garima Dua	Wife of Whole Time Director
Ms. Shashi Mehra	Sister of Managing Director
Ms. Aalya Dua	Daughter of Whole time Director
Sh. Ramesh Kumar Dua (H.U.F)	H.U.F
Sh. Mukand Lal Dua (H.U.F)	H.U.F
Sh. Mool Chand Dua (H.U.F)	H.U.F

Accounting Policies and Notes on Accounts

3) Disclosure of Related party transactions.

(₹ in lacs)

Transactions	2010-11			2009-10		
	Associates	Key management personnel & relatives	Total	Associates	Key management personnel & relatives	Total
Sale of goods	343.98	—	343.98	275.76	—	275.76
Purchase of goods (net of taxes)	17,179.46	—	17,179.46	13,368.84	—	13,368.84
Purchase of Assets (net of taxes)	61.89	—	61.89	129.49	—	129.49
Rent paid	280.36	309.28	589.64	113.16	202.48	315.64
Rendering of service (job work)	209.64	—	209.64	229.04	—	231.95
Receiving of service	2.40	—	2.40	2.91	0.20	0.20
Guarantees & collaterals taken	—	19,667.00	19,667.00	—	12,811.00	12,811.00
Dividend paid to shareholder	—	135.01	135.01	—	112.51	112.51
Payment of salary / perquisites	—	221.09	221.09	—	178.87	178.87
Commission	—	286.65	286.65	—	491.24	491.24
Loans (Year end balance)	—	3,841.71	3,841.71	—	3,223.43	3,223.43
Interest on unsecured Loans	—	332.09	332.09	—	337.83	337.83
Misc. exp	—	—	—	0.14	0.15	0.29
Donation	—	80.00	80.00	—	225.00	225.00
Amount due to/from related parties						
Debit balance outstanding						
as on 31st March Outstanding receivable	144.73	—	144.73	63.54	—	63.54
Credit balance outstanding as on 31st March Outstanding payable	1661.72	4.61	1666.33	638.62	1.32	639.94

11. **Segment Information:** The Company has identified two reportable segments viz. footwear & power. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Accounting Policies and Notes on Accounts

Primary Segment : Revenue, Results and Other Information :-

(₹ in lacs)

REVENUE	FOOTWEAR		POWER		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
External Sale	68145.46	55257.56	455.57	112.43	68601.03	55369.99
Inter Segment Sale	-	-	-	-	-	-
Total	68145.46	55257.56	455.57	112.43	68601.03	55369.99
Segment result	5044.34	6482.50	80.14	1.07	5124.48	6483.57
Less Interest & Financing	1393.29	1078.56	173.56	27.13	1566.85	1105.69
Profit before Tax	3651.05	5403.94	(93.42)	(26.06)	3557.63	5377.88
Income tax inclusive of MAT credit					500.84	718.36
Deferred tax (credit)/charge					385.48	890.30
Net Profit					2671.31	3769.22
Assets	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
Segment Assets	40045.21	30954.49	3169.44	3513.55	43214.65	34468.04
Liabilities						
Segment Liabilities	-	-	-	-	-	-
Unallocated Liabilities	8944.83	6791.52	-	-	8944.83	6791.52
Total	8944.83	6791.52	-	-	8944.83	6791.52
Other Information						
Capital Expenditure	6816.39	6869.14	-	3571.93	6816.39	10441.07
Depreciation	1728.71	1434.34	366.77	111.36	2095.48	1545.70

SECONDARY SEGMENT

The company is having its major operation in India. Therefore, Geographical Area wise Segment Reporting is not required.

12. The lease rentals charged during the year for cancelable/non-cancelable leases relating to rent of building premises as per the agreements and maximum obligation on long term non-cancelable operating leases are as follows :

(₹ in lacs)

	2010-11	2009-10
Lease Rentals	1455.72	964.26
Obligations on non cancelable leases :		
Not later than one year	26.63	91.50
Later than one year but not later than five years	3.08	29.71
Later than five years	-	-
Total	29.71	121.21

The escalation clause includes escalation at various periodic levels ranging from 0% to 15%, includes option of renewal from 1 to 5 years and there are no restrictions imposed on lease agreements

Accounting Policies and Notes on Accounts

13. Employee Benefits

A. Defined Contribution Plan

During the year, the company has recognised the following amount in the Profit & Loss Account.

(₹ in Lacs)

Fund	2010-11	2009-10
Employer's Contribution to Provident & Pension Fund	279.52	199.03
Employer's Contribution to ESIC Scheme	84.47	53.03
Employer's Contribution to LIC Gratuity Scheme	80.86	61.90

B. Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ in Lacs)

Particulars : Leave Encashment (Unfunded)	2010-11	2009-10
Reconciliation of opening & closing balances of Defined Benefit Plan		
Present Value of Obligation as at the beginning of the year	152.42	98.86
Current Service Cost	69.93	33.39
Interest Cost	11.89	7.71
Actuarial (gain)/loss on obligations	69.05	38.49
Benefit Paid	(27.74)	(26.03)
Present Value of Obligation as at the end of the Year	275.55	152.42
Reconciliation of Fair value of assets and obligations		
Fair Value of Plan Assets	—	—
Present value of obligation	275.55	152.42
Amount recognised in Balance Sheet	275.55	152.42
Expense Recognised during the year	275.55	152.42
Current Service Cost	69.93	33.39
Interest Cost	11.89	7.71
Expected Return on Plan Assets	—	—
Actuarial (gain)/ loss on obligations	69.05	38.49
Net cost	150.87	79.59
Actuarial assumptions		
Discount Rate (per annum)	8.00%	7.80%
Expected Rate of Return on Plan Assets	—	—
Rate of escalation in salary (per annum)	10.00%	6.00%

The above information is certified by Actuary. The estimates of escalation in salary take into account inflation, seniority, promotion & other relevant factors.

