
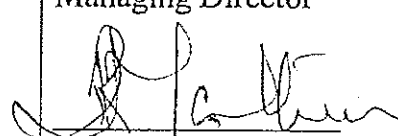
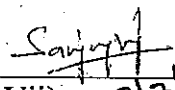
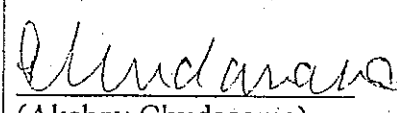


FORM A

[Format of covering letter of the annual audit report to be filed with the Stock Exchange]

1.	Name of the Company	Bata India Limited
2.	Annual financial statements for the year ended	For the fifteen month period ended March 31, 2015.
3.	Type of Audit Observation	Un-qualified/Matter of Emphasis
4.	Frequency of Observation	N.A.
5.	Signed by- <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman 	<div style="text-align: center;">  _____ (Rajeev Gopalakrishnan) Managing Director </div> <div style="text-align: center; margin-top: 20px;">  _____ (Ranjit Mathur) Director Finance </div> <div style="text-align: center; margin-top: 20px;">  _____ (Sanjay Vij) 8/7/2015 Partner S.R. Batliboi & Co. LLP. Chartered Accountants Membership No. 95169 </div> <div style="text-align: center; margin-top: 20px;">  _____ (Akshay Chudasama) Chairman of the Audit Committee </div>

Bata

ANNUAL
REPORT
2014-15



AWARDS 2014

READER'S DIGEST TRUSTED BRAND 2014 SURVEY

Bata India Limited received the 'Reader's Digest Most Trusted Brand 2014' award in Footwear Category. This award was based on a consumer survey and BATA was the only footwear brand to receive this award.



UDYOG RATNA AWARD & THE CERTIFICATE OF EXCELLENCE AND GOLD MEDAL

The Institute of Economic Studies (IES) awarded the 'Udyog Ratna Award' to Mr. Rajeev Gopalakrishnan for doing the honors to make Mother India proud. The 'Certificate of Excellence and Gold Medal' was also awarded to Bata India Limited.

DUN & BRADSTREET CORPORATE AWARD 2014

Bata India Limited received the 'Dun & Bradstreet Corporate Awards 2014' for being the winning player of the footwear industry in India.



'PITCH TOP 50 BRANDS 2014' AWARDS

Bata India Limited received the 'Pitch Top 50 Brands 2014' award for the marketing initiatives across the year. BATA was the only footwear brand amongst the other top 50 brands to receive this award.

CHILD'S MOST POPULAR AWARD 2014

Bata India Limited was runner up in footwear category for the 'Child's Most Popular Award 2014'.

THE ECONOMIC TIMES BEST 200 BRANDS IN INDIA

Bata India Limited received 'The Economic Times Best 200 Brands in India' award organised by The Economic Times.



MOST TALENTED RETAIL PROFESSIONAL OF THE YEAR

CMO Asia coveted Mr. Rajeev Gopalakrishnan as the Most Talented Retail Professional of the year for his exemplary performance and contribution to Bata India Limited. He was recognised for building a robust retail network, leading an aggressive expansion spree across India and an overall growth of Bata India Limited via encouragement of Beta's global format in new stores, renovation and remodelling of existing stores and focus towards employee engagement and development through trainings and other initiatives.



CORPORATE IDENTITY

BATA - INDIA'S FAVORITE FOOTWEAR BRAND

Bata India Limited is the largest retailer and leading manufacturer of footwear in India and is a part of the Bata Shoe Organisation. BATA has been influencing trends and dressing your feet with elegance and character for 121 years throughout the world. Since its founding by Thomas Bata in 1894, the organization has been at the forefront of innovation, not only in the production and design of new styles, but in the creation of business models which permit a quick response to rapidly changing markets. Today, BATA offers you a vision of style and fashion to reflect your own image, created for you as well as with you.

Incorporated as Bata Shoe Company Private Limited in 1931, the Company was set up initially as a small operation in Konnagar (near Kolkata) in 1932. In January 1934, the foundation stone was laid for the first building of BATA's operation - now called Bata India Limited. It was also the first manufacturing facility in the Indian shoe industry to receive the ISO:9001 certification.

The Company went public in 1973 when it changed its name to Bata India Limited. Today, Bata India Limited has established itself as India's largest footwear retailer. Its retail network of over 1,400 stores gives it a reach/coverage that no other footwear company can match. The retail stores are present in good locations and can be found in all the metros, mini-metros and towns.

BATA'S VALUES

- Constant innovation in design and product development
- Superior customer service
- Excellence in operational and commercial execution
- Entrepreneurial spirit and passion to win
- Teamwork in international environment
- Trust and respect for employees
- Adding value to the community
- Delivering on the commitment to stakeholders

BATA INDIA LIMITED - TODAY

- Sells over 50 million pairs of footwear every year
- Serves over 150,000 customers every day
- Sells through over 1,400 retail stores
- Operates 5 manufacturing facilities
- Employs more than 8,000 people

BOARD OF DIRECTORS



MR. UDAY KHANNA
Chairman &
Independent Director

Mr. Uday Khanna is currently the Non-Executive Chairman of Bata India Ltd. He also serves on the Boards of Castrol India Ltd., Pfizer Ltd., Coromandel International Ltd., Thomas Cook (India) Ltd., NRB Bearings Ltd. and DSP BlackRock Investment Managers Pvt. Ltd. Mr. Khanna was Managing Director & CEO of Lafarge India from July 1, 2005 to July 2011 and the Non-Executive Chairman of Lafarge India from July 2011 to September 2014. He joined the Lafarge Group in Paris on 1st June 2003 as Senior Vice President for Group Strategy, after an extensive experience of almost 30 years with Hindustan Lever / Unilever in a variety of financial, commercial and general management roles both nationally and internationally. His last position before joining Lafarge was Senior Vice President- Finance, Unilever - Asia, based in Singapore. He has earlier been on the Board of Hindustan Unilever as Director - Exports, after having served as Financial Controller and Treasurer of the company. He has also worked as Vice Chairman of Lever Brothers in Nigeria and General Auditor for Unilever - North America, based in the USA. Mr. Khanna is a Chartered Accountant - B.Com, FCA. He was the President of the Indo-French Chamber of Commerce & Industry in 2008 - 2009 and the President of the Bombay Chamber of Commerce & Industry in 2012-2013. He is the recipient of "Ordre National du Merite" from the President of the Republic of France for his role in promoting Indo-French trade relations.

Mr. Rajeev Gopalakrishnan holds a degree in Bachelor of Engineering (Mechanical) from the University of Kerala. He joined Bata Shoe Organization (BSO) in the year 1990 and has since been associated with BSO till date. Mr. Gopalakrishnan has an experience of 25 years in Retail / Wholesale and running company operations and has been the Director-Wholesale Channels, Sales & Marketing with Bata International - Canada and Vice President of Bata India Limited in Retail Operations and Wholesale Division. Before joining as the Managing Director, Bata India Ltd., in October 2011, Mr. Gopalakrishnan was the Managing Director - Bata Retail Stores for a period of 9 months with Bata India Limited. Prior to that he was working as the Managing Director of Bata Bangladesh Limited for a period of one year and prior to that as Managing Director for Bata Thailand for a period of 3 years where he turned around the company to a healthy position. Mr. Rajeev Gopalakrishnan has attended various Courses and advance programmes of BSO, viz., Course Leader Advanco 2009 (India / China), Advanco 2006 in Singapore, Advance Retailing Courses, Executive Management Programme 2009, Sprint 1997 (Retail Course), Retailco 1996 - India.



**MR. RAJEEV
GOPALAKRISHNAN**
Managing Director



MR. RANJIT MATHUR
Director Finance

Mr. Ranjit Mathur is a finance professional with over 19 years of work experience. After graduating as Bachelor of Commerce from Mumbai University, Mr. Mathur qualified as a Chartered Accountant in 1993. Mr. Mathur has mainly worked in large multinational companies and has rich international experience, having worked in India, South Africa, UK and the Middle East with exposure to key markets in Asia, Africa and Turkey region. Most of his experience has been with Unilever, where the last position he held was of Category Finance Director for Foods in Asia and Africa, based out of South Africa. Before joining Bata India Limited, Mr. Mathur was the Head of Finance at Dow Corning in India.

BOARD OF DIRECTORS



MR. KUMAR NITESH
Managing Director - Retail

Mr. Kumar Nitesh joined Bata India Limited in June - 2003 from McDowell & Co. Ltd. (presently known as USL Limited) and served as Vice President - Retail from November, 2009 to December 2011. Thereafter, he served as Managing Director - Bata Shoe Company (Thailand) Ltd. and Managing Director - Bata Shoe Company (Bangladesh) Ltd. The companies in India, Thailand and Bangladesh all have recorded excellent growth in turnover and profitability during his tenure of services in these countries. Mr. Nitesh has done his Post Graduation in Business Management and also a Bachelor of Science (Chemistry) honours. He has attended several Retail Specialization Courses including RETAILCO in Singapore and ADVANCO in Europe. Mr. Nitesh took over as Managing Director - Retail in India and is currently supporting Mr. Rajeev Gopalakrishnan.

Mr. George Nigel John Clemons is the Group Chief Executive Officer (CEO) of Bata Shoe Organization (BSO), the leading global retailer and manufacturer of footwear. The group operates over 5000 stores in over 90 countries worldwide. In his role, Mr. Clemons provides the strategic direction for the group's long term growth, which includes developing the group's sourcing expertise and updating the retail network. Mr. Clemons joined Bata in 2006 and served for a number of years as Group Chief Financial Officer (CFO) and President of Bata Brands. In a career spanning over 25 years, Mr. Clemons has held senior roles in operations, business development and finance. He has served as Group Chief Operating Officer (COO) in a private equity backed international group, served as European Practice Leader as a partner at Deloitte and has led the restructuring of various activities at SwissLife. Mr. Clemons is also President of the Bata Children's Foundation which sets up and leads projects to educate and support disadvantaged children in communities throughout Latin America, Africa, India and Asia. Mr. Clemons has lived and worked in Europe, Asia, North America and Australia, and currently teaches strategic finance and corporate governance at various European business schools including EPFL and HEC Geneva. He holds an MA from Cambridge University and an MBA from INSEAD and is a Fellow of the Institute of Chartered Accountants in England & Wales.



MR. GEORGE NIGEL JOHN CLEMONS
Non-Executive Director



MR. JORGE CARBAJAL
Non-Executive Director

Mr. Jorge Carbajal is the Chief Operating Officer of Bata Shoe Organisation, worldwide. He started his career in 1976 with Ernest & Young as an Auditor. Mr. Carbajal has been with the Bata Organization since 1988. He has held various senior positions in different Bata companies in Latin America starting from the Chief Finance Officer and Group Finance Officer (Mexico, Bolivia & Ecuador) & in Asia Pacific regions (Sri Lanka & Malaysia, as Managing Director). Subsequently, in 2005 he was made Group Managing Director of Bata Emerging Markets West, responsible for Africa and Central Asian Regions. In 2009, he became the BEM President of Asia & Africa. Then in 2010, he was made the President of all Bata Emerging Markets (BEM) – Asia, Africa & Latin America. In 2014, he was appointed as Chief Operating Officer of Bata Shoe Organisation. Mr. Carbajal has also successfully completed the Advanced Management Programme by The Wharton School, University of Pennsylvania, USA in October 2008.

BOARD OF DIRECTORS



MR. AKSHAY CHUDASAMA
Independent Director

Mr. Akshay Chudasama did his B.A. (Economics) from St. Xavier's College (University of Bombay), Mumbai and Bachelor of Laws (LLB) from the London School of Economics (University of London), UK. He is enrolled as an Advocate with the Bar Council of Maharashtra & Goa, and as a Solicitor with the Law Society of England & Wales. He has also attended the Harvard Leadership Programme for Professional Services Organizations. Mr. Chudasama Senior Partner and Member of the Executive Committee of J. Sagar Associates, Advocates & Solicitors. Before joining J. Sagar Associates, Mr. Chudasama was an Equity Partner with AZB & Partners, and Managing Partner of Lex Inde. He started his career as an Advocate & Junior Counsel in the Chambers of Late Goolam E Vahanvati ex-chief Justice of India. Mr. Chudasama is also a Director, *inter alia* on the Boards of Apollo Tyres Ltd. Mr. Akshay Chudasama shall join Shardul Amarchand Mangaldas & Co. as the Managing Partner for Mumbai Region, with effect from June 1, 2015.

Ms. Anjali Bansal is the Managing Director of Spencer Stuart's Indian business, which she was instrumental in establishing. Based in Mumbai, she also co-leads the firm's Asia Pacific Board & CEO practice. Ms. Bansal works in various geographies across the United States, Europe and Asia, advising companies on Board governance, CEO and senior executive search and succession planning. She consults with clients across sectors, including private equity, financial services, industrial, technology and consumer. Earlier, Ms. Bansal was a strategy consultant with McKinsey & Company, based in New York and Mumbai. Ms. Bansal serves on the Boards of Voltas Limited and GlaxoSmithKline (GSK) Pharmaceuticals India and, is on the Managing Committee of the Bombay Chamber of Commerce & Industry. She is on the Advisory Board of Columbia University Global Centers, South Asia. Ms. Bansal has been listed as one of the 'Most Powerful Women' in Indian Business 2013 by India's leading publication, Business Today. She has also been named as one of the 'Most Powerful Women' in Business in India by Fortune Magazine. Ms. Bansal received a Master's Degree in International Affairs, with distinction, from Columbia University, where she majored in International Finance and Business, as well as a Bachelor's Degree in Computer Engineering from Gujarat University.

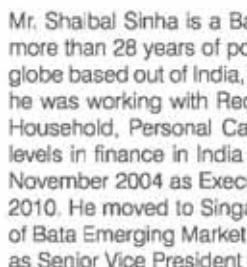


MS. ANJALI BANSAL
Independent Director



MR. RAVI DHARIWAL
Independent Director

Mr. Ravi Dhariwal is the Senior Advisor of TPG India, and brings with him the experience of 38 years of building consumer business all over the world. Just prior to joining TPG, Mr. Ravi Dhariwal was the CEO of Bennett & Coleman, India's largest media company, with diversified media platforms including Radio Mirchi, Times Television Network, Times Internet, Times OOG and the world's largest selling English newspaper, The Times of India. Mr. Ravi Dhariwal was also the world wide President of International News Media Association from 2011-2013. Prior to joining Bennett & Coleman, Mr. Ravi Dhariwal worked with Pepsico for 12 years. He also led the Beverage Business in India, Africa and South East Asia. Mr. Ravi Dhariwal started his career with Unilever in India in 1977 and worked for them in India and Australia for over 12 years mostly in Sales and Marketing Management. Mr. Ravi Dhariwal is an Engineer from IIT-Kanpur and an MBA from IIM-Calcutta.



MR. SHAI BAL SINHA
Non-Executive Director

Mr. Shaibal Sinha is a Bachelor in Commerce (B.Com) and Chartered Accountant (ACA) with more than 28 years of post-qualification experience in different positions in finance across the globe based out of India, Singapore, United Kingdom and Middle East. Just before joining Bata, he was working with Reckitt Benckiser (a multinational consumer goods company dealing in Household, Personal Care, Health and Hygiene products). He worked with them at various levels in finance in India and United Kingdom for eight years. He joined Bata India Limited in November 2004 as Executive Director - Finance based in Gurgaon, and worked till September 2010. He moved to Singapore in 2011 to a Bata group company as the Chief Financial Officer of Bata Emerging Market (South-Asia, Asia Pacific, Africa and Latin America). He then took over as Senior Vice President - Finance and Development of Bata Emerging Markets in March 2014 based out of Singapore. Currently, he is the "Group Operations Finance Director" for Bata International based out of Singapore. He is also a member of the Board of Directors of GFS Singapore, China Footwear Services, Bata Indonesia, Bata Malaysia, Bata Thailand, Bata Sri Lanka and Bata Bangladesh.

BATA INDIA LIMITED

(CIN: L19201WB1931PLC007261)

Board of Directors

Mr. Uday Khanna	<i>Chairman and Independent Director</i>
Mr. Rajeev Gopalakrishnan	<i>Managing Director</i>
Mr. Ranjit Mathur	<i>Director Finance</i>
Mr. Kumar Nitesh	<i>Managing Director - Retail (since May 21, 2014)</i>
Mr. Jack G. N. Clemons	<i>Non-Executive Director</i>
Mr. Jorge Carbajal	<i>Non-Executive Director</i>
Mr. Akshay Chudasama	<i>Independent Director</i>
Ms. Anjali Bansal	<i>Independent Director (since May 21, 2014)</i>
Mr. Ravi Dhariwal	<i>Independent Director (since May 27, 2015)</i>
Mr. Shaibal Sinha	<i>Non-Executive Director (since May 27, 2015)</i>
Mr. Atul Singh	<i>Independent Director (upto May 21, 2014)</i>

Audit Committee

Mr. Akshay Chudasama	<i>Chairman</i>
Mr. Uday Khanna	<i>Member</i>
Mr. Jack G. N. Clemons	<i>Member</i>
Mr. Jorge Carbajal	<i>Member</i>
Ms. Anjali Bansal	<i>Member (since May 21, 2014)</i>
Mr. Ravi Dhariwal	<i>Member (since May 27, 2015)</i>
Mr. Shaibal Sinha	<i>Member (since May 27, 2015)</i>
Mr. Atul Singh	<i>Member (upto May 21, 2014)</i>

Nomination and Remuneration Committee

Ms. Anjali Bansal	<i>Chairperson (since May 21, 2014)</i>
Mr. Uday Khanna	<i>Member</i>
Mr. Jack G. N. Clemons	<i>Member</i>
Mr. Jorge Carbajal	<i>Member</i>
Mr. Akshay Chudasama	<i>Member</i>
Mr. Atul Singh	<i>Member (upto May 21, 2014)</i>

Stakeholders Relationship Committee

Mr. Uday Khanna	<i>Chairman</i>
Mr. Rajeev Gopalakrishnan	<i>Member</i>
Mr. Ranjit Mathur	<i>Member</i>

Corporate Social Responsibility Committee

Mr. Ranjit Mathur	<i>Chairman</i>
Mr. Rajeev Gopalakrishnan	<i>Member</i>
Mr. Akshay Chudasama	<i>Member</i>

Company Secretary & Compliance Officer

Mr. Maloy Kumar Gupta

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**EXECUTIVE COMMITTEE**

Mr. Rajeev Gopalakrishnan
Mr. Ranjit Mathur
Mr. Kumar Nitesh
Mr. Enrico Tonolli
Mr. Sanjay Kanth
Mr. Vikas Baijal
Mr. Vikas Anand
Mr. Sumit Kumar
Ms. Sook Fong
Mr. Matteo Lambert
Mr. Vijay Gogate
Mr. Kumar Sambhav

CHIEF INTERNAL AUDITOR

Mr. Vinod Kumar Mangla

BANKERS

State Bank of India
HDFC Bank Limited

INVESTOR RELATIONS MANAGER

Mr. J. Banerjee
Share Department
27B, Camac Street, 1st Floor, Kolkata - 700 016
Telephone : (033) 2289 5796; (033) 3980 2021
E-mail : share.dept@bata.co.in

CORPORATE OFFICE

Bata House
418/02, M. G. Road, Sector - 17
Gurgaon - 122 002
Telephone : (0124) 3990100 / 3990115
Fax : (0124) 3990116 / 118
E-mail : customer.service@bata.co.in

AUDITORS

M/s. S. R. Batliboi & Co. LLP
Chartered Accountants
Golf View Corporate Tower-B
Sector - 42, Sector Road
Gurgaon - 122 002

SECRETARIAL AUDITOR

M/s. P. Sarawagi & Associates
Narayani Building
Room No. 107, First Floor
27, Brabourne Road
Kolkata - 700 001

COMPANY SECRETARY IN WHOLE-TIME PRACTICE

M/s. S. M. Gupta & Co.
P - 15, Bentinck Street
Kolkata - 700 001

REGISTRAR & SHARE TRANSFER AGENT

R & D Infotech Private Limited
Unit : Bata India Limited
7A, Beltala Road, 1st Floor
Kolkata - 700 026
Telephone : (033) 2419 2641 / 2642
Fax : (033) 2419 2642
E-mail : rd.infotech@vsnl.net; bata@rdinfotech.in

**REGISTERED OFFICE
(w.e.f. January 1, 2015)**

27B, Camac Street, 1st Floor, Kolkata - 700 016
Telephone : (033) 3980 2001
Fax : (033) 2289 5748
E-mail : corporate.relations@bata.com



BATA INDIA LIMITED

CIN: L19201WB1931PLC007261

Registered Office: 27B Camac Street, 1st Floor Kolkata - 700 016

Tel: +91 33 3980 2001; Fax: +91 33 2289 5748

E-mail: corporate.relations@bata.com; Website: www.bata.in

NOTICE CONVENING ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighty Second Annual General Meeting of the Members of Bata India Limited ('the Company') will be held at '**KALAMANDIR' 48, Shakespeare Sarani, Kolkata - 700 017 on Wednesday, August 5, 2015 at 10:00 a.m.**, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet of the Company as on March 31, 2015, the Statement of Profit and Loss for the fifteen month period ended on that date, Notes to Financial Statements, Auditors' Report and Directors' Report thereon.
2. To declare a dividend for the fifteen month period ended March 31, 2015.
3. To appoint a Director in place of Mr. George Nigel John Clemons (DIN: 02640369), who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint Auditors and to fix their remuneration and to pass, the following Resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Rules framed thereunder, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants (Registration No.: 301003E), be and are hereby re-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.

FURTHER RESOLVED THAT the Audit Committee of the Board of Directors of the Company be and is hereby authorized to determine the remuneration payable to the Auditors."

SPECIAL BUSINESS:

5. Appointment of Mr. Ravindra Dhariwal as an Independent Director

To appoint Mr. Ravindra Dhariwal as an Independent Director of the Company and in this regard to consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV to the Companies Act, 2013, Mr. Ravindra Dhariwal (DIN:00003922) who was appointed as an Additional Director on the Board of Directors of the Company on May 27, 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013 and Rules framed thereunder, be and is appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from May 27, 2015.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this Resolution."

6. Appointment of Mr. Shaibal Sinha as a Director, liable to retire by rotation

To appoint Mr. Shaibal Sinha as a Director of the Company, liable to retire by rotation and in this regard to consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Mr. Shaibal Sinha (DIN: 00082504) who was appointed as an



Additional Director on the Board of Directors of the Company on May 27, 2015 to hold office up to the date of the 82nd Annual General Meeting of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and Rules framed thereunder, be and is hereby appointed as a Director of the Company, with effect from August 5, 2015, whose period of office would be liable to be determined by retirement of Directors by rotation.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this Resolution.”

7. Approval for payment of Commission on Net Profits to the Non-Executive Directors

To approve payment of commission to the Non Executive Directors of the Company and in this regard to consider and if thought fit to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the Resolution passed by the Members at the 77th Annual General Meeting held on May 27, 2010 and pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, Rules framed thereunder, the provisions of revised Clause 49 of the Listing Agreement with the Stock Exchanges and relevant provisions of the Articles of Association of the Company, the Directors of the Company (other than Directors in whole time employment of the Company or the Managing Director) be paid for a period of five years commencing from April 1, 2015, such sum by way of Commission, as the Board may determine from time to time including the amount to be divided among them in such proportion, not exceeding 1% (one percent) of the net profits of the Company computed in such manner as referred to in the Companies Act, 2013 and Rules framed thereunder, in each financial year.”

8. Approval to sub-division of share capital of the Company

To approve sub-division of share capital of the Company and in this regard to consider, and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provision of Section 13, Section 61 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the Statutory Authority(ies) concerned, consent of the Company be and is hereby accorded to sub-divide the existing Equity Share of the Company having a face value of Rs. 10/- each fully paid up, into two Equity Shares of Rs. 5/- each, fully paid up.

FURTHER RESOLVED THAT consequent upon sub-division of Equity Shares of the Company, as aforesaid, the existing Issued Share Capital of Rs.642,850,000 divided into 64,285,000 Equity Shares of Rs. 10/- each fully paid-up, as existing on the Record Date, to be determined by the Board of Directors of the Company (“the Board”, which term shall also be deemed to include any Committee thereof), shall stand sub-divided into 128,570,000 Equity Shares of Rs.5/- each, fully paid-up.

FURTHER RESOLVED THAT the existing Subscribed and Paid-up Equity Share Capital of Rs.642,637,700/- divided into 64,263,770 Equity Shares of Rs. 10/- each, fully paid-up as existing on the Record Date shall stand sub-divided into 128,527,540 Equity Shares of Rs.5/- each, fully paid-up, with effect from the Record Date.

FURTHER RESOLVED THAT subsequent to the sub-division of Equity Shares as aforesaid, the share certificate(s) in relation to the existing Equity Shares of the face value of Rs.10/- each held in physical form would be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may, without requiring surrender of the existing share certificate(s), issue and despatch the new share certificate(s) of the Company, with new set of distinctive numbers, in lieu of such existing share certificate(s), subject to the provisions of the Companies (Share Capital and Debenture) Rules, 2014 and in the case of Equity Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the members with the depository participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

FURTHER RESOLVED THAT the Board of Directors of the Company (which term shall also be deemed to include any Committee thereof) be authorized to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to



execute all deeds, applications, documents, undertakings and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

9. Approval to alteration of Capital Clause in the Memorandum of Association

To approve alteration of Capital Clause in the Memorandum of Association of the Company and in this regard to consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to the provisions of Section 13, Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and subject to such other approval(s) from the Statutory Authority (ies) concerned, the Memorandum of Association of the Company be altered as under:

The existing Clause No. 5 of the Memorandum of Association be replaced with the following Clause No. 5:

5. ‘The authorized capital of the Company shall be divided into 140000000 (Fourteen crore) shares of Rs.5/-each, with rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power to increase or reclassify or alter the capital of the Company and to divide/consolidate the shares in the capital for the time being into several classes and face values and to attach thereto respectively such preferential, cumulative, convertible, guarantee, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such right, privilege or condition or restriction in such manner as may for the time being be permitted by the Articles of Association of the Company and the legislative provisions for the time being in force.’

FURTHER RESOLVED THAT the Board of Directors of the Company (which term shall also be deemed to include any Committee thereof) be authorized to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), or the Company Secretary of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

10. Approval for adoption of new set of Articles of Association of the Company

To approve adoption of new set of the Articles of Association of the Company and in this regard to consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, Rules framed thereunder and Schedule I to the Companies Act, 2013, a new set of Articles of Association, bearing Article 1 to Article 135, as contained in the draft Articles of Association, laid before the 82nd Annual General Meeting of the Company and initialed by the Chairman for the purpose of identification, be and are hereby approved and adopted as the Articles of Association of the Company, in substitution and to the entire exclusion of the Company's existing Articles of Association bearing Article 1 to Article 121 (which term shall also be deemed to include any Committee thereof).