Accounting Policies and Notes on Accounts

14. Earning per share (EPS) computed in accordance with Accounting Standard -20 is as under.

(₹ in Lacs)

Particulars	2010-11	2009-10
Profit After Tax	2671.31	3769.22
No. of share issued	12001200	12001200
Basic & diluted Earning per share of ₹ 5/- (₹)	22.26	31.41

15. Foreign Currency Exposure

(Amt in Lacs)

Purpose	Currency	As at 31.03.2011	As at 31.03.2010
a) Unhedged Foreign Currency Exposure			
- Outstanding Import Creditors	USD	0.73	0.71
- Outstanding Export Debtors	USD	9.32	3.31
	GBP	-	0.11
- Outstanding Interest on Foreign Currency Loans	USD	0.55	0.48
b) The details of Derivatives Outstanding			
- Forward Contracts - Import Creditors	USD	7.48	-
- Forward Contracts - Import Orders	USD	1.19	-
- Forward Contracts - Export Debtors	USD	1.04	2.45
- Forward Contracts - Export Orders	USD	4.90	-
- Forward Contracts - Foreign Currency Loans	USD	188.43	140.41

16. The principal Components of Net Deferred Tax Liability are as follows:-

(₹ in Lacs)

Particulars	As at 31.03.2011		As at 31.03.2010	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Difference between book & tax depreciation	0.00	2701.54	0.00	2171.33
Provisions debited to profit & loss account	472.63	0.00	327.90	0.00
Total	472.63	2701.54	327.90	2171.33
Net deferred tax liability		2228.91		1843.43
Net increase/(decrease) in liability charged to Profit & Loss account		385.48		890.30

17. The interest includes ₹ 9.47 lacs (Previous year - ₹ 21.13 lacs) paid to Managing Director.

18. Interest includes ₹ 188.30 lacs (Previous year - ₹ 73.85 lacs) on account of Foreign Exchange Fluctuations.

Accounting Policies and Notes on Accounts

19. Remuneration to Auditors

(₹ In Lacs)

Particulars	2010-11	2009-10
Statutory Audit Fee	5.08	5.08
Tax Audit	1.10	1.10
Limited Review & other services	3.31	3.31
Total	9.49	9.49

20. Extraordinary items include loss of ₹ Nil (Previous Year - ₹ 1.22 lacs) incurred due to fire.
21. Prior period adjustments include write back of provisions no longer required ₹ 7.73 lacs (Previous Year - ₹ 7.16 lacs net)
22. The company has not received intimation from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act 2006 & hence disclosures relating to amounts unpaid as at the year end together with interest paid/ payable under the Act have not been given.
23. Previous year figures have been recast/regrouped wherever necessary to Conform to Current Year Classification.

As per our report of even date

FOR GUPTA & DUA

Chartered Accountants

CA. MUKESH DUA

Partner
M.No. 085323

RAMESH KUMAR DUA

Managing Director

Place : Delhi
Dated : May 26, 2011

SUSHIL BATRA
Chief Financial Officer

KAPIL GARG
Company Secretary

MUKAND LAL DUA
Whole Time Director

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

State Code	55	Registration No.	19097
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Balance Sheet Date Day 31 Month 03 Year 2011

II. Capital Raised During the year

(Amount in ₹ Thousands)

Public issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Development of Funds

Total Liabilities	3424262	Total Assets	3424262
Sources of Funds			
Paid-up Capital	60006	Reserve & surplus	1286221
Secured Loans	1437652	Unsecured Loans	417492
Deferred Tax Liability	222891		

Application of Funds

Net Fixed Assets	2696068	Investments	611
Net Current Assets	727583		

IV. Performance of Company

(Amount in ₹ Thousands)

Turnover including Other Income	6921320	Total Expenditure	6565557
Extra-ordinary Items	0	Profit/Loss Before Tax	355763
Profit/Loss After Tax	267131	Earning Per Share (in ₹)	22.26
Dividend Rate (including Interim dividend)	30%		

V. Generic Names Of Principal Products of the Company

Item Code No.	64022001
Product Description	Rubber
Item Code No.	64022009
Product Description	EVA

RAMESH KUMAR DUA
Managing Director

Place : Delhi
Dated : May 26, 2011

SUSHIL BATRA
Chief Financial Officer

KAPIL GARG
Company Secretary

MUKAND LAL DUA
Whole Time Director



This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across its entire width, providing a template for writing or drawing. The margins are consistent on all sides.