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board

Maloy Kumar Gupta
Company Secretary
ACS-24123

Place: Gurgaon
Date: May 27, 2015

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**



In terms of Section 105 of the Companies Act, 2013 and Rules framed thereunder, a person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total paid-up share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. The Companies Act, 2013 under Section 2(41) mandates all the Companies to have a uniform financial year commencing from April 1 and ending on March 31. At the Board Meeting held on November 5, 2014 it was decided to change the financial year of the Company from January-December to April-March. Accordingly, the Financial Year 2014-15 was extended up to March 31, 2015 covering a period of fifteen months commencing from January 1, 2014. Henceforth the Company shall follow its Financial Year starting from April 1 every year and ending on March 31 in the subsequent year.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Rules framed thereunder, in respect of the special business under Item Nos. 5 to 10 of the accompanying Notice are annexed hereto.
4. Pursuant to Section 113 of the Companies Act, 2013 and Rules framed thereunder, the corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution and Power of Attorney, if any, authorizing their representative(s) to attend and vote, on their behalf, at the Meeting.
5. Pursuant to Section 12 of the Companies Act, 2013 and Rules framed thereunder the Company has shifted its Registered Office from 6A, S.N. Banerjee Road, Kolkata - 700 013 to 27B Camac Street, 1st Floor, Kolkata-700016 with effect from January 1, 2015.
6. Pursuant to Section 91 of the Companies Act, 2013 and Rules framed thereunder and Clause 16 of the Listing Agreement with the Stock Exchanges, the Share Transfer Books and Register of Members of the Company will remain closed from Wednesday, July 22, 2015 to Wednesday, August 05, 2015 (both days inclusive).
7. Members are requested to produce the Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting hall.
8. Members who hold shares in de-materialized form, are requested to bring their DP I.D. and Client I.D. No(s). for easier identification to record attendance at the meeting.
9. Pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rules framed thereunder, Members are informed that they may nominate at any time, in the prescribed manner, a person to whom their shares in the Company shall vest in the unfortunate event of their death. Nomination Form SH-13 and SH-14 are available on the website of the Company at www.bata.in in "Download Forms" under "Investor Relation".
10. A Member desirous of receiving any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
11. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e. Electric/Telephone Bill, Driving License or a copy of passport and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA without any delay.
12. In all correspondence with the Company, members are requested to quote their account/folio numbers and in case their shares are held in the dematerialized form, they must quote their DP I.D. and Client I.D. No(s).
13. Investors/Shareholders are requested to kindly note that if physical documents viz., Demat Request Forms (DRF) and Share Certificates, etc. are not received from their Depository Participant(s) by the Registrar and Transfer Agents (RTA) within a period of 15 days from the date of generation of the Demat Request Number (DRN) for dematerialization, the DRN will be treated as rejected/cancelled. This step is being taken on the advice of Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) so that no demat request remains



pending beyond a period of 21 days. Upon rejection/cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with the Share Certificates by the Depository Participant(s) to the RTA. This note is only to caution investors/shareholders that they should ensure that their Depository Participant(s) do not delay in sending the DRF and share certificates to the RTA after generating the DRN.

- 14.** Information under Section 205A read with the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 as amended is given below:
- i. Pursuant to Section 205 of the Companies Act, 1956, all unclaimed/unpaid dividends up to the financial year ended December 31, 1993 have been transferred to the General Revenue Account of the Central Government. Members, who have not yet encashed their dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal, 234/4, A.J.C. Bose Road, Kolkata - 700 020, by submitting an application in the prescribed Form.
 - ii. Consequent upon amendment of Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount of dividend for the subsequent years remaining un-paid or unclaimed for a period of seven years from the date they first become due for payment, shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. It may be noted that once the unclaimed/unpaid amount of dividend is transferred to the Fund, the same cannot be claimed by the Members therefrom.
 - iii. No dividend has been declared for the financial year ended from December 31, 2002 to December 31, 2006.
 - iv. The Company has requested the Members vide letter dated April 23, 2015 who have not encashed their dividend warrant for the financial year ended December 31, 2007 onwards, to claim the amount of dividend from the Company immediately. Such unclaimed/unpaid dividend will be transferred to IEPF in the month of July, 2015.
 - v. As there was no such amount which was due for transfer to IEPF during the fifteen month period ended on March 31, 2015, the Company was not required to transfer any amount to the IEPF during this period.
- 15.** Dividend on Equity Shares as recommended by the Board of Directors of the Company for the fifteen month period ended March 31, 2015, if declared at the Annual General Meeting, will be paid to:
1. those members whose names shall appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company/RTA on or before July 21, 2015.
 2. those "Beneficial Owners" in respect of shares held in electronic form, whose names shall appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on July 21, 2015.
- 16.** The Securities and Exchange Board of India (SEBI) vide Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 made it mandatory for all the companies to use bank details furnished by the investors for distributing dividends or other cash benefits to them through National Electronic Clearing Services (NECS), wherever NECS and bank details are available. In the absence of NECS facility, the companies are required to print the bank details, if available, on the payment instrument for distribution of dividends to the investors. Therefore, Members holding shares in physical mode are requested to provide their bank details to the Company/RTA. Members holding shares in demat mode are requested to record the NECS mandate with their Depository Participant(s) concerned.
- 17.** SEBI vide Circular No. MRD/DoP/Cir-05/2007 dated April 27, 2007 made furnishing of Income Tax Permanent Account Number (PAN) mandatory for all securities market transactions. Thereafter, vide Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 it was clarified that for securities market transactions and off market/ private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company / RTAs for registration of such transfer of shares.
- SEBI has further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:
- a. deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholder(s).



- b. transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - c. transposition of shares when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.
18. The Ministry of Corporate Affairs, Government of India has introduced a 'Green initiative in Corporate Governance' by allowing paperless compliances by the companies for service of documents to their members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed thereunder.

In case you have not registered your correct e-mail ID, please communicate the same to our Registrars and Share Transfer Agent - M/s. R & D Infotech Pvt. Ltd. at 7A, Beltala Road, 1st Floor, Kolkata - 700026 (e-mail ID: rd.infotech@vsnl.net or bata@rdinfotech.in) in respect of the shares held by you in physical mode or communicate to your Depository Participant(s) concerned in respect of shares held by you in demat / electronic mode. Although you are entitled to receive physical copy of the Notices, Postal Ballots, Annual Reports, etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by e-mail, which will help us participate in the Green Initiatives of the MCA and protect our environment. In view of the above, the Company has already despatched three written communications to Members on July 15, 2011, November 18, 2011 and March 14, 2013 requesting them to register their designated email ID with the Company/ RTA. However, Members who are desirous of obtaining physical copy of the Notices, Postal Ballots, Annual Reports and other documents may forward their written request to the Company/RTA for the same.

19. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement with the Stock Exchanges, the Company is pleased to provide the Members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through poll paper shall be made available at the Annual General Meeting (AGM) and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The instructions / procedure for e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - (i) Open email and open PDF file viz.; "BataIndiaLimited_e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com>.
 - (iii) Click on Shareholder - Login.
 - (iv) Put user ID and password as 'Initial Password'/ PIN noted in step (i) above. Click 'Login'.
 - (v) Password change menu will appear. Change the Password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note your new password. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Bata India Limited.



- (viii) Now you are ready for e-voting as 'Cast Vote' page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on a Resolution, you will not be allowed to modify your vote.
- (xii) Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to pawan@sarawagi.in with a copy marked to evoting@nsdl.co.in.
- B.** In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Admission Slip for the AGM:
- | EVEN (E Voting Event Number) | USER ID | PASSWORD / PIN |
|-------------------------------------|----------------|-----------------------|
|-------------------------------------|----------------|-----------------------|
- (ii) Please follow all steps from Sl. No. (ii) to (xi) above, to cast your vote electronically.
- V.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- VI.** If you are already registered with NSDL for e-voting then you can use your existing user ID and Password / PIN for casting your vote.
- VII.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII.** The remote e-voting period commences on August 2, 2015 (09:00 A.M.) and ends on August 4, 2015 (05:00 P.M.). The Members of the Company, holding shares either in physical or dematerialized form, as on the cut-off date of July 29, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change subsequently.
- IX.** The voting rights of the Member shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, i.e., July 29, 2015.
- X.** Any person, who acquires shares of the Company and become a Member of the Company after despatch of the Notice of the AGM and holding shares as of the cut-off-date i.e. July 29, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in; or share.dept@bata.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset the password using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
- XI.** A person, whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through poll paper.
- XII.** Mr. Pawan Kumar Sarawagi of M/s. P. Sarawagi & Associates, Company Secretaries, Kolkata (Membership No: 3381), has been appointed as the Scrutinizer to scrutinize the voting by ballot and remote e-voting process in a fair and transparent manner.
- XIII.** The Chairman at the AGM, shall allow voting, with the assistance of Scrutinizer, by use of ballot/ polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



- XIV.** The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- XV.** The results declared along with the report of the scrutinizer shall be placed on the Company's website *www.bata.in* and on the website of NSDL immediately after the results are declared. The same shall be communicated by the Company to BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited. The results shall also be made available on the Notice Board of the Company at its Registered Office.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company at 27B, Camac Street, 1st Floor, Kolkata - 700 016 on any working day between 11:00 A.M and 1:00 P.M, up to and including the date of the 82nd Annual General Meeting of the Company.



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Mr. Ravindra Dhariwal (Mr. Dhariwal), aged about 62 years, was appointed by the Board as an Additional Director with effect from May 27, 2015. At the said Board Meeting, Mr. Dhariwal was also appointed as an Independent Director of the Company for a period of five years, w.e.f. May 27, 2015, subject to approval of the Members at the Annual General Meeting. As an Additional Director, Mr. Dhariwal holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013.

The Board of Directors approved the aforesaid appointment of Mr. Dhariwal, based on the recommendation of the Nomination and Remuneration Committee, pursuant to Section 178 of the Companies Act, 2013 and Rules framed thereunder.

In terms of Section 149(4), 150(2) and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder read with Schedule IV to the Companies Act, 2013, appointment of Independent Directors of the Company shall be approved at a General Meeting of the Shareholders.

The Company has obtained from Mr. Dhariwal his consent in writing to act as a Director in Form DIR-2, intimation in Form DIR-8 to the effect that he is not disqualified to be appointed as a Director in any Company and a declaration in writing to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mr. Dhariwal fulfils the conditions specified in the Companies Act, 2013 and Rules framed thereunder to be appointed as an Independent Director of the Company and he is independent of the Company's Management. Mr. Dhariwal does not hold any share in the Company.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Dhariwal, as a Director.

The Company shall formalize the appointment of Mr. Dhariwal as an Independent Director, if appointed at this meeting, by issuing a letter setting out the terms and conditions as stipulated in Schedule IV to the Companies Act, 2013. Copy of the letter of appointment shall be available for inspection without any fee by the Members at the Registered Office of the Company at 27B, Camac Street, 1st Floor, Kolkata - 700 016, on any working day between 11.00 A.M. and 1.00 P.M. and shall also be uploaded on the website of the Company at www.bata.in.

In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, relevant details/ information in relation to the appointment of Mr. Dhariwal are given below:

Mr. Dhariwal is the Senior Advisor of TPG India and brings with him the experience of 38 years of building consumer business all over the World. Just prior to joining TPG India, Mr. Dhariwal was the Chief Executive Officer of Bennett & Coleman & Co.Ltd., India's largest media company, with diversified media platforms including Radio Mirchi, Times Television Network, The Times of India, the World's largest selling English newspaper, Times Internet, Times OOH and Mr. Dhariwal was also the world wide President of International News Media Association from 2011-2013. Prior to joining Bennett & Coleman & Co.Ltd, Mr. Dhariwal worked with Pepsico for 12 years. He also led the Beverage Business in India, Africa and South East Asia. Mr. Dhariwal started his career with Uniliver in India in 1977 and worked for them in India and Australia for over 12 years mostly in Sales and Marketing management. Mr. Dhariwal is an Engineer from IIT Kanpur and an MBA from IIM-Calcutta.

Name of the Companies in which Mr. Dhariwal also holds Directorship and Membership of Committees of the Board, are as under:-

Name of the Company	Designation	Name of the Committees of the Board	Chairman / Member
Varun Beverages Limited	Additional Director	1. Audit Committee 2. Nomination & Remuneration Committee 3. CSR Committee	Member Member Member



Name of the Company	Designation	Name of the Committees of the Board	Chairman / Member
Devyani Food Industries Limited	Additional Director	1. Audit Committee 2. Nomination & Remuneration Committee 3. CSR Committee	Member Member Member
RJ Corp Limited	Additional Director	1. Audit Committee 2. Nomination & Remuneration Committee 3. CSR Committee	Member Member Member
Devyani International Limited	Additional Director	1. Audit Committee 2. Nomination & Remuneration Committee	Member Member
Parkview City Limited	Additional Director	1. Audit Committee 2. Nomination & Remuneration Committee	Member Member
Mahindra Gujarat Tractor Limited	Additional Director	1. Audit Committee 2. Nomination & Remuneration Committee 3. CSR Committee	Member Member Member
Aquagri Processing Private Limited	Additional Director	NIL	NIL
Capitol Art House Private Limited	Director	NIL	NIL
Inspired Emporio Salon Private Limited	Director	NIL	NIL
Devyani Food Street Private Limited	Additional Director	NIL	NIL

The Board considers that association of Mr. Dhariwal will be of immense benefit to the Company and it would be prudent to appoint Mr. Dhariwal as an Independent Director.

Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Dhariwal as an Independent Director, for approval by the Members.

Except Mr. Dhariwal, no other Director, Key Managerial Personnel of the Company or their relatives is interested or concerned in the Resolution relating to the appointment of Mr. Dhariwal as an Independent Director of the Company.

Item No. 6

Mr. Shaibal Sinha (Mr. Sinha), aged about 52 years was appointed as an Additional Director of the Company at the Board Meeting held on May 27, 2015 and in terms of Section 161 of the Companies Act, 2013 he holds office up to the date of the 82nd Annual General Meeting.

The Company has obtained from Mr. Sinha his consent in Form DIR-2 to act as a Director and intimation in Form DIR-8 to the effect that he is not disqualified to be appointed as a Director in any Company.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Sinha, as a Director of the Company.

Mr. Sinha is a Bachelor in Commerce (B. Com) and a Chartered Accountant (ACA) with more than 28 years of post-qualification experience in different positions in Finance across the globe based out of India, Singapore, United Kingdom and



Middle East. Just before joining Bata, he was working with Reckitt Benckiser (a multinational consumer goods company dealing in Household, Personal Care, Health and Hygiene products). He worked with them at various levels in finance in India and United Kingdom for eight years.

He joined Bata India Limited in November 2004 as Executive Director - Finance based in Gurgaon, and worked till September 2010. He moved to Singapore in 2011 to a Bata group company as the Chief Financial Officer of Bata Emerging Market (South-Asia, Asia Pacific, Africa and Latin America). He then took over as Senior Vice President - Finance and Development of Bata Emerging Markets in March 2014 based out of Singapore.

Currently, he is the Group Operations Finance Director for Bata International based out of Singapore. He is also a member of the Board of Directors of Global Footwear Services, Singapore, China Footwear Services, Bata Indonesia, Bata Malaysia, Bata Thailand, Bata Srilanka and Bata Bangladesh.

Name of the Companies in which Mr. Sinha also holds Directorship are as under:

Name of the Company	Designation
Global Footwear Services Pte. Ltd.	Director
Bata Shoe Company of Ceylon Limited	Director
Bata Exports (Pvt.) Ltd.	Director
Bata Shoe Company (Bangladesh) Limited	Director
China Footwear Services Ltd.	Supervisory Director
Bata (Thailand) Limited	Director
BT Holding Company Limited	Director
Bata (Malaysia) Sdn Bhd	Company Director
Global Footwear Services (Malaysia) Sdn Bhd	Company Director
Global Footwear Services (Malaysia) Sdn Bhd	Member of Board of Commissioner
PT. Sepatu Bata Tbk.	Director

Mr. Sinha does not hold any membership in any committee of the Board of Directors of the aforesaid Companies. Mr. Sinha does not hold any share in the Company.

The Board considers that association of Mr. Sinha will be of immense benefit to the Company and it would be prudent to appoint Mr. Sinha as a Non Executive Director of the Company.

Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Sinha as a Non Executive Director, for approval by the Members.

Except Mr. Sinha, no other Director or Key Managerial Personnel of the Company or their relatives is concerned or interested in Resolution relating to the appointment of Mr. Sinha as Non Executive Director, liable to retire by rotation.

Item No. 7

At the 77th Annual General Meeting of the Company held on May 27, 2010 the Members have passed a Special Resolution under Section 309(5) of the Companies Act, 1956 approving the payment of commission to the Directors of the Company (other than a Managing Director and a Whole time Director) for a period of five years with effect from the financial year commencing from January 1, 2010, of such amount as the Board may decide, not exceeding 1% of the net profits of the Company in any financial year, to be divided amongst the Directors aforesaid in such manner as the Board of Directors of the Company may from time to time determine and in default of such determination, equally.

Clause 49(II)(C) of the revised Listing Agreement with the Stock Exchange provides that all fees/compensation paid to Non-Executive Directors (other than payment of sitting fees) of the Company, including Independent Directors, shall be fixed by the Board of Directors of the Company and shall require prior approval of the Members in General Meeting, if made within the limits prescribed under Section 197 of the Companies Act, 2013.

Accordingly, the Board of Directors recommends that this Resolution be approved by the Members as a Special Resolution.



The Non-Executive Directors of the Company are deemed to be concerned or interested in the aforesaid Resolution as set out in item no. 7 of the Notice, to the extent of their own entitlement of such commission from the Company.

Except, as mentioned above, no other Director or Key Managerial Personnel of the Company or their relatives is concerned or interested in this Resolution.

Item No. 8 & 9

The Company has registered substantial growth in the last couple of years, which has generated considerable interest in the Company's Shares in the Stock Market, resulting in constant increase in the market price of the shares of the Company, touching the all time high of Rs.1496/- in January-2015. In order to improve liquidity of the Company's shares in the stock market, to facilitate easy accessibility and to make it affordable to the small investors, the Board of Directors of the Company at their meeting held on May 27, 2015, considered it expedient to recommend the sub-division of 7,00,00,000 (Seven Crores) Equity Shares of Rs.10/- each into 14,00,00,000 (Fourteen Crores) Equity Shares of Rs.5/- each, subject to approval of the shareholders and such other authorities, as may be necessary.

The Memorandum of Association requires amendment of its existing Capital Clause to accommodate the aforesaid sub-division of equity shares in the Company, by way of Special Resolution.

The Board recommends the Resolutions as set out in Item Nos. 8 and 9 of the Notice for approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives is interested or concerned in the Resolutions except to the extent of their shareholding in the Company, if any.

Item No. 10

The existing Articles of Association ("AOA") which was last amended on May 30, 2012 are presently based on the Companies Act, 1956. Several Regulations in the existing AOA contain references to specific Sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the new Companies Act, 2013 and Rules framed thereunder. In view of the implementation of the Companies Act, 2013 together with various Schedules thereto and the Rules framed thereunder and in replacement of the Companies Act, 1956, several regulations of the existing AOA of the Company require alteration, additions or deletions. Therefore, it is considered expedient to replace the existing AOA of the Company in its entirety with the new set of Articles, with a view to bring the Articles in consonance with the notified provisions of the Companies Act, 2013 and Rules made thereunder.

The proposed new draft of AOA is available on the website of the Company at www.bata.in and is also available for inspection by the Members at the Registered Office of the Company on any working day between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting and shall be available at the Annual General Meeting. The proposed set of AOA of the Company is aligned to the new Companies Act, 2013 and will therefore help in smooth transitioning and management of the Company as per the Companies Act, 2013 and other applicable laws.

The Board recommends the Resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the aforesaid Resolution set out at item no. 10 of the Notice.

By Order of the Board

Place: Gurgaon
Date: May 27, 2015

Maloy Kumar Gupta
Company Secretary
ACS: 24123



Information relating to the re-appointment of Director at the 82nd Annual General Meeting

[Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges]

Mr. George Nigel John Clemons

Mr. George Nigel John Clemons (Mr. Clemons) is the Group Chief Executive Officer (CEO) of Bata Shoe Organization (BSO), the leading global retailer and manufacturer of footwear. The group operates over 5000 stores in over 90 countries worldwide. In his role, Mr. Clemons provides the strategic direction for the group's long-term growth, which includes developing the group's sourcing expertise and updating the retail network. Mr. Clemons joined BSO in 2006 and served for a number of years as Group Chief Financial Officer and President of Bata Brands.

In a career spanning over 25 years Mr. Clemons has held senior positions in operations, business development and finance. He has served as Group Chief Operating Officer in a private equity backed international group, served as European Practice Leader as a Partner at Deloitte and has led the restructuring of various activities at SwissLife.

Mr. Clemons is also President of the Bata Childrens' Foundation which sets up and leads projects to educate and support disadvantaged children in communities throughout Latin America, Africa and Asia including India.

Mr. Clemons has lived and worked in Europe, Asia, North America and Australia and currently teaches strategic finance and corporate governance at various European Business Schools including EPFL and HEC, Geneva. He holds an MA from Cambridge University and an MBA from INSEAD and is a Fellow of the Institute of Chartered Accountants in England & Wales.

Details of Directorship of Mr. Clemons in companies other than Bata India Limited are as under:

Serial No.	Name of Body Corporate	Designation
1	Bata Emerging Markets Ltd., Bermuda	Director
2	Bafin (Nederland) B.V.	Director
3	International Footwear Investment B.V.	Director
4	Bata (BN) B.V.	Director
5	Branded Footwear B.V.	Director
6	Bata Brands S.a.r.l.	Director
7	Euro Footwear Holdings S.a.r.l.	Director
8	European Footwear Distributors S.a.r.l.	Director
9	International Footwear Distributors S.a.r.l.	Director
10	Eastern S.a.r.l.	Director

Mr. Clemons is also a Member of the Audit Committee and the Nomination and Remuneration Committee of Bata India Limited.

Mr. Clemons does not hold any share in the Company.

**FINANCIAL HIGHLIGHTS 2005-2015**

(Rs. in million)	2005	2006	2007
PROFIT & APPROPRIATIONS			
Sales & Other Income	7,525.39	8,219.79	9,038.05
Profit before Depreciation, Tax & Prior Period Items	255.93	628.00	711.61
Depreciation	120.02	136.17	160.11
Profit before Tax & Prior Period Items	135.91	491.82	551.50
Taxation	11.00	90.31	40.62
Profit after Tax & Prior Period Items	124.91	401.51	510.88
Prior Period Items	—	—	36.44
Net Profit	124.91	401.51	474.44
Dividend & Dividend Distribution Tax	—	—	150.37
Retained Earnings	—	401.51	324.07
ASSETS EMPLOYED			
Fixed Assets — Gross	3,639.10	3,076.87	3,251.91
— Net	1,319.24	802.47	1,042.33
Investments	49.77	172.43	172.48
Net Current Assets	2,061.99	1,750.39	1,805.05
Other Non Current Assets (Includes DTA & Long term loans & advances)	—	—	—
	<u>3,431.00</u>	<u>2,725.30</u>	<u>3,019.87</u>
FINANCED BY			
Equity Shares	642.64	642.64	642.64
Reserves	1,972.07	1,477.35	1,859.22
Shareholder's Funds	2,614.71	2,119.98	2,501.86
Loan Funds	816.29	605.32	518.01
Non-current liabilities	—	—	—
	<u>3,431.00</u>	<u>2,725.30</u>	<u>3,019.87</u>



2008	2009	2010	2011	2012	2013	15 months ended 31.03.2015
10,235.32	11,210.11	12,923.42	16,959.91	19,017.06	21,297.54	27,808.31
908.41	1,281.87	1,755.08	3,605.04	3,033.39	3,418.21	4,079.01
190.01	279.23	325.10	411.01	513.75	591.97	792.34
718.40	1,002.63	1,429.97	3,194.03	2,519.64	2,826.24	3,286.68
111.03	330.36	476.45	935.64	803.61	918.81	974.96
607.37	672.27	953.52	2,258.39	1,716.03	1,907.43	2,311.72
—	—	—	—	—	—	—
607.37	672.27	953.52	2,258.39	1,716.03	1,907.43	2,311.72
187.96	225.56	299.00	447.14	448.13	491.68	488.70
419.40	446.72	654.52	1,811.25	1,267.90	1,415.75	1,823.02
3,506.48	3,754.87	4,178.77	5,084.40	5,793.97	6,252.34	7,436.45
1,178.80	1,309.17	1,534.39	2,270.66	2,594.66	2,699.42	3,548.56
172.48	172.48	172.48	48.51	48.51	48.51	49.51
1,930.06	2,096.40	2,413.23	3,423.89	3,482.26	4,590.48	4,961.96
—	—	—	—	1,438.97	1,864.35	2,639.02
3,281.34	3,578.06	4,120.11	5,743.05	7,564.40	9,202.76	11,199.05
642.64	642.64	642.64	642.64	642.64	642.64	642.64
2,192.40	2,684.93	3,339.73	5,100.42	6,360.66	7,767.37	9,578.81
2,835.04	3,327.57	3,982.37	5,743.05	7,003.30	8,410.01	10,221.45
446.30	250.49	137.74	—	—	—	—
—	—	—	—	561.10	792.75	977.60
3,281.34	3,578.06	4,120.11	5,743.05	7,564.40	9,202.76	11,199.05



SIGNIFICANT RATIOS 2005-2015

			2005	2006	2007
MEASURES OF INVESTMENTS					
Return on Equity	$\frac{\text{Profit after Tax}}{\text{Shareholders' Funds}}$	(%)	4.01	18.94	20.42*
Earnings per Share	$\frac{\text{Net Profit}}{\text{No. of Shares}}$	(Rs.)	2.07	6.25	7.38
Dividend Cover		(times)	—	—	3.69
Dividend		(%)	—	—	20.00
Book Value of an Equity Share	$\frac{\text{Shareholders' Funds}}{\text{No. of Shares}}$	(Rs.)	48.51	32.99	38.93
MEASURES OF PERFORMANCE					
Profitability	a) $\frac{\text{Profit before Tax}}{\text{Sales}}$	(%)	1.85	6.19	6.19*
	b) $\frac{\text{Profit after Tax}}{\text{Sales}}$	(%)	1.70	5.05	5.74*
Capital Turnover	$\frac{\text{Sales}}{\text{Total Funds}}$	(times)	1.87	2.92	2.95
Stock Turnover	$\frac{\text{Sales}}{\text{Stocks}}$	(times)	2.63	2.88	2.93
Working Capital Turnover	$\frac{\text{Sales}}{\text{Net Current Assets}}$	(times)	2.87	4.54	4.93
MEASURES OF FINANCIAL STATUS					
Debt Equity Ratio	$\frac{\text{Loan Funds}}{\text{Shareholders' Funds}}$	(times)	0.26:1	0.29:1	0.21:1
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	(times)	1.94:1	1.93:1	1.77:1
Fixed Assets to Shareholders' Funds	$\frac{\text{Net Fixed Assets}}{\text{Shareholders' Funds}}$	(times)	0.42:1	0.38:1	0.42:1

* Without Considering Prior Period Items

** Without considering Gains from Surplus Property Development

*** All ratios are calculated as per revised schedule VI to the Companies Act, 1956



2008	2009	2010	2011	2012***	2013***	15 months ended 31.03.2015***
21.42	20.20	23.94	24.74**	24.50	22.68	19.37**
9.45	10.46	14.84	22.11**	26.70	29.68	30.80**
3.78	3.49	3.71	3.68**	4.45	4.57	4.74**
25.00	30.00	40.00	60.00	60.00	65.00	65.00
44.12	51.78	61.97	89.37	108.98	130.87	159.05
7.10	9.01	11.20	13.42**	13.46	13.47	10.79**
6.00	6.04	7.47	9.08**	9.17	9.09	7.23**
3.09	3.11	3.10	2.73	2.67	2.50	2.68
3.46	4.01	4.27	4.00	4.05	3.60	3.88
5.25	5.31	5.29	4.57	5.38	4.57	5.52
0.16:1	0.08:1	0.03:1	—	—	—	—
1.71:1	1.72:1	1.53:1	2.00:1	1.93:1	1.99:1	1.96:1
0.42:1	0.39:1	0.39:1	0.40:1	0.37:1	0.32:1	0.35:1



DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure to present the 82nd Annual Report of your Company covering the operating and financial performance for the fifteen month period ended on March 31, 2015.

FINANCIAL REVIEW

(Rs. in Million)

	Fifteen month period ended on March 31, 2015	Financial Year ended on December 31, 2013	Twelve month period ended on March 31, 2015	Twelve month period ended on March 31, 2014
	(Audited)	(Audited)	*	*
Gross Turnover	27,375.98	20,984.06	22,318.41	21,424.66
Less: Excise Duty on Turnover	436.03	332.32	329.68	358.06
Net Turnover	26,939.95	20,651.74	21,988.73	21,066.60
Other Income	432.33	313.48	355.79	318.25
Total	27,372.28	20,965.22	22,344.52	21,384.85
Profit/(Loss) before Exceptional item, Depreciation and Taxation	3,763.77	3,518.98	3,034.91	3,552.18
Exceptional item - Income/(Loss)	315.25	-100.77	315.25	-100.77
Profit/(Loss) before Depreciation and Taxation	4,079.02	3,418.21	3,350.16	3,451.41
Less: Depreciation	792.34	591.97	655.88	597.81
Profit / (Loss) before Taxation	3,286.68	2,826.24	2,694.28	2,853.60
Provision for Taxation:				
– Current Tax	1,170.24	1,156.01	945.77	1,175.02
– Deferred Tax Charge/ (Credit) (Net)	-195.28	-237.20	-169.17	-238.28
Net Profit	2,311.72	1,907.43	1,917.68	1,916.86
Profit available for Appropriation	8,205.76	6,576.46	8,205.76	7,102.14

* Based on Limited Review by the Auditors as published in compliance of Clause 41 of the Listing Agreement.

OPERATIONS

During the fifteen month period ended March 31, 2015 your Company generated total Turnover of Rs.27,375.9 Million as against the total Turnover of Rs.20,984.1 Million during the last financial year ended on December 31, 2013, covering a period of twelve months. The Net Profit of your Company for the fifteen month period ended March 31, 2015 stood at Rs.2,311.7 Million as against the Net Profit of Rs.1,907.4 Million for the twelve month period ended December 31, 2013. The Net Profit of your Company for the fifteen month period ended March 31, 2015 as mentioned above includes Exceptional Income of Rs.315.2 Million on account of, *inter alia*, part receipt of constructed space at Calcutta Riverside Project at Batanagar, West Bengal from the erstwhile Joint Venture Company, equivalent to Rs.239.1 Million and written back provisions of Rs.9.3 Million considered no longer required.

Your Company's total Turnover for the twelve month period ended March 31, 2015 was Rs.22,318.4 Million as against the total Turnover of Rs.21,424.6 Million for the twelve month period ended March 31, 2014 - reflecting a growth of 4.2% year-on-year. The Net Profit of your Company for the twelve month period ended March 31, 2015 was Rs.1,917.6 Million, which remained at the same level of Net Profit of Rs.1,916.8 Million for the corresponding twelve month period ended March 31, 2014.



At the beginning of the current financial period, your Company launched a 360-degree integrated marketing campaign, "Where Life Meets Style" along with an innovative TV commercial which appealed to the consumers across all age groups and demographic profiles. The new marketing campaign also reinstated your Company's commitment to deliver value, quality, aspirational and contemporary products to the customers.

The product offerings of your Company witnessed an enhanced range of footwear through 'Spring-Summer' Collection and 'Autumn-Winter' Collection. The new ranges of footwear are contemporary, stylish and targeted to appeal to the younger generation. Apart from the new range of footwear your Company also offers a wide selection of accessories like bags, belts, scarves, sunglasses, wallets, etc., to cater to the customers' life styles.

During the period under review, due to certain unexpected problems with the implementation of new supply chain IT systems, the retail stores of your Company could not be supplied with adequate stocks of footwear and accessories. As a result, the performance of your Company for the fourth and fifth quarter in 2014-15 were affected. Your Board is happy to inform that the Management had taken appropriate steps to address the issues relating to supply chain systems. Your Board believes that the Company will be able to regain the lost business during the current financial year.

In order to improve volume and profitability, various steps have been taken during the period under review, i.e., initiatives to achieve same store growth, investment behind new channels and stores, cost control and manpower rationalization. In addition, your Company has also taken various 'Margin Improvement Initiatives' which are expected to yield results in the future.

During the period under review, your Company has continued its modernization plans at its Manufacturing Units at Batanagar - West Bengal, Bataganj - Bihar and Southcan - Karnataka. The modernization plans implemented in these Manufacturing Units have improved quality of the products and also increased productivity.

Your Company has introduced Six Sigma quality initiatives at its Batanagar Manufacturing Unit. The Oil Fired Boiler at Batanagar has been substituted with Solid Briquette Fired Boiler which runs on eco-friendly green waste. Your Company has also strengthened its Quality Control team to ensure that the quality of the products is maintained and Quality Norms are strictly adhered to while manufacturing and procuring footwear and accessories.

Your Company is moving in the right direction, investing behind right activities and processes. Your Company shall continue to offer its customers a complete footwear solution for all looks and occasions like corporate, casual, evening, party and holiday wear and shall continue to launch exciting, contemporary and stylish footwear and accessories for men, women and kids.

CHANGE IN FINANCIAL YEAR

In compliance with the provisions of Section 2(41) of the Companies Act, 2013 your Company at the Board Meeting held on November 5, 2014 decided to change its financial year from 'January-December' to 'April-March'. Accordingly, the last financial year of your Company was extended up to March 31, 2015 covering a period of fifteen months commencing from January 1, 2014. Your Company shall henceforth follow its Financial Year commencing from April 1 and ending on March 31, every year.

TRANSFER TO RESERVES

Your Company has transferred a sum of Rs.231.17 Million to General Reserve as against the sum of Rs.190.7 Million transferred to General Reserve last year.

DIVIDEND

Your Board has recommended a final dividend of Rs.6.50 per share (i.e., 65% on an equity share of Rs.10/- each) for the period ended March 31, 2015, as against Rs. 6.50 per share (i.e., 65% on an equity share of Rs.10/- each) as paid last year. The payment of aforesaid dividend is subject to approval of the Members at the ensuing Annual General Meeting and if declared, shall be paid to the eligible Members from August 19, 2015 onwards.



FIXED DEPOSIT

Your Company has no unclaimed/ unpaid matured deposits or interest thereon since December 31, 2013. Presently the Company is not accepting any fixed deposits.

CREDIT RATINGS

During the period under review, ICRA Limited has reaffirmed the rating of [ICRA] AA (pronounced as 'ICRA double A') to your Company for its Line of Credit (LOC) limits of fund based/non-fund based facilities sanctioned by the Banks. The outlook on the assigned rating is 'Stable.' This rating is valid till December 31, 2015.

SHARE CAPITAL AND SUB-DIVISION THEREOF

The Authorized Share Capital of your Company as on March 31, 2015 was Rs.700 Million. The Subscribed and Paid up Share Capital of your Company as on that date was Rs.642.85 Million divided into 64,263,770 Equity Shares of Rs.10/- each fully paid up. Your Company's Equity Shares are listed on The Calcutta Stock Exchange Limited (CSE), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). During the past couple of years, the share price of your Company on NSE and BSE has seen a steady rise touching an all time high of Rs.1,496/- in January-2015. In order to improve liquidity and to make it affordable to the retail investors, your Board at its meeting held on May 27, 2015 considered it expedient to sub-divide the nominal value of the Equity Shares of your Company. Accordingly, it has been proposed to sub-divide the nominal value of one share of Rs.10/- each fully paid up into two shares of Rs.5/- each, fully paid up. This proposal is subject to approval by the Members at the ensuing Annual General Meeting and all statutory and regulatory compliances.

AWARDS AND RECOGNITION

Your Directors are pleased to inform that your Company has been able to sustain its leadership position in the organised footwear market by bagging several awards and recognitions. During the period under review, your Company received the following Awards and Recognitions:

1. **'Pitch Top 50 Brands 2014' Awards by Pitch Magazine**- Bata India Limited received 'The Pitch Top 50 Brands 2014' award for its marketing initiatives for the year 2014. BATA was the only footwear brand amongst the other top 50 brands to receive this award.
2. **'Platinum Awards Winner-2014'- Reader's Digest Trusted Brands by India Today** -Bata India Limited was coveted as a 'Platinum Award Winner' by Reader's Digest Trusted Brands for being one of the most trusted brands of the Country. This award was based on a consumer survey and BATA was the only footwear brand to receive this award.
3. **'Economic Times Best Brands Carnival-2014' by The Economic Times** - Bata India Limited received the 45th rank amongst other lifestyle brands and the Number 1 rank in Footwear category in The Economic Times Best Brands Carnival Awards-2014.
4. **'The Economic Times Best 200 Brands in India' by The Economic Times** - Bata India Limited received 'The Economic Times Best 200 Brands in India' award organised by The Economic Times.
5. **'Dun & Bradstreet Corporate Awards -2014' by Dun & Bradstreet** - Bata India Limited received 'The Dun & Bradstreet Corporate Awards - 2014' for the best footwear brand in the Country.
6. **Brand Equity - The Most Trusted Brand (Retail)** - Brand Equity recognized BATA in the **"Top 50 Most Trusted Brands"** of the Country and recognized BATA at the 9th position.
7. **'Delhi NCR's Hot 50 Brands' Awards by Hindustan Times** - Bata India Limited was declared as one of the Top 50 brands of the Delhi NCR Region by The Hindustan Times.
8. **'Golden Global Achiever's' Awards by Institute of Economic Studies** - Bata India Limited received 'The Golden Global Achiever's Award' organized by the Institute of Economic Studies.
9. **'Child's Most Popular Award - 2014' by The Child Magazine** - Bata India Limited was runner-up in footwear category for 'The Child's Most Popular Award - 2014' in the kidswear segment.



CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility continues to be a commitment of your Company for overall economic and social development of the Country and its people. Your Company has always been committed towards improving the quality of lives of people in the communities in which it operates because it considers the society as an essential stakeholder. Your Company has a heritage to be engaged in charities and philanthropic activities, along with a number of others social activities, e.g., providing quality education to the under privileged children, upliftment of differently-abled children, etc., through Bata Children's Program (BCP) of Bata Shoe Organization.

In compliance with Section 135 of the Companies Act, 2013, Rules framed thereunder and revised Clause 49 of the Listing Agreement with the Stock Exchanges, your Board has constituted a Corporate Social Responsibility (CSR) Committee. Based on the Recommendation of the CSR Committee a Corporate Social Responsibility Policy (CSR Policy) of the Company has been adopted.

The CSR Policy of the Company is available on the website of the Company at www.bata.in and can be viewed using the link: <http://bata.in/0/pdf/CorporateSocialResponsibilityPolicy.pdf>. Your Company has initiated various CSR programs as per the CSR Policy adopted by the Board and shall monitor the same through its CSR Committee, which meets periodically.

Since the financial year of the Company commenced on January 1, 2014, the reporting of the CSR project implementation in the prescribed format shall be applicable to the Company in respect of its subsequent financial year commencing from April 1, 2015 onwards. Following are the key highlights of various CSR activities undertaken by your Company during the fifteen month period ended March 31, 2015:

1. Your Company has adopted schools in and around its areas of operations/ factories and conducted various programs designed to improve the infrastructure of the schools in order to make a conducive environment for the children to learn, to provide quality education to the children, to ensure their health and safety and to raise environmental awareness amongst children and adults.
2. A MOU has been signed with SEEDS (Sustainable Environment and Ecological Development Society), a New-Delhi based humanitarian non-profit organization working to make vulnerable communities resilient to disasters. The MOU was signed to support the rebuilding of Government Upper Primary School at District Pulwama, Kashmir, under the Jammu & Kashmir Flood Response and Recovery Initiative.
3. Employee Volunteers of the Company dedicated 4-6 hours every month to teach both curricular and extracurricular subjects towards holistic development of 280 underprivileged children. This includes teaching different sports to boost confidence of the children and instill in them values like teamwork, hard work, honesty & integrity.
4. A Pediatric camp was organized to diagnose the health of underprivileged children in the adopted school in Gurgaon where the Doctors emphasized on the importance of nutrition in their daily lives and sources of different dietary vitamins.
5. Computer classes were started for the children in the adopted schools. New computers and new furniture were procured. A computer teacher has been engaged to teach about 150 girl students.
6. Health Check-up camps were organized to ensure general well being of the children in the schools adopted under BCP. Volunteers educated children of the school on good oral health and hygiene and distributed free toothpaste and toothbrushes.

RETAIL

During the fifteen month period ended March 31, 2015, your Company opened 159 new retail stores across India. The new stores are larger in size and are based on global design, making them look complete and enticing with adequate space to display the products. Your Company plans to add around 100 new retail stores every year to increase its presence in the Malls, High Streets and also in the Tier-2 and Tier-3 cities across India. Your Company plans to open destination stores to provide a unique shopping solution to the consumers. In addition, your Company shall continue to make investment on creating a delightful shopping experience for the customers by enhancing customer service, improving store layouts and creating an emphasis on key products within the retail stores.



HUSH PUPPIES

Your Company's premium brand 'Hush Puppies' continues to live up to its brand image of comfort, quality and style. The year 2014-15 was a milestone year for Hush Puppies as it completed 20 years of its existence in India. In addition to being available through the retail stores of your Company, the brand has expanded its presence to 63 exclusive stores and 36 shop-in-shops. During the period under review, Hush Puppies endeavoured to re-position itself as a new International Premium Lifestyle Casual Footwear brand. Your Company shall continue to focus on offering unique products under this brand, which will be more comfortable with contemporary fashionable style, making 'Hush Puppies' the most desired lifestyle brand.

FOOTIN

Recognizing the needs of young customers, your Company's new retail concept - FOOTIN was created in the year 2012. It is a new business model with a different approach to cater to the young customers who are style conscious and trend-savvy shoppers at an affordable price. FOOTIN has become the source for current fashions at great value. FOOTIN business is growing quickly, featuring new and exciting store environments, creative shoes and accessories designs at the right price, always changing and always in style.

DIGITAL MULTI-CHANNEL BUSINESS

Your Company's digital multi-channel business division has been performing exceptionally well in terms of on-line business and generated a good volume growth. Such consistency of growth in digital multi-channel business is expected to continue considering the range and quality of products on offer coupled with excellence in delivery service.

Your Company's digital multi-channel business has reached approx.1400 cities across India with its shipments. In order to attract more on-line customers, new partnerships have been entered into by tie-up with leading on-line players e.g., Amazon, Myntra, Flipkart, etc. As a part of the strategy, 'M-Wallet' (mode of payment) service has been launched for the end customers to facilitate the shopping ease. To keep up with advancing technology in the digital age, the website of the Company www.bata.in has been re-launched to make it more user-friendly and responsive. Customers can now easily navigate, share their favourite products on social media, look at the latest trends, styles, etc. In order to generate larger customer interests, a customer connect program is being launched, with a focus to grow customer base by effectively communicating and engaging with the consumers on 24 / 7 basis. Your Company has also introduced a mobile application for user-friendly experience via an interactive user interface, an easy and faster way to browse, without the necessity of using a laptop or computer.

Taking into consideration on-line customers' interests and preferences, your Company is planning to launch exclusive product lines which will be made available only on-line at the website of the Company and also on the portals of other leading on-line players. This initiative will help in controlling the prices better and regulating the same across the business partners of your Company.

In order to make customers' on-line shopping experience more convenient, your Company is also planning to launch "Click & Collect" Service. From the comfort of home, at the click of a button, customers can now shop entire range of products available on-line, choose any product of their choice and get it delivered to local Bata Store that is convenient for them. This initiative of your company will help in driving more walk-ins to the Bata Offline stores & thereby an opportunity to sell more to such 'Click & Collect' customers.

NON RETAIL

Your Company's Industrial division is now recognized as the leading supplier in the safety footwear market. Not only has the division expanded its coverage in the market but also is focused towards upgrading the market with newer technology products. The product range has been refreshed by launching new designs and sole patterns as well as new PU-Rubber sole collection. The customer service function has been strengthened to provide immediate response to the queries raised by the industrial buyers.

Your Company's Institutional business has recorded better results during the fifteen month period ended March 31, 2015 as compared to the previous year. The focus is to cater to segments like defense, canteens, education, corporate, etc. A new range for the healthcare segment has been launched with specialized footwear to be used in hospitals for Doctors, Nurses, front office staff, maintenance team, etc.



CUSTOMER CARE INITIATIVES

During the period under review, your Company has further strengthened its customer care division. Following a successful pilot, a customer loyalty program, viz., 'The Bata Club' has been introduced at major metro cities. Since its inception, approx. 2.7 Million Club Membership have already been added to 'The Bata Club' from 16 cities covering 600 stores across the Country, who are now being communicated regularly about branded products of your Company and several offers have been customized for them. Also, through dedicated helpdesk the Customer Service team continued to address and support the customers regarding their queries and feedback. Enhancing quality of customer service at the retail stores shall remain one of the key focus areas for your Company going forward.

EXPORT

Your Company's export sales for the fifteen month period ended March 31, 2015 were Rs.276.6 Million as compared to Rs.147.1 Million for the twelve month period ended December 31, 2013. Various plans are being explored to improve export volume of the Company in the future.

CAPITAL EXPENDITURE

Your Company has been continuously working to improve human resources competencies and capabilities in the Company, which is critical to achieve better results. Some key initiatives undertaken in this direction during the period under review are summarized below:

INDUSTRIAL RELATIONS AND PERSONNEL

Your Company has been continuously working to improve human resources competencies and capabilities in the Company, which is critical to achieve better results. Some key initiatives undertaken in this direction during the period under review are summarized below:

Building up the best team in all functional areas

Your Company has hired over 30 middle and senior level Executives in various functional areas, e.g., Retail Operations, Non-Retail and Merchandising, to replace people moving out, retiring and building capabilities. These professionals come with rich experience within and across industries.

Creating bench strength and building up capability for future growth

Management Training Program

In order to build an internal talent pool, your Company has put in place a structured Management Training program. As part of the program, your Company has recruited design and fashion professionals as well as Management Graduates for various positions in Merchandising, Retail operations and Product Designs. Your Company has also recruited Summer Interns who worked on very specific business impact initiatives.

Training and Development

Set up of Retail Training Academy

Your Company has set up a Retail Training Academy in the month of February-2014. The Academy designs and delivers specialized courses for different roles like Sales Promoters, Store Managers, District Managers and Retail Managers. The courses have been designed to ensure comprehensive learning of Product as well as Business operations. In the year 2014 the Academy trained:

- (i) 17.5 weeks' duration Advanced District Administration Professional Training (ADAPT) Program to 24 District Managers.
- (ii) 7.5 weeks' duration Store Managers Advance Retail Training (SMART) Program to 111 Store Managers.
- (iii) 1 week duration Fully Integrated Retail Store Training (FIRST) Program to 105 experienced Store Managers.

Presently, the Retail Training Academy conducts Training Programs at Gurgaon, Bangalore, Kolkata and Mumbai.

FINANCE

The Earning per Share (EPS) (Basic and Diluted) of your Company for the fifteen month period ended March 31, 2015 was at Rs. 36/-. Similar EPS for the twelve month period ended December 31, 2013 - the previous financial year of your Company was approx. Rs.29.70. The EPS for the twelve month period ended March 31, 2015 and EPS for the twelve month period ended March 31, 2014 also works out to approx. Rs. 29.80. It may be noted that as informed earlier, since April-2010, your Company does not have any Bank Borrowings and the entire capital expenditure has been funded through internal sources.



RESEARCH & DEVELOPMENT ACTIVITIES AND ENERGY CONSERVATION

Your Company's Research & Development activities during the period under review continued to emphasize on creating a pollution-free work environment. Technological improvement in product development, material development, introduction of new footwear moulds, process improvement, etc. were the key focus area, in order to improve quality of footwear and productivity in manufacturing. During the period under review an expenditure of approx. Rs.61 Million was incurred on Research & Development, as against Rs.7 Million during the year 2013. Your Company has adopted a series of energy conservation measures, e.g., replacing conventional tubes with energy efficient lights, installation of energy efficient screw compressors, etc. at its Manufacturing Units across India. Such energy saving measures led to a saving of energy cost worth approx. Rs.11.3 Million during the period under review, as against the saving of Rs.5.5 Million for the year ended December 31, 2013. Your Company shall continue to invest on Research & Development activities and energy saving measures in its manufacturing units in the future.

SUPPORT FROM BATA SHOE ORGANIZATION

Your Company continues to receive assistance and benefits of technical research and innovative programs of Bata Shoe Organization (BSO) through Global Footwear Services Pte. Ltd., Singapore (GFS). Your Company has renewed the Technical Collaboration Agreement with GFS with effect from January 1, 2011 for a period of ten years. In terms of the said Technical Collaboration Agreement, your Company receives guidance, training of personnel and services from GFS in connection with research & development, marketing, brand development, footwear technology, testing & quality control, store location, layout & design, environment, health & safety, risk & insurance management, etc. Your Company continues to obtain expertise and experience from the visiting senior personnel of GFS and other BSO group companies to improve its product range and operational processes throughout the year. In terms of the renewed Agreement as aforesaid, your Company has paid a technical services fee of Rs.264.20 Million to GFS during the period from January 1, 2014 to March 31, 2015.

STATUTORY AUDITORS

The Statutory Auditors of the Company - Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, retire at the ensuing Annual General Meeting of the Company and have given their consent for re-appointment. Your Company has received a certificate confirming their eligibility to be re-appointed as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and Rules framed thereunder. The Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the provisions of revised Clause 49 of the Listing Agreement with the Stock Exchanges.

COST AUDITORS

In terms of the Order dated August 10, 2000, issued by the Ministry of Law, Justice and Company Affairs, Cost Audit Branch, Government of India, the Company was required to appoint a Cost Auditor to audit the Cost Accounts maintained by the Company in respect of 'FOOTWEAR' and submit the Cost Audit Report to the Central Government within June 30, every year. Accordingly, the Company appointed M/s. Mani & Co., Cost Accountants as the Cost Auditors of the Company and submitted the Cost Audit Reports to the Ministry of Corporate Affairs, Cost Audit Branch till the Financial Year ended December 31, 2012 and the Compliance Report for the Financial Year ended December 31, 2013 within the stipulated time. In compliance with the requirements of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration paid to the Cost Auditors have been ratified by the Members at the Extraordinary General Meeting held on August 4, 2014.

The Ministry of Corporate Affairs, Government of India, Cost Audit Branch, New Delhi vide Notification dated December 31, 2014 introduced the Companies (Cost Records & Audit) Amendment Rules, 2014. According to the newly Amended Rules, the requirement of conducting Cost Audit and submission of Cost Audit Report by a Company pertaining to 'FOOTWEAR' Industry has been discontinued. In view of the above, your Company shall not be required to appoint the Cost Auditor and/or get the Cost Accounts for 'FOOTWEAR' business audited by the Cost Auditor from the financial year commencing from April 1, 2014 onwards.

SECRETARIAL AUDITOR

In terms of the provisions of Section 204 of the Companies Act, 2013 and Rules framed thereunder, a Secretarial Audit Report in the prescribed format, obtained from a Company Secretary in practice, is required to be annexed to the Board's Report. In view thereof, your Board at its meeting held on August 5, 2014 appointed M/s. P. Sarawagi & Associates, Company Secretaries, 27, Brabourne Road, Kolkata - 700 001 (ICSI Registration No. CP - 4882) as the Secretarial Auditor of your Company. The Secretarial Auditors' Report, in the prescribed format, for the fifteen month period ended March 31, 2015 is annexed to this Directors' Report and forms part of the Annual Report.



DIRECTORS

In terms of the provisions of Section 161 of the Companies Act, 2013, your Board at its Meeting held on May 21, 2014 approved the appointment of Ms. Anjali Bansal and Mr. Kumar Nitesh as Additional Directors with effect from May 21, 2014. At the said Board Meeting, Mr. Kumar Nitesh was also appointed as a Whole time Director designated as "Managing Director - Retail" for a period of five years with effect from May 21, 2014. Subsequently, at an Extraordinary General Meeting (EGM) held on August 4, 2014, the Members of the Company approved the appointment of Mr. Kumar Nitesh as Managing Director - Retail and payment of his remuneration for a period of five years, with effect from May 21, 2014. Mr. Kumar Nitesh shall be liable to retire by rotation at the Annual General Meeting.

In terms of the requirements of Section 149 of the Companies Act, 2013 read with Schedule IV to the Act and Rules framed thereunder, the Members of the Company at the aforesaid EGM held on August 4, 2014 also appointed Mr. Uday Khanna, Mr. Akshay Chudasama and Ms. Anjali Bansal as Independent Directors of your Company for a term up to five consecutive years, effective from August 4, 2014. Such appointments of the Independent Directors have been formalized by issue of separate Appointment Letters and the same are available on the website of the Company, www.bata.in.

During the period under review, Mr. Atul Singh has been appointed as a Director on the Board of Bata Shoe Organization (BSO) and desired to resign from the Board of your Company as it would not be possible for him to devote sufficient time to both the companies. Accordingly, your Board accepted with regret the resignation of Mr. Atul Singh as a Director of the Company with effect from May 21, 2014. Consequently, Mr. Atul Singh ceased to be a Member of the Audit Committee and Nomination and Remuneration Committee of the Board, with effect from May 21, 2014. Your Board places on record its deep appreciation for the contributions made by Mr. Atul Singh during his tenure as an Independent Director of the Company and wishes him success in his future roles.

At the Board Meeting held on May 27, 2015, your Board appointed Mr. Ravindra Dhariwal and Mr. Shaibal Sinha as Additional Directors of the Company with effect from May 27, 2015 to hold office up to the date of the forthcoming Annual General Meeting. At the said Board Meeting, Mr. Ravindra Dhariwal has also been appointed as an Independent Director of the Company for a period of five years with effect from May 27, 2015, subject to approval of the Shareholders at the ensuing Annual General Meeting. The Company has received Notices under Section 160 of the Companies Act, 2013 from Shareholders of the Company along with requisite deposits signifying the candidature of Mr. Ravindra Dhariwal and Mr. Shaibal Sinha for their respective appointments as Directors of the Company at the forthcoming Annual General Meeting.

Brief profiles of Mr. Ravindra Dhariwal and Mr. Shaibal Sinha have been mentioned in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 to the Notice convening the 82nd Annual General Meeting of the Members of the Company and form integral part of this Annual Report.

In accordance with the provisions of the Companies Act, 2013, Rules framed thereunder and the Articles of Association of your Company, Mr. George Nigel John Clemons (Mr. Clemons), Director is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-election. Your Board is of the opinion that continued association of Mr. Clemons with your Board will be of immense benefit to your Company and, therefore, recommends his re-election.

STATUS OF BATANAGAR PROJECT

Further to the status reported in the earlier Annual Reports, regarding an Integrated Township Project at Batanagar, West Bengal being developed by Riverbank Developers Private Limited (RDPL), the erstwhile Joint Venture Company of the Company, your Board would like to inform you that the Government of West Bengal, Land & Land Reforms Department, vide their letter dated January 29, 2015 confirmed to Riverbank Holdings Private Limited [since merged with Riverbank Developers Private Limited (RDPL)] that the obligations of your Company pertaining to the Order of the Government of West Bengal dated April 6, 2006 and Memorandum dated August 25, 2014 as amended vide Memorandum dated November 28, 2014 would be of RDPL and the obligations of your Company stand satisfied. RDPL has been given time up to March 31, 2017 to fulfill the requirements of the aforesaid Memorandums issued by the Government of West Bengal.

In terms of an Addendum Agreement dated December 5, 2013 to the New Development Agreement dated April 28, 2010 executed, *inter alia*, with RDPL, your Company has received approx. 136,955 sq. ft. of constructed space in the Riverbank Project at Batanagar. Your Company is in the process of taking possession of the remaining 1,95,075 sq. ft. of constructed space in the Project, during the current financial year.

In view of the aforesaid letter of the Government of West Bengal and consequent upon completion of construction of the requisite space in the Project, a part of the provisions for contingent liabilities amounting to Rs.9.3 Million has been written back in the books of accounts of your Company as considered no longer necessary.



STATEMENTS UNDER SECTION 217(1)(e) and SECTION 217(2A) OF THE COMPANIES ACT, 1956

- (i) Information relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, etc. for the fifteen month period ended March 31, 2015 as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is provided in an Annexure and the same forms an integral part of this Report.
- (ii) The Statement of employees for the fifteen month period ended March 31, 2015 in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and applicable to your Company is annexed to this Report and forms an integral part thereof.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

Your Directors hereby confirm:-

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) 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 fifteen month financial period, and of the profit of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the Annual Accounts on a going concern basis.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the requirements of Section 177 of the Companies Act, 2013 and revised Clause 49 of Listing Agreement with the Stock Exchanges, your Company has established a vigil mechanism for the Directors and Employees of the Company through which genuine concerns regarding various issues can be communicated. For this purpose, your Board has adopted a Whistle Blower Policy and the same has been uploaded on the website of the company at <http://bata.in/0/pdf/Whistle-Blower-Policy.pdf>. A Vigil Mechanism Committee under the chairmanship of the Audit Committee Chairman has been constituted. The Policy provides access to the Vice President & Head Legal of the Company and to the Chairman of the Audit Committee.

No person has been denied an opportunity to have access to the Vigil Mechanism Committee including the Audit Committee Chairman. However, during the period under review, there has been no incidence reported which requires action by the Vigil Mechanism Committee.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company is committed to provide a safe and secure environment to its women employees across its functions, as they are integral and important part of the organization.

Your Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other women associates. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the fifteen month period ended March 31, 2015:

- No. of Complaints received : Nil
- No. of Complaints disposed off : Nil

Your Company has been conducting awareness campaign across all its manufacturing units, warehouses, retail stores and office premises to encourage its employees to be more responsible and alert while discharging their duties.

POLICY ON PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of shares in your Company by the Directors and designated employees, while they are in possession of unpublished price sensitive information and also during the period when the Trading Window remains closed. All the Directors on your Board and the designated employees have confirmed compliance with the aforesaid Code of Conduct.



In compliance with the requirements of the newly introduced SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015, the Code of Conduct to monitor, regulate and report Insider Trading and the Code for Fair Disclosure of the Unpublished Price Sensitive Information have been adopted by your Board and the same have been uploaded on the website of the Company at www.bata.in.

During the period under review there has been no incidence of non-compliance reported under the SEBI (Prohibition of Insider Trading) Regulations, 1992.

RELATED PARTY TRANSACTION POLICY

During the fifteen month period ended March 31, 2015, your Company's transactions with the Related Parties as defined under the Companies Act, 2013, Rules framed thereunder and revised Clause 49 of the Listing Agreement with the Stock Exchanges, were in the 'ordinary course of business' and 'at arm's length' basis. Your Company does not have a material unlisted subsidiary. Accordingly, during the period under review, your Company did not have any Related Party Transaction which required prior approval of the Shareholders. Necessary disclosures required under the Accounting Standards (AS-18) have been made in the Notes to Financial Statements.

All Related Party Transactions are placed before the Audit Committee for its prior approval. There has been no materially significant Related Party Transactions during the period under review, which would have any potential conflict with the interest of the Company.

Your Board has approved and adopted a Related Party Transaction Policy which has been uploaded on the website of the Company, www.bata.in and the same can be viewed at the link: <http://bata.in/0/pdf/RelatedPartyTransactionPolicy.pdf>.

SHIFTING OF THE REGISTERED OFFICE

The Registered Office of your Company has been shifted from 6A, S.N. Banerjee Road, Kolkata-700013 to 27B Camac Street, 1st Floor, Kolkata - 700016 with effect from January 1, 2015. The new address of the Registered Office of your Company is within the local limit of Kolkata Municipal Corporation. Necessary formalities in this regard have been complied with pursuant to the provisions of Section 12 of the Companies Act, 2013 and Rules framed thereunder.

SUBSIDIARY COMPANIES

Your Company formed a new wholly owned subsidiary, viz., Way Finders Brands Limited on December 26, 2014. This new subsidiary is yet to commence its commercial operations. Bata Properties Limited and Coastal Commercial & Exim Limited continue to be wholly owned subsidiaries of your Company. In terms of the Circular No.2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs (MCA), Government of India, your Board at its meeting held on May 27, 2015 has given consent for not attaching, *inter alia*, the Balance sheet, Statement of Profit and Loss and other relevant reports and statements of its subsidiary companies to the Balance Sheet of your Company as on March 31, 2015 and have also agreed to comply with the conditions prescribed in the said Circular.

The Annual Reports 2014-15 of the aforesaid subsidiaries for the fifteen month period ended March 31, 2015 will be despatched to the Shareholders of your Company upon receipt of written requests from them. The Annual Reports 2014-15 of these subsidiary companies will also be made available for inspection by the Shareholders of your Company at the Registered Office at 27B Camac Street, 1st Floor, Kolkata - 700 016 between 11:00 a.m. and 1:00 p.m. on any working day.

In compliance with the requirements of the aforesaid MCA Circular, a Statement showing relevant details for the fifteen month period ended March 31, 2015 in respect of Bata Properties Limited and Coastal Commercial & Exim Limited and in respect of Way Finders Brands Limited details since inception up to March 31, 2015, have been included in the Notes to Financial Statements of your Company which forms part of this Annual Report. The audited Financial Statements of these three wholly owned subsidiaries are also available on the website of the Company at www.bata.in. The Consolidated Financial Statements of your Company for the fifteen month period ended March 31, 2015, as prepared in terms of the Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India are also forming part of this Annual Report.

MANAGEMENT DISCUSSION ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian domestic footwear industry is estimated to be worth Rs.20 - Rs.25 Thousand Crores, which is mostly dominated by unorganized players. The organized footwear sector accounts for only 30% - 35% of the total footwear industry in India. Over the past few years, the organized footwear sector has witnessed a good growth as the players in the organized footwear markets are penetrating into tier-3 and tier-4 cities in the Country. In the organized sector, approx. 10-12 players jointly control majority of the market share. Over the past few years, in view of a good growth in organizing retailing in India, the overseas footwear manufactures have set their footprints in India through joint venture and other means of collaboration. This has increased competition amongst the existing players of the organized Footwear Industry in India.



India is the second largest global producer of footwear in the World, next only to China. India produces more than 2.5 Billion pairs of footwear per annum, which represents 12% of the global production of approx. 16 Billion pairs of footwear every year. The per capita consumption of footwear in India is estimated to be 2 - 3 pairs, whereas such consumption in the Western Countries, like USA and UK is approx. 5 - 6 pairs. India has a good homogeneous potential due to rapid change in lifestyle, increase in disposable income of middle-class people and continuous growth in number of working women. According to an ASSOCHAM study, the Indian Footwear Industry has been growing at 15% CAGR and the said growth momentum is expected to sustain in the near future.

India exports less than 10% of its total footwear production per year, which means approx. 90% of its footwear production is utilized to meet domestic demand every year. China continues to be the leading country in the World as an exporter. USA and UK are the main contributors to the global footwear import from China and other countries.

The footwear industry across the World has felt the need to adopt eco-friendly practices while improving production methods in order to reduce carbon footprint it leaves behind. Many players in the industry have started using recycled materials in production of eco-friendly footwear. The Footwear manufacturing sector in India can generate 100% Foreign Direct Investment (FDI) through Automatic Route. The Indian Government is also boosting the Footwear Industry by reducing excise duty on certain category of footwear. Such steps by the Government shall create conducive investment climate towards attracting overseas investments and increasing cost competitiveness.

OPPORTUNITIES AND THREAT

Indian economy is poised to witness a GDP growth at 6.5% - 7.5% and has the potential to become the third largest economy in the world, after USA and China. Riding on this opportunity and considering that the European Union is facing its own challenges to keep at pace with the growth of World economy, the Indian Footwear Industry is expected to record a good growth, going forward. A large middle class population which includes the World's largest population of youth at a median age of below 35 years and availability of raw materials, skilled labour and improved technology shall help the footwear Industry to maintain its growth rate of approx. 15% CAGR in the second half of this decade. A rapid increase in urbanization and organized retailing also provide good opportunities to the Indian Footwear Industry to improve its business performance year-on-year.

However, the overall industrial growth in India remains at a very moderate rate. The ever increasing list of foreign players keeping their foothold in India is also posing a threat to the local players who find it difficult to keep pace of their growth in an acutely competitive environment. High rate of inflation which leads to increase in cost of raw materials, non availability of skilled labourers and regulatory environment also considered as challenges for the footwear industry in India. The demand for designer, trendy and comfortable footwear in India is constantly on a rise and the same needs to be made available to them at an affordable price. Catering to the ever-changing need of the Indian customers requires constant improvement of the products on offer.

Your Company enjoys its presence in Indian Footwear Industry for more than eight decades and has established an integrated manufacturing, supply chain and distribution network. Your Company will exploit its leadership position in the organized footwear industry and take appropriate steps to overcome the challenges in the footwear industry to achieve its objectives.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company operates in two segments - Footwear & Accessories and Surplus Property Development. Your Company has chosen Footwear and Accessories as its primary segment.

OUTLOOK

The outlook of Indian Footwear Industry is buoyant. Considering the population of approx. 1.3 Billion people and low per capita consumption of footwear, there is a huge potential of the industry to achieve volume growth. Presently, many small towns and rural areas are being catered by unorganized footwear manufacturers and the need of penetration in these markets by organized players is expected to witness consolidation in the Industry. Factors such as low production cost, abundant availability of raw material, ever-evolving retail ecosystem, buying patterns and a huge consumption market set the Indian Footwear Industry apart. The Indian Footwear Industry has changed dramatically in the past few years and the Country has become a business destination for many players from across the globe. As a consequence, consumer demand have widened with the variety of choices available in each category.



On-line business in Retail Industry shall play a pivotal role in its growth and penetration in the newer markets. Very frequent changes in technology, easy availability of information at the click of a button and sharing of information at social media sites shall be key areas of growth through on-line business. Your Company is aware of the Industry it belongs and is taking appropriate steps to leverage its position to achieve good growth in terms of volumes and profitability. Your Company has been investing to strengthen its Logistics Division with due importance for delivery of footwear and accessories to the customers through 'delivery services', 'cash on delivery' and 'click and collect' services. Your Company shall introduce an exclusive product line to be made available only to the online customers.

RISKS AND CONCERNS

Your Company monitors its major risks and concerns at regular intervals. Appropriate steps are taken in consultations with all concerned to mitigate such risks. In addition to the business risks, some of the major risks and concerns are summarized as under:

Litigation

During the normal course of its business operations, your Company has been subjected to several legal cases in connection with or incidental thereto. These litigations include civil cases, excise and customs related cases, etc. filed by and against the Company. These cases are being pursued with due importance and in consultation with legal experts in respective areas. Your Board believes that the outcome of these cases is unlikely to cause a materially adverse effect on the Company's profitability or business performance. Your Company has a Contingent Liability of Rs. 767.15 Million for the fifteen month period ended on March 31, 2015 as compared to Rs. 673.6 Million as on December 31, 2013. Attention of the Shareholders is drawn to the explanations mentioned in point no. 31 of the Notes to Financial Statements forming integral part of the Balance Sheet as on March 31, 2015 and Profit & Loss Account for the fifteen month period ended on that date. In view of the present status and based on legal advice received, your Board is of the opinion that no provision is required to be made against these Contingent Liabilities during the period under review.

Trade Unions

Your Company has several recognized Trade Unions and enjoys harmonious relationship with all its employees. During the period under review your Company has entered into Long Term Agreements with several Trade Unions.

Globally Competitive Business Environment

Ever increasing competition from local and overseas players in the footwear industry remains a major concern for your Company. Your Company operates in a globally competitive business environment. In view of acute competition from local players as well as global giants with deep pockets, your Company considers competition as a major risk and concern.

Risk Related to changes in Law and Regulations

Your Company operates in a regulatory environment and is required to abide by the laws and regulations of the Country it operates in. Any change in the laws and regulations governing the leather and footwear industry may affect the business and financial performance of your Company.

In addition to the above, your Company is concerned about the sluggish retail growth and slow infrastructural development in India. Many of your Company's retail stores are large formats stores located in Malls. Steep increase in rental costs and high cost of raw materials may negatively impact business performance of your Company. In order to overcome these risks and concerns, your Company has taken appropriate measures, e.g., long term lease agreement for retail stores, alternative sources of raw materials, ensuring availability of skilled labourers, etc. Your Company believes such measures are adequate to mitigate the aforesaid risks and concerns.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate system of internal controls commensurate with its size and scale of operations, to ensure that all assets of the Company are safeguarded and protected and that all transactions are authorized, recorded and reported appropriately. The Internal Audit Report and Risk Inventory Report are reviewed periodically by the Audit Committee of the Board of Directors. The Chief Internal Auditor is a permanent invitee to the Audit Committee Meetings. The Audit Committee advises on various risk mitigation exercises on a regular basis. Your Company has been maintaining a separate Internal Audit Team headed by the Chief Internal Auditor appointed by the Board.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company has been maintaining its profitable growth for the eighth year in a row and believes that this is sustainable, barring unforeseen circumstances.



As mentioned in the Annual Reports of earlier years, since April-2010, Bank borrowing of your Company is Nil and the entire capital expenditure is being funded through internal accruals.

Your Board has recommended a dividend @ Rs. 6.50 per share (i.e., 65%) on equity shares for the fifteen month period ended on March 31, 2015, subject to approval of the shareholders at the ensuing Annual General Meeting.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Industrial Relations

The overall Industrial Relations in all the manufacturing units have been cordial in 2014. Some highlights are as under:

Industrial Relation situation in the manufacturing units has been peaceful throughout the year. No man days were lost during the year.

Different HR initiatives have been undertaken in the Manufacturing Units of your Company. Some of these initiatives included "The Best Employee" Awards, Medical Camps, Long Service Awards, Sports, Celebration of National Festivals, etc.

People Employed

As on March 31, 2015, there were 4,814 permanent employees on the rolls of your Company.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government regulations, tax regimes, economic developments within the country and outside the country and other factors such as litigation and labour negotiations.

CORPORATE GOVERNANCE

In compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report of your Company and a Certificate on Corporate Governance Compliance received from M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, the Statutory Auditors of your Company, are attached as separate Annexure to this Report.

ACKNOWLEDGMENT

Your Board appreciates the invaluable contribution of the management team for their leadership and all employees of the Company for their indefatigable efforts which plays a pivotal role in achieving the objectives of the Company.

Your Board acknowledges the co-operation and support received from investors, shareholders, customers, business associates, bankers, vendors and the Regulatory and Government authorities.

Your Board remains thankful to Bata Shoe Organization for their continuous guidance, support and co-operation in smooth operations of the Company.

The Independent Directors of your Company were of immense benefit to your Board for sharing their valuable experience and wisdom with the management in deciding strategies and advising them to take appropriate steps towards achieving the objectives of the Company. Your Board wishes to place on record its deep appreciation of the Independent Directors for their continuous support and guidance towards improving the performance of the Company.

For and on behalf of the Board of Directors

Place: Gurgaon
Date: May 27, 2015

UDAY KHANNA
Chairman
(DIN: 00079129)



INFORMATION AS PER SECTION 217(1)(e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE FIFTEEN MONTH PERIOD ENDED ON 31st MARCH 2015.

I. CONSERVATION OF ENERGY

A. Energy Savings Evaluation for the year 2014 & 2015 (Jan'14 to Mar'15)

Sl.	Criteria	Value
1	Annual Saving - From Jan'14 to Mar'15 (Rs.)	11.29 Mn
2	Energy Saving / Pair (Rs.)	0.88
3	Energy Savings against total cost of Energy (in %)	8.40%

B. Energy Conservation Measures Obtained (Jan'14 to Mar'15)

1. Installation of Briquette Fired Boiler at Batanagar.
2. Installation of Baby Boiler at Batanagar.
3. Energy efficient 'Motion-sensor control 'for auto operation of office lighting.
4. Installation of Energy efficient Screw Compressor, GA 55 & GA 37 at Batanagar.
5. Isolation of 1000Kva Transformer at Batanagar.
6. Replacement of conventional tube light by energy efficient'T5 tube light Batanagar.
7. Replacement of Metal halide bay light by Energy efficient LED light at Batanagar.
8. Replacement of 'SON' boundary light by Energy efficient LED light at Batanagar.
9. More application of Translucent Sheet for maximum use of day light at Batanagar.
10. LED in Canteen & Product Development at Batanagar and LED at Southcan & Bataganj.
11. VFD for Heat Setter & Heat Reactivat or Machine at Batanagar.
12. Floating Aerator in STP at Batanagar.
13. Introduction of 'PRS in Autoclaves' for optimizing steam generation.
14. Introduction of 65 nos. natural turbo fans on roof to control ambient temperature.

C. Energy Conservation Measures Proposed (Apr'15 to Mar'16)

1. Installation of energy saver LED lights.
2. Installation of translucent Sheet in workshop for maximum use of day light.
3. Installation of solar lighting.
4. Installation of motion sensor for energy saving.
5. Energy Efficient process water pump.
6. Reduction of contact demand.
7. Rationalization of Compounding, Mixing & Pressing section in Rub. Factory.
8. Energy saver air conditioner.
9. Isolation of 560 KVA transformer (2 nos.).
10. Energy efficient 'T5' to replace conventional 'T8' lighting in Bata New Housing Complex.



11. Installation of VFD drive for conveyors.

Cost of Energy :

UNIT(KWH)	(Jan - Dec)' 2013 (Rs.)	(Jan - Dec)'2014 (Rs.)	(Jan to Mar)' 2015 (Rs.)
Unit Cost of C.E.S.C.	8.26	8.24	9.14
Unit Cost of Self Generation	23.38	24.10	22.83

II. FOREIGN EXCHANGE EARNING AND OUTGO

- A. Activities relating to exports : Rs. 276.64 million
 B. Total Foreign exchange used : Rs. 2523.77 million
 C. Total Foreign exchange earned : Rs. 276.64 million

III. PARTICULARS AS PER FORM B

A. Research & Development (R & D)

1) Specific area in which R & D is carried out by the company

- 1.1 Material Development
- 1.2 Process Development
- 1.3 Product Development
- 1.4 Foot Wear Moulds
- 1.5 Solid Waste Utilization
- 1.6 Energy Savings
- 1.7 Safer Environment
- 1.8 Cater to export specification requirement
- 1.9 Computerization and Data processing.

2) Benefits as a result of R & D (2014)

- 2.1 Developed & Introduced Chromium VI free leather safety footwear for E.H.S point of view.
- 2.2 Developed & introduced new range of soft cushion comfort EVA Hawai with use of EVA with 28% VA content.
- 2.3 Developed & Introduced PUR Safety Boot (Rubber outsole & PU midsole).
- 2.4 Developed & introduced cost effective product to get competitive edge without deteriorating the quality level by Substituting new /alternative chemicals & synthetic upper lining material etc.
- 2.5 Developed & introduced water based Primer for PVC sole in place of solvent based primer for pollution free environment.
- 2.6 Developed & introduced water based lacquer spray for shoe finish for E.H.S. point of view.
- 2.7 Developed & exported canvas tennis shoes to European market.
- 2.8 Developed & introduced AUSTIN (APX™) tyre reclaim rubber in Black Jogger outsole as a sustainability project & to save environment from huge deposition of waste tyre pollution.
- 2.9 Developed Water base primer for EVA sole/midsole in place of solvent base EVA primer for pollution free environment.
- 2.10 Developed Water base glossy lacquer spray for Leather sandal in place of solvent base glossy lacquer for E.H.S. point of view.



3) Future plan of action (2015)

- 3.1 Development of light weight rubbery feels air-blown DIP PVC sole.
- 3.2 Development of low density Polyester PU Sandal.
- 3.3 Development of PU safety Boot with hydrolysis proof above 2 years.
- 3.4 Development of TPU - PVC blended DIP PVC sole for better slip resistance.
- 3.5 Development of Antifungal & Anti-bacterial Upper, Lining & Socks material in Leather Safety Foot wears with application of N9 Pure Silver Plastix TG Technology.
- 3.6 Development of cost effective product to get competitive edge without deteriorating the quality level by substituting new/alternative chemicals/materials.
- 3.7 Development of fire, solvents, acids, alkali resistance Safety Boot.
- 3.8 Utilization of PU waste materials for Healthy environment.
- 3.9 Development of Snow Boot as per Army Specified Standard.
- 3.10 Development & Introduction of Vulcanisable water base PU/Neoprene adhesive for Canvas footwear.

4) Expenditure on R & D (2014-15)

Capital	-	Rs. 1.29 Mn
Recurring	-	Rs. 74.89 Mn
Total	-	Rs. 76.18 Mn
Percentage of turnover	-	0.28%.

5) Technology absorption, adaptation & innovation

i. Efforts:

- a) Continuous and strengthened technical efforts for development and Production of wide range of Hi-tech shoes.
- b) Development of products and components of international quality and to import of technology through B.S.O. assistance.

ii. Benefits:

- a) International standard quality of products.
- b) New techniques and technology of production.

For and on behalf of the Board of Directors

Place: Gurgaon
Date: May 27, 2015

UDAY KHANNA
Chairman
(DIN: 00079129)



BATA INDIA LIMITED

STATEMENT OF EMPLOYEES FOR THE FIFTEEN MONTH PERIOD ENDED 31.03.2015 FORMING PART OF THE DIRECTORS' REPORT, PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AS AMENDED TILL DATE

Employed throughout the fifteen month period under review and were in receipt of remuneration aggregating not less than Rs. 60,00,000 per annum.

Sr. No.	Name	Designation	Nature of Employment whether contractual or otherwise	Nature of duties of the employee	Qualification	Age	Date of joining / resignation Bata India Limited	Experience No. of years including previous employment	Remuneration (Rs. in millions)	Last Employment- Designation
1	Gopalakrishnan Rajeev	Managing Director	Contractual	Head of Company Operations	B.E (Mechanical)	50	01.01.2011	24	50.32	Bata Bangladesh Ltd- Managing Director
2	Tonelli E	Vice President	Contractual	Incharge of Merchandising- Flagship	Commercial School	67	01.06.2003	45	24.39	Bata Europe, Paris- Shoeliner Builder
3	Mathur Ranjit	Director - Finance	Contractual	Finance & Accounts	B. Com. CA	46	01.01.2012	23	17.54	Dow Corning India Pvt. Ltd- Head of Finance
4	Kanth Sanjay	Sr. Vice President- Manufacturing & Sourcing	Contractual	Manufacturing & Purchasing	B.A-Economics , Diploma in Marketing Mgmt, MBA - Operations MDP	52	02.07.2012	30	13.79	Aldias Technical Services Pvt. Ltd- Head of operations
5	Mahajan Sanjay	Sr. Vice President-IT	Contractual	Information Technology	B.Sc. M.Sc - Maths, P.G.Diploma in Computer Science & Application	46	10.06.2013	22	9.89	Yum Restaurants India Pvt. Ltd IT-Director
6	Jain Anup	Retail Head	Contractual	Retail Operations	B.E (Mechanical) MBA-Business Management	43	12.08.2013	20	11.56	Yum Restaurants India Pvt. Ltd Sr-Director
7	Lambert Matteo	Astt. Vice President	Contractual	Product Development	Bachelor Degree in Literature & Social Studies	43	06.06.2013	18	9.74	Artisana Spa - Group Buyer
8	Ehsanuzzaman AH M	Sr. Vice President	Contractual	Functional Head-BEM	B.Sc-Mech. Eng, MBA	54	01.12.2013	30	22.67	Bata (Malaysia) Sdn Bhd Functional Head-BEM
9	Kumar Sumit	Vice President & Head - Marketing & Customer Services	Contractual	Functional Head - Marketing & Customer Care	B.Com, MBA- Marketing, Diploma in Hotel Mgmt. & Catering Technology	38	02.09.2013	17	7.70	Marks & Spencer, UK Head of Marketing

Employed throughout the fifteen month period under review and were in receipt of remuneration not less than Rs. 5,00,000 per month.

1	Ferraris F	Vice President	Contractual	Product Development	Diploma	66	18.03.2002	33	19.89	Ellesse, Italy-Vice President Product Development
2	Nitesh Kumar	Managing Director- Retail	Contractual	Head of Retail Operations	B.Sc. PGDBM (Mkt)	39	01.04.2014	15	19.52	Bata Bangladesh Ltd Managing Director

Notes :

1. Remuneration as shown above includes, *inter alia*, Company's contribution to provident funds, pension funds, house rent allowance, leave travel facility, medical insurance premium and taxable value of perquisites.
2. None of the employee mentioned above is a relative of any of the Director of the Company.

Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Uday Khanna
Chairman
DIN: 00079129

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the fifteen month period ended March 31, 2015

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

I. Registration and other details

CIN	L19201WB1931PLC007261
Registration Date	23.12.1931
Name of the Company	Bata India Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	27B Camac Street, 1st Floor Kolkata - 700 016; Telephone: (033) 39802001
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	R&D Infotech Private Limited 7A, Beltala Road, 1st Floor, Kolkata - 700 026; Telephone: (033) 24192641/2642

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
FOOTWEAR - Retail	477113	79%
FOOTWEAR - Wholesale	46413	13%

III. Particulars of Holding, Subsidiary and Associate Companies

Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
Bata (BN) BV Prins Bernhardplein200 1097 JB, Amsterdam, Netharlands	Company Registration No. 33155481	Holding	52.96	2(46)
Way Finders Brands Limited 204, Rashbehari Avenue Kolkata - 700 029	U51909WB2014PLC204637	Subsidiary	100	2(87)
Bata Properties Limited 6A, S. N. Banerjee Road Kolkata - 700 013	U70101WB1987PLC042839	Subsidiary	100	2(87)
Coastal Commercial & EXIM Limited 16A, Shakespeare Sarani Kolkata - 700 071	U51311WB1991PLC053364	Subsidiary	100	2(87)



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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the period				No. of Shares held at the end of the period				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	0	0	0	0	0	0	0	0	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	34032757	0	34032757	52.96	34032757	0	34032757	52.96	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	34032757	0	34032757	52.96	34032757	0	34032757	52.96	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	34032757	0	34032757	52.96	34032757	0	34032757	52.96	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	6014034	1401	6015435	9.36	6376255	1401	6377656	9.92	0.56
b) Banks / FI	21508	943	22451	0.04	87468	943	88411	0.14	0.10
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	928434	250	928684	1.45	938748	250	938998	1.46	0.01
g) FIs	12109515	512	12110027	18.84	11380418	512	11380930	17.71	-1.13
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	19073491	3106	19076597	29.69	18782889	3106	18785995	29.23	-0.46
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	2397900	7483	2405383	3.74	2796253	7463	2803716	4.36	0.62
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs 1 lakh	6413238	1204451	7617689	11.85	6589761	1088417	7678178	11.95	0.10
ii) Individual Shareholders holding nominal share capital in excess of Rs 1 lakh	1126344	0	1126344	1.75	958124	0	958124	1.49	-0.26
c) Others (specify)									
Directors and relatives	5000	0	5000	0.01	5000	0	5000	0.01	0
Sub-Total (B)(2):	9942482	1211934	11154416	17.35	10349138	1095880	11445018	17.81	0.46
Total Public Shareholding (B)=(B)(1)+(B)(2)	29015973	1215040	30231013	47.04	29132027	1098986	30231013	47.04	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	63048730	1215040	64263770	100.00	63164784	1098986	64263770	100.00	0



ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the period			Shareholding at the end of the period			% change in shareholding during the period
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
BATA (BN) BV	34032757	52.96	0	34032757	52.96	0	0
Total	34032757	52.96	0	34032757	52.96	0	0

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the period	34032757	52.96		
Datewise Increase / Decrease in Promoters Shareholding during the period specifying the reasons for increase / decrease allotment / transfer / bonus / sweat equity etc):	NO CHANGE DURING THE PERIOD			
At the end of the period			34032757	52.96

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the period		Cumulative Shareholding during the period		
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1. IDFC PREMIER EQUITY FUND					
At the beginning of the period	1615000	2.51			
Date wise increase(+)/decrease(-) with reasons, during the period	NO CHANGE DURING THE PERIOD				
At the end of the period			1615000	2.51	
2. FIL INVESTMENTS (MAURITIUS) LTD.					
At the beginning of the period	2291073	3.57			
Date wise increase(+)/decrease(-) with reasons, during the period					
Date	Reason				
31.03.2014	Sell	-55696	-0.09	2235377	3.48
04.04.2014	Sell	-52632	-0.08	2182745	3.40
11.04.2014	Sell	-33928	-0.05	2148817	3.34



For Each of the Top 10 Shareholders		Shareholding at the beginning of the period		Cumulative Shareholding during the period	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
25.04.2014	Sell	-114194	-0.18	2034623	3.17
02.05.2014	Sell	-16452	-0.03	2018171	3.14
09.05.2014	Sell	-17945	-0.03	2000226	3.11
16.05.2014	Sell	-41658	-0.06	1958568	3.05
30.05.2014	Sell	-47913	-0.07	1910655	2.97
06.06.2014	Sell	-261970	-0.41	1648685	2.57
13.06.2014	Sell	-18358	-0.03	1630327	2.54
27.03.2015	Sell	-16792	-0.03	1613535	2.51
31.03.2015	Sell	-39573	-0.06		
At the end of the period				1573962	2.45
3. LIFE INSURANCE CORPORATION OF INDIA					
At the beginning of the period		619620	0.96		
Date wise increase(+)/decrease(-) with reasons, during the period					
Date	Reason				
03.01.2014	Sell	-83468	-0.13	536152	0.83
10.01.2014	Sell	-13277	-0.02	522875	0.81
25.07.2014	Sell	-349	0.00	522526	0.81
01.08.2014	Sell	-11702	-0.02	510824	0.79
08.08.2014	Sell	-53149	-0.08	457675	0.71
20.03.2015	Buy	25000	0.04	482675	0.75
27.03.2015	Buy	140000	0.22	622675	0.97
31.03.2015	Buy	143500	0.22		
At the end of the period				766175	1.19
4. AXIS MUTUAL FUND TRUSTEE LTD. A/C. AXIS MUTUAL FUND A/C. AXIS LONG TERM EQUITY FUND					
At the beginning of the period		143256	0.22		
Date wise increase(+)/decrease(-) with reasons, during the period					
Date	Reason				
10.01.2014	Buy	20000	0.03	163256	0.25
17.01.2014	Buy	30000	0.05	193256	0.30
24.01.2014	Buy	1224	0.00	194480	0.30
31.01.2014	Buy	20000	0.03	214480	0.33
07.02.2014	Buy	2760	0.00	217240	0.34
14.02.2014	Sell	-7000	-0.01	210240	0.33
07.03.2014	Buy	35000	0.05	245240	0.38
14.03.2014	Buy	10000	0.02	255240	0.40
18.04.2014	Buy	15000	0.02	270240	0.42
09.05.2014	Buy	15000	0.02	285240	0.44
18.07.2014	Buy	37261	0.06	322501	0.50
25.07.2014	Buy	20000	0.03	342501	0.53
08.08.2014	Buy	82000	0.13	424501	0.66
29.08.2014	Buy	25000	0.04	449501	0.70

For Each of the Top 10 Shareholders		Shareholding at the beginning of the period		Cumulative Shareholding during the period	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
12.09.2014	Buy	3450	0.01	452951	0.70
24.10.2014	Buy	50000	0.08	502951	0.78
09.01.2015	Buy	20000	0.03	522951	0.81
16.01.2015	Buy	50000	0.08	572951	0.89
06.02.2015	Buy	10000	0.02	582951	0.91
20.02.2015	Buy	10000	0.02	592951	0.92
06.03.2015	Buy	56350	0.09	649301	1.01
27.03.2015	Buy	50000	0.08	699301	1.09
31.03.2015	Buy	15000	0.02		
At the end of the period				714301	1.11
5. HDFC TRUSTEE COMPANY LTD - A/C. HDFC MID-CAP OPPORTUNITIES FUND					
At the beginning of the period		624910	0.97		
Date wise increase(+)/decrease(-) with reasons, during the period		NO CHANGE DURING THE PERIOD			
At the end of the period				624910	0.97
6. LO FUNDS - EMERGING CONSUMER					
At the beginning of the year		825000	1.28		
Date wise increase(+)/decrease(-) with reasons, during the period					
Date	Reason				
10.01.2014	Buy	5000	0.01	830000	1.29
21.02.2014	Buy	25000	0.04	855000	1.33
07.03.2014	Buy	35000	0.05	890000	1.38
19.09.2014	Sell	-40000	-0.06	850000	1.32
10.10.2014	Sell	-13901	-0.02	836099	1.30
17.10.2014	Sell	-61099	-0.10	775000	1.21
31.10.2014	Sell	-80000	-0.12	695000	1.08
07.11.2014	Sell	-45000	-0.07	650000	1.01
31.12.2014	Sell	-40000	-0.06	610000	0.95
09.01.2015	Sell	-30000	-0.05	580000	0.90
30.01.2015	Sell	-30000	-0.05	550000	0.86
06.02.2015	Sell	-20000	-0.03		
At the end of the period				530000	0.82
7. AEGON CUSTODY BV - MM EMERGING MARKET FUND-SCHRODER INVESTMENT MANAGEMENT (SINGAPORE) LTD.					
At the beginning of the period		338972	0.53		
Date wise increase(+)/decrease(-) with reasons, during the period					
Date	Reason				
23.05.2014	Buy	85900	0.13	424872	0.66
31.10.2014	Buy	31320	0.05		
At the end of the period				456192	0.71



		Shareholding at the beginning of the period		Cumulative Shareholding during the period	
For Each of the Top 10 Shareholders		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
8. MORGAN STANLEY ASIA (SINGAPORE) PTE					
At the beginning of the period		582979	0.91		
Date wise increase(+)/decrease(-) with reasons, during the period					
Date	Reason				
17.01.2014	Sell	-750	0.00	582229	0.91
07.02.2014	Sell	-27042	-0.04	555187	0.86
21.02.2014	Sell	-50169	-0.08	505018	0.79
28.02.2014	Sell	-7750	-0.01	497268	0.77
07.03.2014	Sell	-15603	-0.02	481665	0.75
14.03.2014	Sell	-21619	-0.03	460046	0.72
21.03.2014	Sell	-68090	-0.11	391956	0.61
31.03.2014	Sell	-99526	-0.15	292430	0.46
04.04.2014	Buy	6754	0.01	299184	0.47
02.05.2014	Buy	95660	0.15	394844	0.61
09.05.2014	Buy	2393	0.00	397237	0.62
16.05.2014	Buy	1570	0.00	398807	0.62
23.05.2014	Sell	-1472	0.00	397335	0.62
30.05.2014	Sell	-7000	-0.01	390335	0.61
22.08.2014	Buy	5542	0.01	395877	0.62
05.09.2014	Buy	27829	0.04	423706	0.66
12.09.2014	Buy	147476	0.23	571182	0.89
19.09.2014	Buy	33030	0.05	604212	0.94
30.09.2014	Buy	7730	0.01	611942	0.95
10.10.2014	Buy	10473	0.02	622415	0.97
24.10.2014	Buy	500	0.00	622915	0.97
21.11.2014	Buy	84450	0.13	707365	1.10
28.11.2014	Buy	8313	0.01	715678	1.11
12.12.2014	Buy	6916	0.01	722594	1.12
19.12.2014	Sell	-18287	-0.03	704307	1.10
31.12.2014	Buy	3000	0.00	707307	1.10
16.01.2015	Buy	33000	0.05	740307	1.15
23.01.2015	Sell	-85950	-0.13	654357	1.02
30.01.2015	Buy	28000	0.04	682357	1.06
06.02.2015	Buy	2000	0.00	684357	1.06
13.02.2015	Sell	-12620	-0.02	671737	1.05
20.02.2015	Buy	5000	0.01	676737	1.05
27.02.2015	Sell	-46000	-0.07	630737	0.98
06.03.2015	Sell	-250	0.00	630487	0.98
20.03.2015	Sell	-28500	-0.04	601987	0.94
27.03.2015	Sell	-83800	-0.13	518187	0.81
31.03.2015	Sell	-64528	-0.10		
At the end of the period				453659	0.71

For Each of the Top 10 Shareholders	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9. VIDYA INVESTMENT AND TRADING CO. PVT. LTD.				
At the beginning of the period	413827	0.64		
Date wise increase(+)/decrease(-) with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period			413827	0.64
10. GREATER INDIA PORTFOLIO				
At the beginning of the period	334674	0.52		
Date wise increase(+)/decrease(-) with reasons, during the period	NO CHANGE DURING THE PERIOD			
Date	Reason			
19.12.2014	Buy	33930	368604	0.57
31.12.2014	Buy	27835		
At the end of the period			396439	0.62

v) **Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors and KMP	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr. Uday Khanna, Chairman				
At the beginning of the period	5000	0.01		
Date wise increase (+) / decrease (-) with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period			5000	0.01

Other than Mr. Uday Khanna, Chairman no other Director and Key Managerial Personnel's holds any share in the Company during the period from January 1, 2014 to March 31, 2015.

V. **INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial period				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial period				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial period				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Millions)

Sl. No.	Particulars of Remuneration	Rajeev Gopalakrishnan, Managing Director and Chief Executive Officer	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	34.27	34.27
	(b) Value of perquisites under Section 17(2) Income-Tax Act, 1961	—	—
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	—	—
2	Stock Options	—	—
3	Sweat Equity	—	—
4	Commission	—	—
	- as % of profit	—	—
	- others, specify....	—	—
5	Incentive based on Annualised Target	16.05	16.05
	Total (A)	50.32	50.32

(Rs. in Millions)

Sl. No.	Particulars of Remuneration	Ranjit Mathur, Director Finance and Chief Financial Officer	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	11.54	11.54
	(b) Value of perquisites under Section 17(2) Income-Tax Act, 1961	—	—
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	—	—
2	Stock Options	—	—
3	Sweat Equity	—	—
4	Commission	—	—
	- as % of profit	—	—
	- others, specify....	—	—
5	Incentive based on Annualised Target	6.00	6.00
	Total (A)	17.54	17.54



(Rs. in Millions)

Sl. No.	Particulars of Remuneration	Kumar Nitesh, Managing Director - Retail (Wholetime Director)	Total Amount
1	Gross Salary	19.52	19.52
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	—	—
	(b) Value of perquisites under Section 17(2) Income-Tax Act, 1961	—	—
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	—	—
2	Stock Options	—	—
3	Sweat Equity	—	—
4	Commission	—	—
	- as % of profit	—	—
	- others, specify	—	—
5	Others, please specify	—	—
	Total (A)	19.52	19.52

B. Remuneration to other Directors:

1. Independent Directors

(Rs. in Millions)

Sl. No.	Particulars of Remuneration	Name of the Directors				
		Mr. Uday Khanna	Mr. Akshay Chudasama	Ms. Anjali Bansal	Mr. Atul Singh (resigned to be director w.e.f May 21, 2014)	Total
1	-Fee for attending Board/Committee Meetings	0.42	0.36	0.18	0.06	1.02
2	- Commission	2.30	1.15	—	1.15	4.60
3	- Others, please specify	—	—	—	—	—
	Total (B)(1)	2.72	1.51	0.18	1.21	5.62

2. Other Non Executive Directors

(Rs. in Millions)

Sl. No.	Particulars of Remuneration	Name of the Directors		Total Amount
		Mr. Jack Clemons	Mr. Jorge Carbajal	
1	Fee for attending Board/Committee Meetings	—	—	—
2	- Commission	—	—	—
3	- Others, please specify	—	—	—
	Total (B)(2)	—	—	—



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs. in Millions)

Sl. No.	Particulars of Remuneration	Maloy Kumar Gupta, Company Secretary	Total Amount
1	Gross Salary	3.22	3.22
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	—	—
	(b) Value of perquisites under Section 17(2) Income-Tax Act, 1961	—	—
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	—	—
2	Stock Options	—	—
3	Sweat Equity	—	—
4	Commission	—	—
	- as % of profit	—	—
	- others, specify	—	—
5	Others, please specify	—	—
	Total (A)	3.22	3.22

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY Penalty Punishment Compounding			NIL		
B. DIRECTORS Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			NIL		

[In terms of Clause 49 of the Listing Agreement with the Stock Exchanges]

I. COMPANY'S PHILOSOPHY

The Company believes that establishing good Corporate Governance in each and every function of the organization is the key to achieve sustainable growth and enhanced value for the stakeholders. As a good corporate citizen of the Country, the Company always endeavors to set the highest standards of good and ethical Corporate Governance practices and carries its business operations in a fair, transparent and ethical manner. The Company holds itself accountable and responsible to the society it belongs and considers it imperative to abide by the laws and regulations of the land in letter and spirit.

The Securities and Exchange Board of India has amended the provisions relating to Corporate Governance Norms as specified in the amended Listing Agreement with the Stock Exchanges. The Company has promptly taken all necessary steps to implement the revised Norms of Corporate Governance. The Company understands that compliances of applicable legislations and timely disclosures enhance the image of the Company.

The Board of Directors of the Company has framed a Code of Conduct for its Directors and Senior Management Personnel. The Code of Conduct is available on the website of the Company at www.bata.in.

II. BOARD OF DIRECTORS

A. COMPOSITION AND CATEGORY OF DIRECTORS

The Board of Directors of the Company has been constituted under the Chairmanship of an Independent Director and comprises of requisite number of Independent Directors, Non-Executive Directors and Executive Directors. The Board has an appropriate mix of vast knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner.

The Board meets at least once in every quarter and also as and when required. During the fifteen month period ended March 31, 2015, seven Board Meetings were held on February 12, 2014; May 1, 2014; May 21, 2014; August 5, 2014; November 5, 2014; December 4, 2014 and February 11, 2015. The Composition of Directors and the attendance at the Board Meetings during the fifteen month period ended on March 31, 2015 and the last Annual General Meeting as also number of other directorships and Committee memberships are given below :

Name of the Director	Category of Director	Attendance at Meetings		Directorship/ Committee membership in Public Limited Companies (including Bata India Limited)	
		No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in Public Limited Companies*	No. of Committee Memberships/ Chairmanship**
Mr. Uday Khanna	Chairman & Independent Director	7	Yes	7	9 (Chairman of 5)
Mr. Rajeev Gopalakrishnan	Managing Director (Executive Director)	6	Yes	3	1
Mr. Ranjit Mathur	Director Finance (Executive Director)	7	Yes	4	1
Mr. Kumar Nitesh# (Appointed w.e.f. 21.05.2014)	Whole-Time Director (Executive Director)	4#	Yes	2	Nil
Mr. Jack G.N. Clemons	Non-Executive Director	3	No	1	1
Mr. Jorge Carbajal	Non-Executive Director	3	No	1	1
Mr. Akshay Chudasama	Independent Director	6	Yes	2	2 (Chairman of 1)
Ms. Anjali Bansal# (Appointed w.e.f. 21.05.2014)	Independent Director	4#	Yes	3	1 (Chairman of 1)
Mr. Atul Singh# (Resigned w.e.f. 21.05.2014)	Independent Director	1#	No	1	1 (Chairman of 1 till 21.05.2014)

NOTE: * Excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

** Includes only Audit Committee and Stakeholders Relationship Committee as per the Companies Act, 2013, Rules framed thereunder and Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Atul Singh resigned from the Board and consequently ceased to be the Chairman of the Audit Committee and a Member of the Nomination & Remuneration Committee of the Board with effect from May 21, 2014. Ms. Anjali Bansal and Mr. Kumar Nitesh were appointed w.e.f. May 21, 2014. Accordingly, the attendances at Board Meetings by these Directors are for part of the period under review.



At the Board Meeting held on May 27, 2015, Mr. Ravindra Dhariwal was appointed as an Additional Director and Independent Director and Mr. Shaibal Sinha was appointed as an Additional Director, liable to retire by rotation at Annual General Meeting, subject to approval of the Shareholders at the forthcoming Annual General Meeting.

B. APPOINTMENT AND TENURE OF THE DIRECTORS

The Directors of the Company are appointed by the Members at General Meetings. Generally, the Managing Director and Whole Time Directors (Executive Directors) are appointed for a period of five years. The Non-Executive Directors (other than the Independent Directors) are liable to retire by rotation at Annual General Meeting and if eligible, may seek approval of the shareholders for their re-appointment.

In terms of the provisions of Section 149(5) of the Companies Act, 2013 and Rules framed thereunder, the Members of the Company at the Extraordinary General Meeting held on August 4, 2014 approved the appointment of Independent Directors of the Company for a period of five years.

All the aforesaid appointments of Directors on the Board of Directors of the Company are strictly in compliance with Clause 49 of the Listing Agreement with the Stock Exchanges and also in compliance of the Companies Act, 2013 and Rules framed thereunder read with Schedule IV (applicable only to the Independent Directors). The Nomination and Remuneration Committee recommends to the Board the appointment of a Director based on his/her eligibility, experience and qualifications. Necessary disclosures are also obtained from the Independent Directors confirming their eligibility and independence in compliance with the requirements of Section 149(6) of the Companies Act, 2013 and as envisaged under Clause 49(II)(B) of the Listing Agreement with the Stock Exchanges.

A formal letter of appointment setting out the terms and conditions of appointment, roles and functions, duties, fees and remuneration, resignation/removal, etc., as specified under Schedule IV to the Companies Act, 2013 are issued to the Independent Directors subsequent to obtaining approval of the Shareholders to their respective appointments. The terms and conditions of such appointments of the Independent Directors are also posted on the website of the Company at www.bata.in.

C. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company, a Familiarization Program for the Independent Directors has been adopted and implemented.

Once appointed, the Independent Directors undergo the Familiarization program of the Company. Necessary information and supportive documents in respect of the footwear industry, the regulatory environment under which the Company operates and Annual Reports are provided to the Independent Directors. The Independent Directors visit the Corporate Office of the Company and hold one on one discussions with the Functional Heads of the Company to understand various functions which are critical to business performance of the Company. The Independent Directors are also provided with financial results, internal audit findings, risk inventories and other specific documents as sought for from time to time. The Independent Directors are also made aware of the various Policies and Code of Conduct and Business Ethics adopted by the Board.

The Company has disclosed its Familiarization Program for Independent Directors on the website of the Company at www.bata.in and the same is available at the link : <http://bata.in/0/pdf/Familiarization-Program-for-Independent-Directors.pdf>

D. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In compliance with the requirements of Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, a separate meeting of the Independent Directors was held on February 11, 2015 without the presence of any Executive or Non-Executive Director or any other Management Representative. All the Independent Directors of the Company were present at the meeting, in order to:

- a. review the performance of Non-Independent Directors and the Board as a whole;
- b. review the performance of the Chairman of the Board, taking into account the views of Executive Directors and Non-Executive Directors;
- c. assess the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors also meet the Executive Directors at least once in every quarter separately to discuss various important issues including succession planning and business strategies.



E. CODE OF CONDUCT

i. A Code of Conduct for all Board Members and Senior Management Personnel of the Company has been adopted by the Board of Directors of the Company. Details of the said Code of Conduct of the Company are available on the website of the Company: www.bata.in.

ii. **Annual Declaration by CEO pursuant to Clause 49(II)(E)(2) of the Listing Agreement with the Stock Exchanges:**

As the Managing Director (Chief Executive Officer) of Bata India Limited and as required under Clause 49(II)(E)(2) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the fifteen month period ended March 31, 2015.

Rajeev Gopalakrishnan
Managing Director (CEO)

F. WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. This mechanism provides adequate safeguards against victimization of whistle blower who avails of the mechanism and it also provides direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy has been uploaded on the website of the Company, the link is attached <http://bata.in/0/pdf/Whistle-Blower-Policy.pdf>.

During the fifteen month period ended March 31, 2015, there has been no incidence reported to the Vigil Mechanism Committee or the Chairman of the Audit Committee.

III. AUDIT COMMITTEE

The Board of Directors has reconstituted the Audit Committee as per the requirements under the Companies Act, 2013, Rules framed thereunder and Clause 49(III)(A) of the Listing Agreement with the Stock Exchanges. The Audit Committee of the Company meets before the finalization of accounts each year and also meets every quarter to review the financial results of the previous quarter before the same are approved at Board Meetings, pursuant to Clause 41 of the Listing Agreement. The Audit Committee may also meet from time to time, if required.

The Audit Committee has been vested with the following powers:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of reference

The Audit Committee reviews the Reports of the Internal Auditor and the Statutory Auditors periodically and discusses their findings. The role of the Audit Committee is as follows:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of section 217 of the Companies Act, 1956 and clause (c) of subsection 3 of Section 134 of the Companies Act, 2013 to the extent applicable.



- Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- e. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, if any, and making appropriate recommendations to the Board to take up steps in this matter;
- f. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- g. Approval or any subsequent modification of transactions of the Company with related parties;
- h. Scrutiny of inter-corporate loans and investments;
- i. Valuation of undertakings or assets of the Company, wherever it is necessary;
- j. Evaluation of internal financial controls and risk management systems;
- k. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- l. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- m. Discussion with internal auditors any significant findings and follow up there on;
- n. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- o. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, if any;
- p. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- q. To review the functioning of the Whistle Blower Mechanism;
- r. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- s. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

The Audit Committee also reviews the following:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses, if any, issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

Composition

The Audit Committee comprises of three Independent Directors and two Non-Executive Directors. The Chairman of the Audit Committee is an Independent Director. The Audit Committee met six times during the fifteen month period ended March 31, 2015, i.e., on February 12, 2014; May 1, 2014; May 20, 2014; August 4, 2014; November 5, 2014 and



February 11, 2015 and the attendances were as under:

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1.	Mr. Akshay Chudasama	Chairman & Independent Director	6
2.	Mr. Uday Khanna	Independent Director	6
3.	Ms. Anjali Bansal (appointed on May 21, 2014)	Independent Director	3
4.	Mr. Jack G. N. Clemons	Non-Executive Director	3
5.	Mr. Jorge Carbajal	Non-Executive Director	3
6.	Mr. Atul Singh (resigned w.e.f. May 21, 2014)	Independent Director	1

The Chairman of the Audit Committee was present at the Annual General Meeting held on May 21, 2014.

The Executive Directors, the Statutory Auditors, the Internal Auditors, the Cost Auditors and the Head of Finance are permanent invitees to the Audit Committee Meetings. The Company Secretary is in attendance at these Meetings.

IV. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company in compliance with Section 178 of the Companies Act, 2013, Rules framed thereunder and amended Clause 49 of the Listing Agreement with the Stock Exchanges has renamed the existing Nomination, Governance and Compensation Committee as "Nomination and Remuneration Committee" with effect from May 1, 2014 and revised the Terms of Reference of the Committee.

Terms of Reference:

The terms of reference of the Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The remuneration policy and the evaluation criteria are disclosed in its Annual Report.

Composition

The Nomination and Remuneration Committee consists of three Independent Directors and two Non-Executive Directors. In compliance with the provisions of Section 178 of the Companies Act, 2013, Rules framed thereunder and amended Clause 49 of the Listing Agreement with the Stock Exchanges, Mr. Uday Khanna, Chairman of the Board, who was also Chairman of this Committee has relinquished his position as Chairman of the Committee and continues as a Member on the Committee. Ms. Anjali Bansal, Independent Director, has been appointed as the Chairperson of the Committee with effect from May 21, 2014. The Committee met three times during the fifteen month period ended March 31, 2015, i.e., on February 12, 2014; May 21, 2014 and February 11, 2015 and the attendance were as under :

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1.	Ms. Anjali Bansal (appointed on May 21, 2014)	Chairperson & Independent Director	1
2.	Mr. Uday Khanna	Independent Director	3
3.	Mr. Akshay Chudasama	Independent Director	3
4.	Mr. Jack G. N. Clemons	Non-Executive Director	2
5.	Mr. Jorge Carbajal	Non-Executive Director	2
6.	Mr. Atul Singh (resigned w.e.f. May 21, 2014)	Independent Director	1



Remuneration Policy

In compliance with the requirements of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of amended Clause 49 of the Listing Agreement with the Stock Exchanges, the Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee, has adopted a Remuneration Policy for the Directors, Key Managerial Personnel, Functional Heads and other employees of the Company.

The objectives of the Remuneration Policy adopted by the Company are to motivate employees to excel in their performance, recognize their contribution and retaining the talent. The said policy is posted on the Company's website www.bata.in and same is available at the link : http://bata.in/0/pdf/Remuneration-Policy_2015.pdf

Details of remunerations paid to the Directors during the fifteen month period ended March 31, 2015:

- **Executive Directors**

The details of remuneration and perquisites paid to the Executive Directors during the period under review are as under:

(Rs. in Million)

Name	Salary	Incentive	Perquisites	Retirement Benefits
Mr. Rajeev Gopalakrishnan (Managing Director)	20.94	16.05	10.33	3.00
Mr. Ranjit Mathur (Director Finance)	8.38	6.00	2.91	0.98
Mr. Kumar Nitesh* (Managing Director – Retail) (w. e. f. May 21, 2014)	15.60	—	2.46	1.39

* Mr. Kumar Nitesh joined the Company as an employee with effect from April 01, 2014 and subsequently was appointed as the Managing Director – Retail with effect from May 21, 2014. Details of Remuneration shown above are only the remuneration paid to Mr. Kumar Nitesh as Managing Director – Retail.

As the liabilities for Gratuity and Leave Encashment are provided on actuarial basis for the Company as a whole, these amounts pertaining to the Directors are not included above.

Remuneration and perquisites of Executive Directors' as detailed above, also include items, which do not form part of their remuneration and perquisites under Section 197 and 198 of the Companies Act, 2013 and Rules framed thereunder.

The Agreements with the Executive Director(s) are contractual in nature. The Agreements may be terminated at any time by either party giving six months' notice in writing without any cause. In the event the notice is delivered by the Executive Director(s), the Company shall have the option of determining the services of the Executive Director(s) forthwith without any further liabilities whatsoever. In such event, the concerned Executive Director shall be entitled to be paid his full salary for a period of six months as per the Agreement as well as incentive which he would have earned during the same period.

The Company does not have stock options.

- **Non-Executive Directors**

The Board of Directors decides the remuneration of the Non-Executive Directors in accordance with the Articles of Association of the Company and the approval of the shareholders. Such remuneration is also in lines with the Remuneration Policy of the Company and in terms of the specific requirements under the Companies Act, 2013 and amended Clause 49 of the Listing Agreement with the Stock Exchanges.



Remuneration by way of sitting fees for attending Board Meetings and Committee Meetings are paid to the Independent Directors. The Independent Directors are also entitled to a Commission on Net Profits not exceeding 1% in aggregate of the Net Profits computed in the manner referred to in Section 198 of the Companies Act, 2013 and Rules framed thereunder, which will be distributed among them after the forthcoming Annual General Meeting, in such proportion as determined by the Board.

The details of sitting fees paid and Commission on Net Profits paid to the Independent Directors for the fifteen month period ended March 31, 2015, are as under. The number of shares in the Company held by the Independent Directors is also mentioned below:

Name of the Director	Sitting Fees paid (Rs. in Million)	Commission payable (Rs. in Million)	No. of Shares Held
Mr. Uday Khanna	0.42	2.30	5,000
Mr. Akshay Chudasama	0.36	1.15	—
Ms Anjali Bansal (appointed w. e. f. May 21, 2014)	0.18	—	—
Mr. Atul Singh (resigned w. e. f. May 21, 2014)	0.06	1.15	—

Mr. Jack G. N. Clemons and Mr. Jorge Carbajal, Non-Executive Directors do not accept sitting fees and / or Commission on Net Profits from the Company. The Company did not have any pecuniary relationship or transactions with these Non-Executive Directors during the period under review. They do not hold any shares in the Company.

V. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors has earlier constituted a Shareholder / Investor Grievance Committee pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, under the Chairmanship of an Independent Director of the Company. In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and amended Clause 49 of the Listing Agreement with the Stock Exchanges, the said Committee has been renamed as "Stakeholders Relationship Committee" with effect from May 01, 2014.

The Stakeholders Relationship Committee consists of one Independent Director as the Chairman of the Committee and two Executive Directors. The Committee met ten times during the fifteen month period ended March 31, 2015, i.e., on January 6, 2014; February 12, 2014; March 3, 2014; May 1, 2014; July 2, 2014; July 28, 2014; September 11, 2014; November 5, 2014; December 15, 2014 and February 11, 2015. Attendance of the Committee Members at these meetings is as under:

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1.	Mr. Uday Khanna	Chairman	4
2.	Mr. Rajeev Gopalakrishnan	Managing Director	10
3.	Mr. Ranjit Mathur	Director Finance	10

Mr. Maloy Kumar Gupta, Company Secretary is the Compliance Officer of the Company and was in attendance in all the meetings mentioned above.

It is confirmed that 1 (one) shareholder's complaint lying pending as on March 31, 2015 has since been resolved.

In compliance with the requirements of the SEBI Circular No.CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained a User ID and Password for processing the investor complaints in a centralized web based SEBI Complaints Redress System – 'SCORES'. This enables the investors to view online the action taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website, www.sebi.gov.in. No shareholder's complaint was lying pending as on March 31, 2015 under 'SCORES'.



It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2015 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc., received up to March 31, 2015 have since been processed. All requests for dematerialization and re-materialization of shares in the Company have been confirmed / rejected through the NSDL / CDSL system within the stipulated time.

NATURE OF COMPLAINTS RECEIVED AND RESOLVED DURING THE FIFTEEN MONTH PERIOD ENDED ON MARCH 31, 2015:

Sl. No.	Subject matter of Complaints	Complaints pending as on January 01, 2014	Complaints Received during the fifteen month period ended March 31, 2015	Total Complaints during the fifteen month period ended March 31, 2015	Complaints Redressed up to March 31, 2015	Complaints pending as on March 31, 2015
1.	Non-receipt of Dividend	1	4	5	4	1
2.	Transfer/ Transmission of Shares	-	-	-	-	-
3.	Dematerialization of Shares	-	-	-	-	-
4.	Others	-	6	6	6	-
	TOTAL	1	10	11	10	1

VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors at its meeting held on May 21, 2014 constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board pursuant to Section 135 of the Companies Act, 2013 and Rules framed thereunder. The CSR committee consists of one Independent Director and two Executive Directors. The Company Secretary acts as the Secretary to the Committee.

The CSR Committee has met two times during the period up to March 31, 2015, i.e., on December 4, 2014 and February 11, 2015. Attendance of the Committee Members at these meetings is as under :

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1.	Mr. Ranjit Mathur	Chairman	2
2.	Mr. Rajeev Gopalakrishnan	Managing Director	1
3.	Mr. Akshay Chudasama	Independent Director	2

Based on the recommendation of the CSR Committee the Board has adopted a Corporate Social Responsibility Policy ('CSR Policy') to undertake CSR Projects as stipulated in Schedule VII to the Companies Act, 2013 and as amended from time to time. The CSR Policy of the Company has been uploaded on the website of the Company at www.bata.in and is available at <http://bata.in/0/pdf/CorporateSocialResponsibilityPolicy.pdf>.

In order to ensure that the Company undertakes CSR activities strictly in line with the CSR Policy of the Company, a CSR Sub-Committee has also been constituted comprising of selected Functional Heads. A dedicated team under the leadership of the Functional Head of Human Resources is in place to implement, monitor and report CSR activities undertaken by the Company from time to time.

VII. GENERAL BODY MEETINGS

1. The last three Annual General Meetings were held as under:

Financial Year ended	Day & Date	Time	Venue
December 31, 2013	Wednesday, May 21, 2014	10:30 a.m.	Kalamandir, Kolkata
December 31, 2012	Tuesday, June 04, 2013	10:30 a.m.	Kalamandir, Kolkata
December 31, 2011	Wednesday, May 30, 2012	10:30 a.m.	Kalamandir, Kolkata



2. Details of Special Resolutions passed in the previous three Annual General Meetings:

Date of AGM	Details of the Special Resolutions passed
May 30, 2012	1. A Special Resolution was passed at the 79th Annual General Meeting for insertion of Article 55A in the Articles of Association of the Company to provide video conferencing facility and/or other permissible electronic mode of communication to the shareholders of the Company for participating in the General Meetings of the Company. 2. A Special Resolution was also passed at the 79th Annual General Meeting for insertion of Article 85A in the Articles of Association of the Company to facilitate Directors' participation at Meetings of the Board and/or Committees of Directors through video conferencing and/or any other permissible electronic mode of communication.
June 04, 2013	A Special Resolution was passed at the 80th Annual General Meeting to ratify the appointment of Mr. Gigi Abraham ('Mr. Abraham') who was appointed as the Additional Director at a Board Meeting held on July 26, 2012 after which he was designated as the Group Brands Director for a period of 5 years. The remuneration had been fixed within the overall limits specified under Sections 198 and 309 of the Companies Act, 1956 read with Schedules XIII to the Act and shall be within the limits approved by the Members by way of Special Resolution passed at the Sixty-Sixth Annual General Meeting. However Mr Abraham vide his letter dated 19th December, 2012 tendered his resignation from the Board of Directors of the Company and the Company accepted his resignation at the Board Meeting held on February 26, 2013.

3. Details of Special Resolutions passed at the Extraordinary General Meeting:

An Extraordinary General Meeting (EGM) was held by the Company on August 4, 2014 and the following Special resolutions were passed at the said EGM:

- A Special Resolution was passed pursuant to the provisions of Sections 196, 197 198 and 203 of the Companies Act, 2013 and Rules framed thereunder for appointment of Mr. Kumar Nitesh (DIN: 06876230) as Managing Director- Retail of the Company for a period of five years with effect from May 21, 2014, who is liable to retire by rotation at the Annual General Meeting and to fix the remuneration payable to him.
 - In supersession to the Special Resolution passed by the Members at the 76th Annual General Meeting of the Company held on May 26, 2009, a Special Resolution was passed to fix increased remuneration to the Managing Director(s) and Wholtime Director(s) of the Company comprising of salary, commission on profits, perquisites and retirement benefits, subject to the specified limits contained in the provisions of Sections 197 and 198, Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and relevant Rules framed thereunder.
 - A Special Resolution was passed pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, authorizing the Board of Directors of the Company to provide security by way of creation of charge, mortgage or hypothecation of assets of the Company in order to borrow money from banks/ financial institutions not exceeding a sum of Rs.3,000 Million of equivalent thereof together with interest thereon at the agreed rates, compound interest, liquidated damages, premium on pre-payment / redemption, commitment charges, other bank charges.
 - A Special Resolution was passed to authorize the Board of Directors of the Company to borrow money in excess of the prescribed limits under Section 180(1)(c) of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, in one or more tranches, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up share capital and free reserves of the Company, provided that the total outstanding amount so borrowed by the Company shall not at any time exceed the limit of Rs.5,000 Million or equivalent thereof.
 - A Special Resolution was passed pursuant to the provisions of Section 94(1) and other applicable provisions of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and any other applicable Rules framed thereunder to keep the Register of Members, copies of Annual Return and other documents and Registers at the office of the Registrar and Transfer Agents of the Company, viz., R&D Infotech Private Limited at 7A, Beltala Road, 1st Floor, Kolkata – 700 027 and at such places within Kolkata in the State of West Bengal where the Registrar and Share Transfer Agent may shift its office from time to time, instead of keeping such Register of Members and copies of Annual Returns including Register of Debenture holders/ other security holders, if any, at the Registered Office of the Company."
4. No Resolution was passed during the fifteen month period ended March 31, 2015 through Postal Ballot under Section 192A of the Companies Act, 1956 or under Section 110 of the Companies Act, 2013 and Rules framed thereunder.
5. The Company does not propose to conduct any Special Resolution through postal ballot at the forthcoming Annual General Meeting.



VIII. SUBSIDIARY COMPANIES

During the period under review, the Company has incorporated a wholly owned subsidiary, viz., Way Finders Brands Limited. Consequently, the Company has three wholly owned subsidiaries. None of these subsidiaries is a 'Material Unlisted Subsidiary' within the meaning of Explanation (i) of Clause 49(V) of the Listing Agreement with the Stock Exchanges.

The Audit Committee reviews the financial statements of these wholly owned subsidiaries at periodic intervals. These unlisted subsidiaries have made no investment during the fifteen month period ended March 31, 2015. The Minutes of the Board Meetings of these subsidiaries are placed at the Board Meeting of the Company on quarterly basis. The Board of Directors of the Company shall formulate a policy for determining 'material' subsidiaries as and when considered appropriate in the future.

IX. RISK MANAGEMENT

The Company has established a mechanism to inform the Board Members about the risk assessment and minimization procedures. A Risk Inventory Report is prepared by the Chief Internal Auditor in consultation with the Managing Director and Director Finance and circulated to the Board Members for their review. The Risk Inventory Report is presented at the Audit Committee Meetings and reviewed by the Directors. Based on the suggestions and advice of the Board Members, necessary action is taken to mitigate potential risks of the Company.

In terms of the SEBI Circular dated April 17, 2014, the provisions of Clause 49(VI)(C) are not applicable to the Company for the time being in force.

X. DISCLOSURES

(i) Related Party Transactions

Prior approval of the Audit Committee is obtained for all Related Party Transactions of the Company. During the fifteen month period ended March 31, 2015, the Company did not have any "Material" Related Party Transaction that may have potential conflict with the interests of the Company at large.

The Board of Directors of the Company has adopted a Related Party Transaction Policy pursuant to the requirements of the Companies Act, 2013, Rules framed thereunder and amended Clause 49 of the Listing Agreement with the Stock Exchanges. The said Related Party Transaction Policy has been uploaded on the website of the Company, www.bata.in and is available at <http://bata.in/0/pdf/RelatedPartyTransactionPolicy.pdf>.

The Disclosure on Related Party Transactions forms integral part of the Notes to Financial Statements of the Company for the fifteen month period ended March 31, 2015 and included in the Annual Report 2014-15.

(ii) There were no instances of non-compliances by the Company on any matter related to capital markets, during the last three years.

(iii) The Company has adopted a Whistle Blower Policy and constituted a Vigil Mechanism Committee under the Chairmanship of the Chairman of the Audit Committee. There has been no incidence reported to the Vigil Mechanism Committee or the Chairman of the Audit Committee during the period under review.

(iv) Quarterly Reports on compliance of Corporate Governance in the prescribed format have been submitted to the Stock Exchanges where the Shares of the Company are listed within the stipulated time. The Company has complied with all mandatory requirements to the extent applicable to the Company and has also voluntarily complied with some of the non-mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

(v) During the fifteen month period ended March 31, 2015, Financial Statements of the Company have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) so as to represent a true and fair view of the state of the affairs of the Company.

(vi) Management Responsibility Statement

The Management confirms that the financial statements have been prepared to comply in all material respects with the Accounting Standard notified under the Companies Act, 1956 read with General Circular No. 08/2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs, Government of India.



The Internal Auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company have been followed.

The financial statements have been audited by M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, the Statutory Auditors of the Company and have been discussed with the Audit Committee, before the same are approved and taken on record by the Board of Directors.

XI. MEANS OF COMMUNICATION

Quarterly Unaudited Financial Results of the Company and Annual Audited Financial Results are published in "The Economic Times" in English and in "Ei Samay" in Bengali. These Results are also displayed on the website of the Company at www.bata.in; A separate Press Release on the Financial Results of the Company is issued immediately after the Board Meeting in which such Results are approved and taken on record. The Annual financial results are posted to every shareholder of the Company in the prescribed manner.

All price sensitive information are promptly intimated to the Stock Exchanges before releasing to the Media and other stakeholders.

The Company is complying with the online filing requirements of the Corporate Filing and Dissemination System (CFDS) in terms of Clause 52 of the Listing Agreement with the Stock Exchanges. The Company also participates in the online filing systems of BSE Limited and National Stock Exchange of India Limited, viz., BSE Listing Centre and NEAPS, respectively. The shareholders/ investors can view the details of filings by the Company on the respective websites of the Stock Exchanges.

The Company has an exclusive e-mail ID for the shareholders / investors and they may communicate to the Company directly at share.dept@bata.co.in.

XII. GENERAL SHAREHOLDER INFORMATION

1. The 82nd Annual General Meeting will be held at 'KALAMANDIR', 48, Shakespeare Sarani, Kolkata - 700 017 on Wednesday, August 5, 2015 at 10:00 a.m.
2. The Company has changed its Financial Year from 'January-December' to 'April-March' and extended its last Financial Year up to March 31, 2015 covering a period of fifteen months, i.e., from January 01, 2014 to March 31, 2015. The current Financial Year of the Company shall be for a period of twelve months ending on March 31, 2016.

Financial Calendar (tentative dates)

First quarter results (June 30)	By mid August 2015
Second quarter results (September 30)	By mid November 2015
Third quarter results (December 31)	By mid February 2016
Last quarter & Annual Results of the current Year (audited) (March 31)	By end of May, 2016
Annual General Meeting	Before September 30, 2016

3. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company shall remain closed from Wednesday, July 22, 2015 to Wednesday, August 5, 2015 (both days inclusive) for the purpose of the 82nd Annual General Meeting.

4. Dividend Payment Date

Dividend for the fifteen month period ended March 31, 2015, if declared at the 82nd Annual General Meeting, shall be paid on August 19, 2015.

5. Listing of Equity Shares on the Stock Exchanges, etc.

The Company's Equity Shares are listed on The Calcutta Stock Exchange Limited (Scrip Code- 10000003), BSE Limited (Scrip Code- 500043) and National Stock Exchange of India Limited (Scrip Code- BATAINDIA). The annual listing fees for the year 2014 – 2015 and for the year 2015-16 have been paid to all these Stock Exchanges. The ISIN code of the Company is INE176A01010.



6. Stock market price data for the fifteen month period ended March 31, 2015

BATA share price on BSE and NSE

Month	BSE		SENSEX		NSE		NIFTY	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Jan 2014	1085.00	895.00	21409.66	20343.78	1084.00	894.55	6358.30	6027.25
Feb 2014	1067.00	938.70	21140.51	19963.12	1068.00	939.15	6282.70	5933.30
Mar 2014	1157.00	1029.10	22467.21	20920.98	1158.95	1031.20	6730.05	6212.25
April 2014	1155.00	1052.05	22939.31	22197.51	1147.00	1051.80	6869.85	6650.40
May 2014	1225.40	998.00	25375.63	22277.04	1225.70	998.00	7563.50	6638.55
June 2014	1295.00	1139.00	25725.12	24270.20	1295.00	1137.00	7700.05	7239.50
July 2014	1360.00	1215.15	26300.17	24892.00	1362.90	1213.00	7840.95	7422.15
Aug 2014	1289.00	1172.00	26674.38	25232.82	1289.90	1171.55	7968.25	7540.10
Sept 2014	1357.15	1226.00	27354.99	26220.49	1358.40	1225.10	8180.20	7841.80
Oct 2014	1412.90	1205.05	27894.32	25910.77	1413.40	1203.75	8330.75	7723.85
Nov 2014	1344.00	1226.00	28822.37	27739.56	1345.00	1224.80	8617.00	8290.25
Dec 2014	1345.00	1238.00	28809.64	26469.42	1344.90	1201.00	8626.95	7961.35
Jan 2015	1495.00	1266.10	29844.16	26776.12	1496.00	1260.50	8996.60	8065.45
Feb 2015	1420.00	1197.10	29560.32	28044.49	1423.00	1196.00	8941.10	8470.50
Mar 2015	1309.00	1063.70	30024.74	27248.45	1296.75	1062.40	9119.20	8269.15

7. Share Transfer Agent

The Company has engaged the services of R&D Infotech Private Limited, 7A, Beltala Road, 1st Floor, Kolkata – 700 026 w. e. f. January 01, 2007, a SEBI registered Registrar for processing the transfers, sub-division, consolidation, splitting of shares, etc. and to process the shareholders' requests for dematerialization and/or rematerialization of shares.

8. Share Transfer System

The Board has delegated the powers of share operations to a Committee comprising of Mr. Maloy Kumar Gupta, Company Secretary and Mr. J. Banerjee, Investor Relations Manager. The Committee meets once in a week to approve, *inter alia*, the requests for transfer and transmission.

Documents and Share Certificates lodged by the shareholders / investors are verified and entered in the relevant Registers by the Registrar & Share Transfer Agents in consultation with the Company.

Since the Company's shares are traded only in dematerialized form, the shareholders are advised to hold their shares in dematerialized mode. Requests for dematerialization of shares should be sent directly by the Depository Participants (DPs) concerned to the Share Transfer Agents at R&D Infotech Private Limited, 7A, Beltala Road, 1st Floor, Kolkata – 700 026. Any delay on the part of the DPs to send the Demat Request Forms (DRF) and relevant Share Certificates beyond 15 days from the date of generation of the Demat Request Number (DRN) by the DPs will be rejected/ cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 21 days. Shareholders/ Investors should, therefore, ensure that their DPs do not delay in sending the DRF and relevant Share Certificates to the Share Transfer Agent immediately after generating the DRN.

Shareholders have the option to open their Demat accounts with either NSDL or CDSL as the Company has entered into Tripartite Agreements with both these Depositories.



The Company Secretary in whole time practice conducts audit of the Share Operations System of the Company at the office of the Registrar & Share Transfer Agents. The Company endeavors to implement the suggestions / recommendations of the Auditors to the extent possible.

9. Distribution of shareholding as on March 31, 2015:

Range of shares	No. of shareholders	No. of Shares
1 – 500	87417	5072412
501 – 1000	1807	1313552
1001 – 5000	866	1652137
5001 – 10000	82	590589
10001 and above	189	55635080
TOTAL	90361	64263770

10. Pattern of shareholding as on March 31, 2015:

Sl. No.	Category	No. of Holders	No. of Shares	% of Capital
1.	Resident Individual	87789	8315280	12.94
2.	Domestic Companies	1330	2798944	4.36
3.	N.R.I.	968	321022	0.50
4.	Foreign Companies	1	34032757	52.96
5.	Mutual Fund	89	6377406	9.92
6.	Financial Institutions	13	944020	1.47
7.	Banks	28	88411	0.14
8.	F.I.I.	142	11380930	17.71
9.	Directors	1	5000	0.01
	TOTAL	90361	64263770	100.00

11. Dematerialization of shares and liquidity:

As on March 31, 2015, out of the total paid-up share capital of the Company representing 63,164,784 equity shares, 98.29% are held in de-materialized mode. The balance 1.71% paid-up share capital representing 10,98,986 equity shares are held in physical mode and these shareholders are requested to dematerialize their shares in their own interests to avail the benefits of holding shares in dematerialized mode.

The Promoters' shareholding in the Company as on March 31, 2015 represents 52.96% of the total paid up share capital. In order to improve liquidity for the retail investors, the Board of Directors of the Company proposed subdivision of face value of the Shares from one equity share of Rs. 10/- each to two equity shares of Rs. 5/- each, subject to approval of the Shareholders at the forthcoming Annual General Meeting and all regulatory and statutory compliances.

12. Factory Locations

The Company's factories are located at the following places:

- i) Batanagar, 24 Parganas (S), West Bengal.
- ii) Bataganj, Patna, Bihar.
- iii) Faridabad New Industrial Town, Faridabad, Haryana.
- iv) Peenya Industrial Area, Bangalore, Karnataka.
- v) Batashatak, Sipcot Industrial Complex, Phase I, Hosur, Tamil Nadu.
- vi) Mokamehghat, Hathidah, Bihar.



13. Address for correspondence

The Company has shifted its Registered Office from 6A, S. N. Banerjee Road, Kolkata - 700013 to 27B Camac Street, 1st Floor, Kolkata - 700016 with effect from January 1, 2015. Accordingly, the Shareholders correspondence should be addressed to:

(i) BATA INDIA LIMITED

Registered Office

27B Camac Street, 1st Floor, Kolkata - 700 016

Telephone Nos. : (033) 3980 2001/ 2021; 2289 5796 (Direct)

Fax No. : (033) 2289 5859

E-mail : maloy.gupta@bata.co.in / share.dept@bata.co.in

Contact persons : Mr. Maloy Kumar Gupta
Company Secretary & Compliance Officer

Mr. J. Banerjee,
Investor Relations Manager

(ii) SHARE TRANSFER AGENT

R&D Infotech Private Limited

Unit: Bata India Limited

7A, Beltala Road, 1st Floor, Kolkata – 700 026

Tel: (033) 2419 2641/2642

Fax: (033) 2419 2642

E-mail: rd.infotech@vsnl.net, bata@rdinfotech.in

Contact Person : Mr. Ratan Mishra, Director

Note: *The Company endeavours to settle all shareholder complaints within the minimum possible time. Average rate of settlement may vary from 7 days to 15 days. However, processing of requests involving disputed matters/ court cases are kept in abeyance till these matters/cases are mutually settled by the shareholders/investors or are finally disposed of by the Courts.*

XIII. CEO/CFO CERTIFICATION

Mr. Rajeev Gopalakrishnan - Managing Director (CEO) and Mr. Ranjit Mathur, Director Finance (CFO) have certified to the Board that:

- (a) They have reviewed financial statements and the cash flow statement for the fifteen month period and that to the best of their knowledge and belief:
 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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.
- (b) There are, to the best of their 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.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.



(d) They have indicated to the Auditors and the Audit committee:

1. significant changes in internal control over financial reporting during the period;
2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

The above certificate was placed before the Board Meeting held on May 27, 2015.

XIV. INFORMATION PURSUANT TO CLAUSE 49 (VIII) (E) OF THE LISTING AGREEMENT

The information required to be furnished to the shareholders in terms of Clause 49 (VIII)(E)(1) of the Listing Agreement with the Stock Exchanges, relating to appointment/ re-appointment of new Directors have been furnished as an Annexure to the Notice convening the 82nd Annual General Meeting of the Company forming part of the Annual Report 2014-15.

XV. CORPORATE GOVERNANCE COMPLIANCE

The Company has complied with the requirements as laid down in amended Clause 49 of the Listing Agreement with the Stock Exchanges for the purpose of ensuring Corporate Governance. A certificate to this effect obtained from M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, has been attached to this Annual Report. The Board of Directors of the Company has decided to defer adoption of certain non-mandatory provisions of Corporate Governance pursuant to the amended Clause 49 of the Listing Agreement, considered being not necessary for the time being in force.

For and on behalf of the Board of Directors

Place: Gurgaon
Date: May 27, 2015

UDAY KHANNA
Chairman
(DIN: 00079129)



AUDITORS' CERTIFICATE

To

The Members of Bata India Limited

We have examined the compliance of conditions of corporate governance by Bata India Limited, for the fifteen month period ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 conditions 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 the above mentioned Listing Agreement.

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

For S. R. BATLIBOI & CO. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Place: Gurgaon
Date : May 27, 2015

per SANJAY VIJ
Partner
Membership No.: 95169

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL PERIOD ENDED 31ST MARCH, 2015

To,
The Members

BATA INDIA LIMITED

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial period from 1st January, 2014 to 31st March, 2015, substantially complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period from 1st January, 2014 to 31st March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The Company belongs to the Footwear Industry. To the best of our knowledge and believe and as confirmed by the Management of the Company there is no specific law applicable only to the Footwear Industry in India.



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited, the National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

During the period under review the Company has substantially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. However, it is observed that the provisions of the FEMA and rules and regulations made thereunder to the extent of ODI and ECBs; and provisions of Regulations and Guidelines mentioned in (c), (d), (e), (g) and (h) under item no.(v) of para 3 above, were not applicable to the Company during the period under review.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings at least seven days in advance and agenda and detailed notes on agenda were sent at least four days in advance, except in case of the Board Meeting held on 4th December, 2014 called on a shorter notice pursuant to the proviso to Section 173(3) of the Companies Act, 2013; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- During the period under review, Resolutions were carried through majority decisions. The Minutes of the Meetings held during the audit period did not reveal any dissenting member's view. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

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

We further report that during the audit period the Company has :

- a) obtained approval of the shareholders, by way of a special resolution passed on 4th August, 2014, pursuant to the provisions of Sections 180(1)(a) of the Act, authorising the Board of Directors to create mortgage/charge/ hypothecation etc., on assets of the Company to the extent of Rs.3,000 Million.
- b) obtained approval of the shareholders, by way of a special resolution passed on 4th August, 2014, pursuant to the provisions of Sections 180(1)(c) of the Act, authorising the Board of Directors to borrow to the extent of Rs.5,000 Million.
- c) incorporated a public limited company, viz., Way Finders Brands Limited as its wholly owned subsidiary.

For P. SARAWAGI & ASSOCIATES
Company Secretaries

P. K. Sarawagi
Proprietor

Membership No. : FCS-3381
C. P. No. : 4882

Place : Kolkata
Date : 27th May, 2015

This Report is to be read with our letter of even date which is annexed to this Report as Annexure A and forms integral part of this Report.

Annexure - A

To,
The Members

BATA INDIA LIMITED

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

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

For P. SARAWAGI & ASSOCIATES
Company Secretaries

P. K. Sarawagi
Proprietor

Membership No. : FCS-3381
C. P. No. : 4882

Place : Kolkata
Date : 27th May, 2015



BATA INDIA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BATA INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Bata India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit for the period ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and on the basis of the MCA Circular referred to in the Other Matters paragraph, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act and on the basis of the MCA Circular referred to in the Other Matters paragraph, we report that:
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4th April 2014 issued by the Ministry of Corporate Affairs;
 - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Other Matter

The Ministry of Corporate Affairs had vide its General Circular No. 07/2014, 'Dissemination of information with regards to the provisions of the Companies Act, 2013 as notified till date vis a vis corresponding provisions of the Companies Act, 1956' ('MCA Circular'), dated April 01, 2014, identified such sections of the Companies Act, 1956 that would cease/ continue to have effect from April 01, 2014. Accordingly, in terms of the aforesaid MCA Circular, our reporting in respect of section 227(3)(f) of the Companies Act, 1956, and clauses (iii), (v)(a) and (b), (vi), (viii), (xiv), (xviii) of the Companies (Auditor's Report) Order, 2003 (dealing with sections 49, 58A, 58AA, 209(1)(d) and 301 of the Companies Act, 1956) is only for the period beginning from January 1, 2014 till March 31, 2014 since as per the aforementioned MCA Circular these sections have ceased to have effect from April 01, 2014.

For **S. R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E

per Sanjay Vij
Partner
Membership No.: 95169

Place: Gurgaon
Date: May 27, 2015

Annexure referred to in paragraph 1 under the heading of our report on other legal and regulatory requirements of even date

Re: Bata India Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- (v) (a) In our opinion, there are no contracts or arrangements that needs to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provision of clause 4(v) (b) of the Order is not applicable to the Company and hence not commented upon.
- (vi) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:				
Name of the statute	Nature of dues	Amount (Rs. million)	Period to which the amount relates	Forum where dispute is pending
Various State Sales Tax Acts	Purchase tax dispute at Faridabad	8.2	1984-85	Supreme Court
Various State Sales Tax Acts	Revenue Recovery against non-payment of demand in assessment	6.7	1994-95 1998-99 2000-01	STAT, Kerala
Various State Sales Tax Acts	Tax in dispute u/s 92 of Central Sales Tax Act regarding non-submission of forms	2.8	1991-92	High Court, UP
Karnataka Sales Tax Act	Unclaimed input tax credit adjusted against VAT	4.1	2005-06 to 2008-09	Joint Commissioner Appeals
Various State Sales Tax Acts	Misclassification of Article for VAT Payment	9.68	2005-06 to 2006-07	VAT for tribunal, Kerala
Central Excise Act, 1944	Excise duty demand on closing balance of exempted footwear.	1.50	1987-88	CESTAT- Kolkata
Central Excise Act, 1944	Duty Demanded for sale of footwear at domestic tariff area which final hearing before commissioner concluded and order is pending.	7.03	1997-99	Commissioner of Central Excise, Chennai
Central Excise Act, 1944	Disallowance for trade discount for sale of footwear to retail outlet	2.75	1995-97	CESTAT-Chennai
Central Excise Act, 1944	Excise duty demanded for movement of raw material to job worker without payment of duty.	15.54	2004-05 to 2005-06	CESTAT-Kolkata
Central Excise Act, 1944	Disallowing abatement @ 40% on MRP for institutional sales. Sale of Industrial Boots & Mine Safety Boots	9.00	2007 2008 2009 2010	CESTAT-Kolkata
Central Excise Act, 1944	Non compliance of the condition of the notification for marking MRP on factory seconds cleared on payment of appropriate C.E duty.	21.48	July 2004 to Jan 2008	CESTAT-Kolkata

Bata

Name of the statute	Nature of dues	Amount (Rs. million)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Exclusion of sales tax @ 8% for payment of an amount equal to 8%/10% on exempted footwear as per CCR 6(3)(b).	3.00	August 2004 to Jan 2008	CESTAT-Kolkata
Finance Act, 1994	Disallowance of service tax credit on input service availed for outward transportation.	4.34	2006-2010	Commissioner of Central Excise, Kolkata
Customs Act, 1942	Duty demand on account of short levy of customs duty (anti-dumping duty) for which hearing before commissioner concluded and the order received.	10.84	2001	CESTAT-Kolkata
Finance Act, 1994	Availment of wrong input service tax credit	86.2	April 2008 to May 2012	CESTAT-Chennai
Customs Act, 1942	Wrong availment of concessional rate of customs duty etc. against which the hearing has not finalized as yet.	83.76	1998-2003	CESTAT-Kolkata
Income Tax Act, 1961	Short term capital gains	230.55	2007-08	High Court, Kolkata
Income Tax Act, 1961	Disallowance of certain expenditure	13.67	2008-09 (A.Y. 2009-10)	Commissioner of Income tax (Appeal)

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) The Company has neither taken any loan from financial institution or bank nor issued any debentures, therefore the provision of clause 4(xi) of the Order is not applicable, hence not commented upon.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E

Place of Signature: Gurgaon
Date: May 27, 2015

per Sanjay Vij
Partner
Membership No.: 95169

**BATA INDIA LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2015**

	Notes	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	642.64	642.64
Reserves and surplus	4	9,578.81	7,767.37
		10,221.45	8,410.01
Non-current liabilities			
Trade payables	5	977.60	792.75
		977.60	792.75
Current liabilities			
Trade payables	5	3,567.40	2,861.34
Other current liabilities	5	850.44	876.63
Short-term provisions	6	757.45	886.77
		5,175.29	4,624.74
Total		16,374.34	13,827.50
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	3,057.44	2,454.44
Intangible assets	8	9.42	7.91
Capital work-in-progress		165.80	155.33
Intangible assets under development		315.91	81.74
Non-current investments	9	49.51	48.51
Deferred tax assets (net)	10	876.15	680.79
Long-term loans and advances	11	1,762.86	1,183.57
		6,237.09	4,612.29
Current assets			
Inventories	12	7,046.98	5,826.94
Trade receivables	13.1	584.19	509.20
Cash and bank balances	14	2,099.68	2,557.25
Short-term loans and advances	11	319.39	226.43
Other current assets	13.2	87.01	95.39
		10,137.25	9,215.21
Total		16,374.34	13,827.50
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij

Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Uday Khanna
Chairman
DIN: 00079129

BATA INDIA LIMITED

**STATEMENT OF PROFIT AND LOSS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015**

	Notes	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Income			
Revenue from operations (gross)	15	27,375.98	20,984.06
Less: excise duty		436.03	332.32
Revenue from operations (net)		26,939.95	20,651.74
Other income	16	432.33	313.48
Total revenue		27,372.28	20,965.22
Expenses			
Cost of raw material and components consumed	17	4,283.72	3,345.86
Purchase of traded goods	18	9,200.29	7,328.66
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	18	(1,105.80)	(1,186.05)
Employee benefits expense	19	3,119.29	2,133.12
Other expenses	20	8,093.45	5,811.66
Depreciation and amortization expense	21	797.71	597.72
(Less): recoupment from revaluation reserve		(5.37)	(5.75)
Net depreciation and amortization expense		792.34	591.97
Finance costs	22	17.56	12.99
Exceptional item (income) / expense	23	(315.25)	100.77
Total Expenses		24,085.60	18,138.98
Profit before tax		3,286.68	2,826.24
Tax expenses			
Current tax			
Pertaining to profit/(loss) for the current period		1,170.24	1,156.01
Deferred tax (credit)/charge		(195.28)	(237.20)
Total tax expenses		974.96	918.81
Profit for the period		2,311.72	1,907.43
Earnings per equity share [nominal value of share Rs.10 (Previous year: Rs.10)]	24		
Earnings per share (basic & diluted) (Rs.)		35.97	29.68
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij

Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Uday Khanna
Chairman
DIN: 00079129



BATA INDIA LIMITED

**CASH FLOW STATEMENT FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015**

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,286.68	2,826.24
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization (net)	792.34	591.97
Gain on assets received from erstwhile JV	(239.19)	—
Provisions for contingencies written back	(93.00)	—
Liabilities no longer required written back	(2.93)	(2.71)
Lease rent straightlining	296.90	243.16
Loss on disposal of Fixed Assets (net)	1.39	38.78
Provision for doubtful debts & advances	24.78	12.25
Interest expense	17.56	12.99
Interest income	(249.62)	(183.20)
Operating profit before working capital changes	3,834.91	3,539.48
Movements in working capital :		
Increase/(decrease) in trade payables	708.99	678.16
Increase / (decrease) in short-term provisions	(105.44)	9.25
Increase/(decrease) in other current liabilities	(325.08)	(127.45)
Increase/ (decrease) in other long-term trade payables	184.85	231.65
Decrease/(increase) in trade receivables	(74.99)	(59.73)
Decrease/(increase) in inventories	(1,220.04)	(1,206.02)
Decrease / (increase) in long-term loans and advances	(269.80)	(125.46)
Decrease / (increase) in short-term loans and advances	(117.73)	(26.25)
Decrease/(increase) in other current assets	4.30	6.21
Cash generated from /(used in) operations	2,619.97	2,919.84
Direct taxes paid (net of refunds)	(1,434.57)	(1,104.55)
Net cash flow from/ (used in) operating activities (A)	1,185.40	1,815.29

BATA INDIA LIMITED



**CASH FLOW STATEMENT FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(1,464.92)	(817.24)
Proceeds from sale of fixed assets	128.94	30.10
Investment in Subsidiary	(1.00)	—
Repayments / (Investments) in bank deposits (having original maturity of more than three months)	479.86	(499.99)
Interest received	198.29	120.32
Net cash flow from/(used in) investing activities (B)	(658.83)	(1,166.81)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(17.56)	(12.99)
Dividend paid on equity shares	(415.72)	(383.71)
Tax on equity dividend paid	(70.99)	(65.53)
Net cash flow from/(used in) in financing activities (C)	(504.27)	(462.23)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	22.30	186.25
Cash and cash equivalents at the beginning of the period	512.98	326.73
Cash and cash equivalents at the end of the period	535.28	512.98
Components of cash and cash equivalents		
Cash on hand	97.22	78.98
With banks- on current & cash credit account	423.54	422.34
-- unpaid dividend accounts*	14.52	11.66
Total cash and cash equivalents (note 14)	535.28	512.98
Summary of significant accounting policies	2.1	

*The company can utilize these balances only towards settlement of the respective unpaid dividend and unpaid matured deposits

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij

Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Uday Khanna
Chairman
DIN: 00079129



BATA INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015

1. CORPORATE INFORMATION

Bata India Limited is a public company domiciled in India and incorporated under the provisions of The Indian Companies Act, 1913. Its shares are listed on Stock exchanges in India. Bata India Limited is primarily engaged in the business of manufacturing and trading of footwear and accessories through its retail and wholesale network.

2. BASIS OF PREPARATION

The financial statements have been prepared to comply in all material respects with the Accounting Standard notified under Companies Act, 1956 read with General Circular 08/2014 dated 4 April 2014, issued by the Ministry of Corporate Affairs. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisitions are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments.

c. Fixed Assets

Fixed Assets are stated at cost of acquisition (or revalued amounts, as the case may be) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In case of revaluation of fixed assets, the revalued amount as determined by the valuer, is considered in the books of account and the differential amount is transferred to Revaluation Reserve. Depreciation on the revalued amount is transferred from Revaluation Reserve to Statement of profit and loss.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

d. Depreciation

- i. Fixed Assets costing below Rs. 5,000 are fully depreciated in the year of acquisition.
- ii. Lease hold improvements (LHI) included under building and furniture & fixtures are amortised on straight line basis over the period of lease or useful life (not exceeding 9 years), whichever is lower.
- iii. Depreciation on other fixed Assets is provided on Written Down Value method at the rates based on the estimated useful life of the assets, estimated by the management which is in accordance with the rates specified in Schedule XIV of the Companies Act, 1956.

- iv. Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

e. Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis. Cost of traded goods includes purchase and allied costs incurred to bring inventory to its present condition and location, determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

g. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Sale of Goods:

Revenue is recognized when the significant risks and rewards of ownership of goods have passed to the buyer, which generally coincides with delivery. It includes excise duty but excludes value added tax/sales tax. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

ii. Interest:

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii. Export Benefits:

Export Entitlements in the form of Duty Drawback, Duty Entitlement Pass Book (DEPB) and other schemes are recognized in the Statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.



BATA INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

h. Foreign Currency Transactions

i. Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period.

i. Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the assets concerned in arriving at the carrying amount of the related asset.

Government grants in the form of non-monetary assets given at a concessional rate are accounted for on the basis of their acquisition cost.

j. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of Qualifying Assets, which take substantial period of time to get ready for its intended use, are capitalized until the time all substantial activities necessary to prepare such assets for their intended use are complete. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

k. Segment Reporting Policies

(i) Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are footwear & accessories and investment in erstwhile Joint Venture for surplus property development.

Secondary Segment**Geographical Segment:**

The analysis of geographical segment is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

(ii) Allocation of Common Costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

(iii) Unallocated Items:

Includes general corporate income and expense items which are not allocated to any business segment.

(iv) Segment Policies:

The Company prepare its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statement of the company as a whole.

I. Intangible Assets**i. Computer Software Acquired for Internal Use**

Costs relating to computer software which is acquired are capitalized and amortized on a straight-line basis over its useful life of 5 years.

ii. Research and Development Costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development cost is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

m. Retirement and Other Employee Benefits

- i. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method, at each year end. The liability so provided is represented substantially by creation of separate funds and is used to meet the liability as and when it accrues for payment in future.
- ii. The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to conform to the interest rate declared by the government for the Employees Provident Fund. The Guidance Note on implementing AS-15, Employee Benefits (revised 2005) states that provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The Actuarial Society of India has issued the final guidance for measurement of provident fund liabilities. The Company has adopted actuary valuation to arrive at provident fund liability as at 31st March, 2015.



BATA INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

- iii. Short term compensated absences are provided on estimated basis. Long term compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an actuary, at each year end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

- iv. Retirement benefits in the form of Pension cost is a defined contribution scheme and the contributions are charged to the Statement of profit and loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- v. Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred.
- vi. Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss in the year such scheme is accepted by the employees/workers.

n. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

o. Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are off set, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on Income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will not be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

p. Provisions

A provision is recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

q. Earnings Per Share (Basic & Diluted)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

3. SHARE CAPITAL

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Authorized shares		
70,000,000 (Previous year: 70,000,000) equity shares of Rs.10/- each	700.00	700.00
Issued shares*		
64,285,000 (Previous year: 64,285,000) equity shares of Rs. 10/- each	642.85	642.85
Subscribed and fully paid-up shares		
64,263,770 (Previous year: 64,263,770) equity shares of Rs.10/- each	642.64	642.64
Total issued, subscribed and fully paid-up share capital	642.64	642.64

***Shares held in abeyance**

21,230 (Previous year: 21,230) equity shares of Rs. 10 each were held in abeyance on account of pending adjudication of the shareholders' right to receive those shares / inability of depository to establish ownership rights.

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity shares**

	As at 31.03.2015		As at 31.12.2013	
	No. of Shares	Rs. millions	No. of Shares	Rs. millions
At the beginning of the period	64,263,770	642.64	64,263,770	642.64
Outstanding at the end of the period	64,263,770	642.64	64,263,770	642.64

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the period, the amount of per share dividend recognized as distributions to equity shareholders was Rs.6.50 (Previous year: Rs.6.50).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**BATA INDIA LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)****c. Shares held by holding company**

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company		
34,032,757 (Previous year: 34,032,757) equity shares of Rs.10/- each fully paid	340.33	340.33

d. Details of shareholders holding more than 5% shares in the Company

	As at 31.03.2015		As at 31.12.2013	
	No. of Shares	% Holding in the class	No. of Shares	% Holding in the class
Equity shares of Rs.10 each fully paid				
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company	34,032,757	52.96%	34,032,757	52.96%

4. RESERVES AND SURPLUS	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Securities premium account		
Balance as per the last financial statements	501.36	501.36
Closing balance	<u>501.36</u>	<u>501.36</u>
Revaluation reserve		
Balance as per the last financial statements	279.51	288.55
Less: used on sold/ discarded fixed assets	(6.21)	(3.29)
Less: amount transferred to the statement of profit and loss as reduction from depreciation	(5.37)	(5.75)
Closing balance	<u>267.93</u>	<u>279.51</u>
General reserve		
Balance as per the last financial statements	1,092.46	901.72
Add: amount transferred from surplus balance in the statement of profit and loss	231.17	190.74
Closing balance	<u>1,323.63</u>	<u>1,092.46</u>
Surplus in the statement of profit and loss		
Balance as per last financial statements	5,894.04	4,669.03
Profit for the period	2,311.72	1,907.43
Amount available for appropriations	8,205.76	6,576.46
Less: Appropriations		
Proposed final equity dividend (amount per share Rs.6.50 (Previous year: Rs. 6.50))	(417.71)	(417.71)
Tax on proposed equity dividend (Including Rs.2.98 millions (Previous year: Rs. 2.98) for previous year)	(70.99)	(73.97)
Transfer to general reserve	(231.17)	(190.74)
Total appropriations	<u>(719.87)</u>	<u>(682.42)</u>
Net surplus in the statement of profit and loss	<u>7,485.89</u>	<u>5,894.04</u>
Total reserves and surplus	<u><u>9,578.81</u></u>	<u><u>7,767.37</u></u>



BATA INDIA LIMITED

**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

5. TRADE PAYABLES AND OTHER LIABILITIES

	Current		Non-current	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Trade payables (refer note 34 for details of dues to micro and small enterprises)	3,567.40	2,861.34	977.60	792.75
Other liabilities				
Payable for capital goods	148.41	196.26	—	—
Advance from customers	38.89	45.07	—	—
Unearned revenue	5.39	3.48	—	—
Investor education and protection fund will be credited by following amounts (as and when due):				
Unpaid dividend	10.59	8.60	—	—
Others:				
Deposit from agents and franchisees	394.46	300.90	—	—
Statutory dues	252.70	322.32	—	—
	850.44	876.63	—	—
	4,417.84	3,737.97	977.60	792.75

6. PROVISIONS

	Short-term		Long-term	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Provision for employee benefits				
Provision for leave benefits	19.24	30.56	—	—
	19.24	30.56	—	—
Other provisions				
Provision for warranties	7.25	12.07	—	—
Provision for contingencies	134.11	224.71	—	—
Provision for taxation (net)	106.85	130.73	—	—
Provision for loyalty program	1.21	—	—	—
Proposed equity dividend	417.71	417.71	—	—
Provision for tax on proposed equity dividend	70.99	70.99	—	—
Provision for gratuity	0.09	—	—	—
	738.21	856.21	—	—
	757.45	886.77	—	—

NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

Provision for warranties

The warranty claim provision covers the expenses relating to the cost of products sold. Provision in respect of warranties is made on the basis of valuation carried out by an independent actuary as at period end. It is expected that cost will be incurred over the warranty period as per the warranty terms.

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
At the beginning of the period	12.07	8.05
Arising during the period	167.53	124.08
Utilized during the period	(84.54)	(109.79)
Unused amounts reversed	(87.81)	(10.27)
At the end of the period	7.25	12.07

Provision for contingencies

The breakup and movement of provision for contingencies are as follows: (Rs. millions)

Particulars	ESI		Labour Case and Other Civil Cases		Liability for Land Development (Refer note no. 26)		Total	
	2015	2013	2015	2013	2015	2013	2015	2013
Opening balance as on 1st Jan	5.16	1.27	3.31	0.76	216.24	216.24	224.71	218.27
Additions	—	7.83	2.40	4.64	—	—	2.40	12.47
Utilized	—	3.94	—	2.09	—	—	—	6.03
Reversals	—	—	—	—	93.00	—	93.00	—
Closing balance as on 31st Mar	5.16	5.16	5.71	3.31	123.24	216.24	134.11	224.71

The Company sets up and maintains provision for trade related and other litigations or disputes when a reasonable estimate can be made. The amount of provisions are based upon estimates provided by the Company's legal department, which are revisited on a timely basis. The exact timing of the settlement of the litigations and consequently, the outflow is uncertain.

In view of large number of labour cases and other civil cases, it is not practicable to disclose the details of each case separately. The exact timing of the settlement of the litigation and consequently, the outflow is uncertain.

Provision for loyalty program

A provision on Loyalty program reward points started during the year is recognized based upon expected usage of reward points by the members, as estimated by actuarial valuation. The movement in the provision for Loyalty program costs is as follows:

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
At the beginning of the period	—	—
Provision created during the period	1.42	—
Provision utilised during the period	(0.21)	—
At the end of the period	1.21	—


BATA INDIA LIMITED
**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

(Rs. millions)

7.	TANGIBLE ASSETS	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Total
	Cost or valuation						
	At 01.01.2013	240.84	1,210.96	1,876.91	2,254.59	21.11	5,604.41
	Additions	—	108.67	165.17	438.62	3.28	715.74
	Disposals	—	(41.45)	(121.62)	(152.68)	(0.53)	(316.28)
	At 31.12.2013	240.84	1,278.18	1,920.46	2,540.53	23.86	6,003.87
	Additions	—	632.33	243.96	652.61	6.64	1,535.54
	Disposals	—	(65.84)	(265.49)	(266.07)	(1.89)	(599.29)
	At 31.03.2015	240.84	1,844.67	1,898.93	2,927.07	28.61	6,940.12
	Depreciation						
	At 01.01.2013	—	447.41	1,540.16	1,198.08	12.04	3,197.69
	Charge for the year	—	103.59	125.47	364.22	2.57	595.85
	Disposals	—	(22.86)	(106.36)	(114.36)	(0.53)	(244.11)
	At 31.12.2013	—	528.14	1,559.27	1,447.94	14.08	3,549.43
	Charge for the period	—	165.26	167.58	459.65	3.50	795.99
	Disposals	—	(24.51)	(242.98)	(193.64)	(1.61)	(462.74)
	At 31.03.2015	—	668.89	1,483.87	1,713.95	15.97	3,882.68
	Net Block						
	At 31.03.2015	240.84	1,175.78	415.06	1,213.12	12.64	3,057.44
	At 31.12.2013	240.84	750.04	361.19	1,092.59	9.78	2,454.44

(Rs. millions)

8.	INTANGIBLE ASSETS (COMPUTER SOFTWARE)	Current period
	Gross block	
	At 01.01.2013	8.39
	Purchase	3.01
	At 31.12.2013	11.40
	Purchase	3.23
	At 31.03.2015	14.63
	Amortization	
	At 01.01.2013	1.62
	Charge for the year	1.87
	At 31.12.2013	3.49
	Charge for the period	1.72
	At 31.03.2015	5.21
	Net block	
	At 31.03.2015	9.42
	At 31.12.2013	7.91



NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

9. NON-CURRENT INVESTMENTS	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in subsidiaries		
4,851,000 (Previous year: 4,851,000) Equity shares of Rs.10 each fully paid-up in Bata Properties Limited	48.51	48.51
100,000 (Previous Year - Nil) Equity shares of Rs.10 each fully paid-up in Way Finders Brands Limited	1.00	—
Non-trade investments (valued at cost unless stated otherwise)	49.51	48.51
Investment in Cooperative Societies (Unquoted)		
250 (Previous year : 250) Shares of Rs. 10 each in Bata Employees' Co-operative Consumers' Stores Limited, Hathidah	0.00	0.00
5 (Previous year : 5) Shares of Rs. 10 each in Bhadrakali Market Co-operative Society Limited, Nasik	0.00	0.00
	49.51	48.51
Aggregate amount of unquoted investments	49.51	48.51
10. DEFERRED TAX ASSETS (NET)		
Deferred tax assets		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	410.62	340.14
Impact of expenditure charged to the statement of profit and loss in the current/earlier period but allowable for tax purposes on payment basis	440.40	327.31
Provision for doubtful debts and advances	25.13	13.34
	876.15	680.79


BATA INDIA LIMITED
**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**
11. LOANS AND ADVANCES

	Non-current		Current	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Capital advances				
Unsecured, considered good	93.37	79.67	—	—
(A)	93.37	79.67	—	—
Security deposit				
Unsecured, considered good	1,109.11	850.09	13.08	26.20
Unsecured, considered doubtful	2.07	2.07	—	—
	1,111.18	852.16	13.08	26.20
Provision for doubtful security deposit	(2.07)	(2.07)	—	—
(B)	1,109.11	850.09	13.08	26.20
Loan and advances to related parties				
Unsecured, considered good	—	—	22.10	9.90
(C)	—	—	22.10	9.90
Advances recoverable in cash or kind				
Unsecured, considered good	—	—	162.68	87.40
Unsecured, considered doubtful	—	—	62.25	37.47
	—	—	224.93	124.87
Provision for doubtful advances	—	—	(62.25)	(37.47)
(D)	—	—	162.68	87.40
Balances with statutory/ government authorities				
Unsecured, considered good	85.39	89.91	58.44	36.49
Unsecured, considered doubtful	8.29	8.29	—	—
	93.68	98.20	58.44	36.49
Provision for doubtful balances with statutory/ government authorities	(8.29)	(8.29)	—	—
(E)	85.39	89.91	58.44	36.49
Other loans and advances				
Advance income-tax (net of provision for taxation)	427.58	131.80	—	—
Prepaid expenses	47.41	32.10	63.09	66.44
(F)	474.99	163.90	63.09	66.44
Total (A+ B + C + D + E + F)	1,762.86	1,183.57	319.39	226.43

12. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Raw materials and components (including goods in transit Rs. 7.38 millions (Previous year: Rs. 5.13 millions)) (refer note 17)	242.11	229.56
Work-in-progress (refer note 18)	319.48	322.36
Finished goods*(including goods in transit Rs. 780.48 millions (Previous year: Rs. 531.53 millions)) (refer note 18)	6,470.76	5,261.69
Stores and spares	14.63	13.33
	7,046.98	5,826.94

*Finished goods include stock in trade, as both are stocked together

**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

13. TRADE RECEIVABLES AND OTHER ASSETS**13.1 Trade receivables**

	Current	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Debts outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered good	6.58	4.10
	<u>6.58</u>	<u>4.10</u>
Other receivables		
- Unsecured, considered good	577.61	505.10
	<u>577.61</u>	<u>505.10</u>
	<u>584.19</u>	<u>509.20</u>

13.2 Other current assets**Unsecured, considered goods unless stated otherwise**

Interest accrued on fixed deposits	83.59	87.68
Insurance claims	3.42	7.71
	<u>87.01</u>	<u>95.39</u>

14. CASH AND BANK BALANCES**Cash and cash equivalents**

Balances with banks:

-On current & cash credit accounts	423.54	422.34
-On unpaid dividend account	14.52	11.66
Cash on hand	97.22	78.98
	<u>535.28</u>	<u>512.98</u>

Other bank balances

Deposits with original maturity for more than 3 months but less than 12 months*	1564.40	2,044.27
	<u>1,564.40</u>	<u>2,044.27</u>
	<u>2,099.68</u>	<u>2,557.25</u>

*Includes deposit pledged with banks of Rs.14.41 millions (Previous year Rs.14.27 millions).



BATA INDIA LIMITED

**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

15. REVENUE FROM OPERATIONS

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
<u>Revenue from operations</u>		
Sale of products		
Finished goods	27,356.95	20,972.18
Other operating revenue		
Others (including export incentives, scrap sales etc.)	19.03	11.88
Revenue from operations (gross)	<u>27,375.98</u>	<u>20,984.06</u>
Less: Excise duty*	436.03	332.32
Revenue from operations (net)	<u><u>26,939.95</u></u>	<u><u>20,651.74</u></u>

* Excise duty on sales amounting to Rs. 436.03 millions (Previous year: Rs. 332.32 millions) has been reduced from sales in statement of profit & loss and differential excise duty on opening and closing stock of manufactured finished goods amounting to Rs. 100.39 millions (Previous Year: Rs. 27.15 millions) has been adjusted from (increase)/decrease in inventories in Note 18

Details of products sold

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Footwear	25,742.34	19,847.71
Accessories, Garments and others	1,614.61	1,124.47
	<u>27,356.95</u>	<u>20,972.18</u>

16. OTHER INCOME

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Interest income on:		
-Bank deposits	247.40	179.83
-Others	2.22	3.37
Gain on Foreign Exchange Fluctuations (Net)	—	7.29
Provision no Longer Required Written Back	2.93	2.71
Insurance Claim Received	2.32	0.76
Other Non-Operating Income	177.46	119.52
	<u>432.33</u>	<u>313.48</u>

17. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Inventory at the beginning of the period	229.56	239.91
Add: Purchases	4,296.27	3,335.51
	<u>4,525.83</u>	<u>3,575.42</u>
Less: inventory at the end of the period	242.11	229.56
Cost of raw material and components consumed	<u>4,283.72</u>	<u>3,345.86</u>
<u>Details of raw material and components consumed</u>		
Leather (natural and synthetic)	727.19	555.02
Rubber	183.13	208.10
Textiles	319.07	255.77
Chemical	734.52	613.72
Packaging	268.76	210.46
Job processing charges	460.11	343.87
Other Materials	1,590.94	1,158.92
	<u>4,283.72</u>	<u>3,345.86</u>
<u>Details of inventory</u>		
Raw materials and components		
Leather (natural and synthetic)	77.29	61.36
Rubber	17.31	24.46
Textiles	36.49	29.59
Chemical	38.06	42.63
Packaging	6.26	5.04
Other Materials	66.70	66.48
	<u>242.11</u>	<u>229.56</u>



BATA INDIA LIMITED

**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

18. (INCREASE)/DECREASE IN INVENTORIES	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions	(Increase)/ decrease Rs. millions
<u>Inventories at the end of the period</u>			15 Months ended 31.03.2015
Finished goods	6,470.76	5,261.69	(1,209.07)
Work-in-progress	319.48	322.36	2.88
	<u>6,790.24</u>	<u>5,584.05</u>	<u>(1,206.19)</u>
<u>Inventories at the beginning of the period</u>			12 Months ended 31.12.2013
Finished goods	5,261.69	4,113.23	(1,148.46)
Work-in-progress	322.36	257.62	(64.74)
	<u>5,584.05</u>	<u>4,370.85</u>	<u>(1,213.20)</u>
	<u>(1,206.19)</u>	<u>(1,213.20)</u>	
Increase/(decrease) of excise duty on change in inventories	100.39	27.15	
Total (increase)/decrease	<u>(1,105.80)</u>	<u>(1,186.05)</u>	
<u>Details of purchase of traded goods</u>		15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Footwear		8,596.61	6,866.76
Accessories, Garments and others		603.68	461.90
		<u>9,200.29</u>	<u>7,328.66</u>
<u>Details of inventory</u>			
Finished goods			
Footwear		6,217.66	5,050.94
Accessories, Garments and others		253.10	210.75
		<u>6,470.76</u>	<u>5,261.69</u>
Work-in-progress			
Footwear		319.48	322.36
		<u>319.48</u>	<u>322.36</u>
19. EMPLOYEE BENEFIT EXPENSE			
Salaries, wages and bonus		2,747.66	1,894.45
Contribution to provident and other funds		157.29	127.31
Gratuity expense (refer note 33)		85.55	21.68
Staff welfare expenses		128.79	89.68
		<u>3,119.29</u>	<u>2,133.12</u>

20. OTHER EXPENSES	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Consumption of stores and spares	46.55	32.62
Power and fuel	642.46	512.28
Freight	498.00	428.87
Rent [Refer note 27] (Including impact of straight lining of lease rent Rs. 296.90 million (Previous year: Rs.243.16 million))	3,742.50	2,620.09
Rates and taxes	220.21	173.43
Insurance	84.34	70.16
Repairs and maintenance		
Plant and machinery	28.17	31.02
Buildings	57.76	47.04
Others	44.10	24.87
Advertising and sales promotion	277.08	139.48
Sales commission	862.06	642.19
Legal and professional fees*	163.94	104.47
Loss on Foreign Exchange Fluctuations (Net)	11.62	—
Technical collaboration fee	295.06	207.58
Provision for doubtful debt, loans, advances etc.	24.78	12.25
Loss on sale / discard of fixed assets (net)	1.39	38.78
Bank charges	160.14	118.21
Royalty	290.67	167.25
Miscellaneous expenses	642.62	441.07
	<u>8,093.45</u>	<u>5,811.66</u>
*Payment to auditor (under legal & professional fees)		
As auditor	8.20	5.80
In other capacity:		
Other services (certification fees)	1.71	0.21
Reimbursement of expenses	1.35	1.98
	<u>11.26</u>	<u>7.99</u>
21. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of tangible assets	795.99	595.85
Amortization of intangible assets	1.72	1.87
	<u>797.71</u>	<u>597.72</u>
Less: recoupment from revaluation reserve	5.37	5.75
	<u>792.34</u>	<u>591.97</u>



BATA INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

22. FINANCE COSTS

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Interest	<u>17.56</u>	<u>12.99</u>
	<u>17.56</u>	<u>12.99</u>

23. EXCEPTIONAL ITEM

Voluntary Retirement Scheme (refer note 2.1 m(vi))	16.94	100.77
Gain on assets received from erstwhile JV (Refer Note No. 26)	(239.19)	—
Provision for contingencies written back	(93.00)	—
	<u>(315.25)</u>	<u>100.77</u>

During the period, the Company had announced a Voluntary Retirement Scheme (VRS) for the workmen of few units and paid the above amount to workmen who have opted for the scheme.

24. EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	15 Months ended 31.03.2015	12 Months ended 31.12.2013
Profit after tax (Rs. millions)	2,311.72	1,907.43
Weighted average number of equity shares in calculating basic EPS	64,263,770	64,263,770
Basic and Diluted EPS (Rs.)	35.97	29.68

25. Note 19 includes R&D expenses of Rs. 53.71 millions (Previous year: Rs. 43.89 millions) and Note 20 includes R&D expenses of Rs. 21.18 millions (Previous year: Rs. 20.96 millions).

26. The Company in the earlier years, entered into a joint venture agreement for the development of the township at Batanagar with Riverbank Developers Private Limited (RDPL). Thereafter, in April 2010, while retaining the legal title over the land at Batanagar Project and shares in the erstwhile Joint Venture Company (RDPL), the Company restructured its agreements with revised terms and conditions and received 315,000 sq. ft of employee housing recorded as fixed assets at INR 433.75Mn. and also recorded a liability of INR 216.244Mn. for obligation to be fulfilled. In December 2013, the Company had signed a further addendum to the development agreement to receive further constructed area of 332,030 sq. ft. against 325,000 sq. ft., agreed in April, 2010.

During the period, the Company has received approval from the WB Government committee, *inter alia*, specifies that the Company has completed the obligations with respect to Batanagar factory, retail stores and employee housing and RDPL is to complete balance employee housing by end 2014. The Company has also received handover of 136,955 sq. ft. out of total 332,030 sq. ft. from RDPL after the due diligence exercise carried out by an independent agency. The Company has recognized exceptional income on account of apartments received amounting to INR 239.19 Mn. based on fair valuation undertaken by an independent valuer.

The Company based on management assessment also considered prudent to carry provision of INR 123 Mn. (previous year 216 Mn.) and reversed INR 93 Mn. as exceptional income and believes that no further adjustments are required in the financial statements in this regard.

27. LEASES

Assets Taken on Operating Lease

- a) The Company has taken various residential, office, warehouse and shop premises under operating lease agreements. The lease agreements generally have an escalation clause and there are no subleases. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreements.
- b) The aggregate lease rental payables are charged as 'Rent' in Note 20.

The future minimum lease payments under non-cancellable operating leases are as follows:

		(Rs. millions)
Lease rentals	31-Mar-15	31-Dec-13
Within one year	24.15	62.63
After one year but not more than five years	3.04	3.49
More than five years	—	—

28. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE, WHICH ARE NOT INTENDED FOR TRADING OR SPECULATION PURPOSE.

Forward Contract outstanding as at balance sheet date

Particulars of Forward Contracts	Currency	Mar 2015	Dec 2013	Purpose
Purchase	USD	1,282,774.20	1,086,043.32	Hedge of Trade Payable

Particulars of Unhedged foreign currency exposure as at the balance sheet date

Particulars of Unhedged foreign currency exposure	Amount in Foreign Currency			Amount in Indian Currency (Rs. millions)	
	Currency	Mar 2015	Dec 2013	Mar 2015	Dec 2013
Trade payables	USD	426,159.21 @ 63.06	408,861.08 @ 62.26	26.87	25.46
Advance for Import purchases	USD	65,518.95 @ 62.22	373,335.43 @ 61.42	4.08	22.93
	EURO	7657.66 @ 66.89	—	0.51	—
Advance from Customer	USD	5,200.00@ 63.06	6,577.00@ 62.26	0.33	0.41
Trade receivables	USD	607,959.55 @ 62.22	282,078.40 @ 61.42	37.83	17.33
	EURO	60,690 @ 66.89	—	4.06	—

29. SEGMENT REPORTING

The Company operates in two segments - Footwear & Accessories and Surplus Property Development. The Company has chosen business segments as its primary segments considering the dominant source and nature of risks and returns and the internal organisation and management structure.

A description of the types of products and services provided by each reportable segment is as follows:

Footwear & Accessories: The Segment is engaged in the business of manufacturing and trading of footwear and accessories items through its retail and wholesale network.

Surplus Property Development: The segment is involved in development of surplus property at Batanagar.


BATA INDIA LIMITED
**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**
A. PRIMARY SEGMENT DISCLOSURE

(Rs. Millions)

Particulars	Footwear & Accessories		Surplus Property Development		Total	
	2015	2013	2015	2013	2015	2013
REVENUE						
External Turnover	26,939.95	20,651.74	—	—	26,939.95	20,651.74
Other income*(also includes exceptional income)	167.77	130.28	347.13	—	514.90	130.28
RESULT	2,718.75	2,664.02	347.13	—	3,065.88	2,664.02
Unallocated Corporate Expenses					(11.26)	(7.99)
Operating Profit					3,054.62	2,656.03
Interest Expenses					(17.56)	(12.99)
Interest Income					249.62	183.20
Income Taxes					(974.96)	(918.81)
Net Profit					2,311.72	1,907.43
OTHER INFORMATION						
Segment assets	14,987.01	12,927.24	—	—	14,987.01	12,927.24
Unallocated corporate assets					1,387.33	900.26
Total assets					16,374.34	13,827.50
Segment liabilities	5,427.76	4,562.66	123.24	216.24	5,551.00	4,778.90
Unallocated corporate liabilities					601.90	638.59
Total liabilities					6,152.89	5,417.49
Capital expenditure	1,464.92	817.24	—	—	1,464.92	817.24
Depreciation	790.62	590.10	—	—	790.62	590.10
Amortisation	1.72	1.87			1.72	1.87
Non-cash expenses other than depreciation and amortisation	24.78	12.25	—	—	24.78	12.25

* Other income as reported does not include interest income amounting to Rs.249.62 millions (Previous year Rs. 183.20 millions)

B INFORMATION ABOUT SECONDARY SEGMENTS

a) Revenue & Trade receivables as per Geographical Markets

(Rs. Millions)

Particulars	Revenue		Trade Receivables	
	2015	2013	2015	2013
India	26,663.31	20,504.67	539.68	492.25
Outside India	276.64	147.07	44.51	16.95
Total	26,939.95	20,651.74	584.19	509.20

b) The following table presents expenditure and certain asset information regarding the company's geographical segments:

(Rs. Millions)

Other segment information	2015			2013		
	India	Outside India	Total	India	Outside India	Total
Segment assets	14,942.50	44.51	14,987.01	12,910.29	16.95	12,927.24
Capital expenditure:						
Tangible fixed assets*	1,227.52	—	1,227.52	732.51	—	732.51
Intangible assets	237.40	—	237.40	84.75	—	84.75

* excluding assets received from erstwhile JV.

30. A. Related Party Transaction Details

i. Sale of Goods:

Details of sales to Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Empresas Comerciales S.A.	2015	10.12	2.30
	2013	—	—
Bata Shoe Co. (Bangladesh) Ltd.	2015	17.11	0.83
	2013	15.00	2.18
Bata Shoe Co. of Ceylon Ltd.	2015	17.73	12.65
	2013	—	—
Bata Shoe of Thailand Public Company Limited	2015	—	—
	2013	2.39	—
Futura Footwear Ltd.	2015	—	—
	2013	2.86	1.31
Others	2015	3.31	3.59
	2013	1.20	0.75

ii. Purchase of Goods:

Details of Purchase from Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Bata Shoe Co. (Kenya) Ltd.	2015	1.32	—
	2013	1.34	—
Bata Singapore	2015	9.34	—
	2013	—	—
Others	2015	1.11	1.03
	2013	—	—

iii. Reimbursement of Expenses to:

Details of Reimbursement of expenses to Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Bata Malaysia SDN. BHD.	2015	3.08	1.24
	2013	1.15	0.04
Global Footwear Services Pte Ltd.	2015	2.19	—
	2013	0.55	—
Bata Brands S.A.	2015	0.90	0.90
	2013	—	—
Bata Shoe Singapore Pte Ltd.	2015	—	—
	2013	0.79	—
Euro Footwear Holdings S.a.r.l.	2015	—	—
	2013	0.40	—
Others	2015	1.86	(0.08)
	2013	—	—

**BATA INDIA LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)****iv. Reimbursement of Expenses from:**

Details of Reimbursement of expenses from Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Euro Footwear Holdings S.a.r.l.	2015	16.58	11.54
	2013	13.64	5.63
International Footwear Investment B.V.	2015	14.99	2.64
	2013	13.19	2.85
Global Footwear Services Pte Ltd.	2015	24.03	4.59
	2013	1.41	—
Bata Shoe Singapore Pte Ltd.	2015	—	—
	2013	4.14	1.01
Others	2015	12.90	3.02
	2013	0.48	0.18

v. Technical Collaboration Fees:

Details of Technical Collaboration Fees paid/payable to Fellow Subsidiaries:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Global Footwear Services Pte Ltd.	2015	264.20	38.67
	2013	185.00	33.84

vi. Royalty:

Details of Royalty paid/payable to Fellow Subsidiaries:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Bata Brands S.a.r.l.	2015	9.92	9.92
	2013	5.79	4.49
Bata Brands S.A.	2015	3.77	3.77
	2013	—	—

vii. Transaction with Subsidiaries:

Details of transaction with Subsidiaries which are material:

A. Advance Recoverable:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Bata Properties Limited	2015	—	—
	2013	1.65	—
Coastal Commercial & Exim Limited	2015	0.66	0.31
	2013	0.55	0.70

B. Rent Expenses:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)
Bata Properties Limited	2015	0.97
	2013	0.77
Coastal Commercial & Exim Limited	2015	1.05
	2013	0.84

C. Investment in Subsidiary :

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)
Way Finders Brands Limited	2015	1.00
	2013	—

viii. Remuneration to Directors and other key managerial personnel *:

Name of the Director/Key Managerial Personnel	Fifteen months period / Year	Transaction Value (Rs. millions)
Rajeev Gopalakrishnan	2015	50.32
	2013	39.35
Ranjit Mathur	2015	17.54
	2013	13.51
Kumar Nitesh	2015	19.52
	2013	—
Maloy Kumar Gupta	2015	3.22
	2013	—

* As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors/key managerial personnel are not included above.

ix. Transaction with Holding Company:

Dividend Payment:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)
BATA (BN) B.V., Amsterdam, The Netherlands	2015	221.21
	2013	200.55

30. B. Related Party Disclosure

I. Where Control Exists:

Nature of Relationship	Name
A. Holding Company	: BATA (BN) B.V., Amsterdam, The Netherlands
B. Subsidiaries	: Bata Properties Limited, Coastal Commercial & Exim Limited (a step down subsidiary) Way Finders Brands Limited (w.e.f. 10.02.2015)

II. Related parties under AS 18 with whom transactions have taken place during the period :

Nature of Relationship	Name
A. Key Management Personnel	: Rajeev Gopalakrishnan, Managing Director Ranjit Mathur, Director Finance Kumar Nitesh, Managing Director - Retail (w.e.f. 21.05.2014)

**BATA INDIA LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

B. Fellow Subsidiaries with whom transactions have taken place during the period:

Company Name	Company Name
Bata Shoe (Singapore) Pte. Ltd.	Bata Shoe Co. (Bangladesh) Ltd.
Global Footwear Services Pte Ltd.	International Footwear Investment B.V.
Bata Malaysia SDN. BHD.	Bata Shoe of Thailand Public Company Limited
Bata Shoe Co. (Kenya) Ltd.	Bata Brands S.a.r.l.
Euro Footwear Holdings S.a.r.l.	Futura Footwear Ltd.
Bata Shoe Co. of Ceylon Ltd.	Bata Brands S.A.
Empresas Comerciales S.A.	China Footwear Services
P.T. Sepatu Bata Tbk	Manaco S.A. Bolivia
Bata Colombia Manisol S.A.	Bubblegummers Inc.
The Zimbabwe Bata Shoe Co.	Compar S.P.A. Italy

III. **Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the period:**

Company Secretary : Mr. Maloy Kumar Gupta w.e.f. 01.04.2014

31. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

a) Claims against Company not acknowledged as debts includes:

Nature	2015 (Rs. millions)	2013 (Rs. millions)
Excise and Customs Cases	148.40	148.40
Sales Tax Cases	21.80	21.80
Others*	241.54	211.50
Income Tax Cases**	355.41	291.87
Total	767.15	673.57

* Others include individually small cases pertaining to rent, labour etc.

** During earlier years, the Assessing Officer had revised the computation of Capital Gains on "Transfer of Development Rights to RHPL" in the year 2007 by treating it as Short Term instead of the Long Term and thus raised a demand of Rs. 230.55 millions on the Company. The Company during the previous year had received favourable order from the ITAT Kolkata. However Income Tax Department had filed an appeal with the High Court against the said order.

During the previous year, the Company has received an order of Commissioner of Income Tax under section 263 of the Income Tax Act, 1961 directing the Assessing Officer for re-computation of consideration adopted by Company for computation of long term capital gain for A.Y. 2007-08 on transfer of development rights of Batanagar land to River Bank Holding Private Ltd. (erstwhile JV company). The amount of tax liability is not mentioned in the order. The Company has filed an appeal to Income Tax Appellate Tribunal against the said order. The Company on the basis of consultant's advice believes that it has a good case and hence no provision there against is considered necessary. As per the agreement, liability of income tax on such transfer, if any, will be borne by the erstwhile JV company.

On the basis of current status of individual cases and as per legal advice obtained by the Company wherever applicable, the Company is confident that no provision is required in respect of these cases at this point in time.

b) Future obligations imposed by the Govt. of West Bengal in respect of property project are Rs. Nil (Previous year: Rs. 28.53 millions).

c) The erstwhile JV company will fulfil the obligation of development of 88 acre (Previous Year: 88 acres) of land for social and economic purposes as per conditions imposed on the Company by Government of West Bengal. Considering the discharge of Company's commitments as per government letter dated August 25, 2014, Company has released the bank guarantee from RDPL of Rs. 240.00 millions.



NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

d) In August 2014, M/s Crocs Limited filed a suit on Bata India limited for trademark infringement. The District Court passed an ex-parte injunction order which was later transferred to Hon'ble Delhi High Court on account of jurisdictional issue. The management based upon the legal opinion believes that the Company has a strong case on merits and believes that no adjustment is required in the financial statements in this regard.

32. CAPITAL AND OTHER COMMITMENTS:

Estimated amount of contracts remaining to be executed for capital expenditure and not provided for amounted to Rs.301.64 millions (Previous year: Rs. 169.01 millions).

33. (a) Gratuity and other post-employment benefit plans:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at the rate of 15 days salary (last drawn salary) for each completed year of service. The scheme is funded through the companies own trust.

The Company has also provided long term compensated absences which are unfunded.

The following tables summarize the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet for the defined benefit gratuity plan.

Statement of Profit and Loss

Net employee benefit expense (recognised in Gratuity expense) :

	(Rs. millions)	
	Gratuity	
	2015	2013
Current service cost	24.48	18.78
Interest cost on benefit obligation	39.07	28.08
Expected return on plan assets	(42.79)	(32.34)
Net actuarial(gain) / loss recognised in the year	64.79	7.16
Past Service Cost	—	—
Net benefit expense	<u>85.55</u>	<u>21.68</u>

Balance sheet

Details of Provision for gratuity

	(Rs. millions)	
	Gratuity	
	2015	2013
Defined benefit obligation	447.58	388.62
Fair value of plan assets	447.49	414.08
	(0.09)	25.46
Plan asset / (liability)	<u>(0.09)</u>	<u>25.46</u>

**BATA INDIA LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

Changes in the present value of the defined benefit obligation are as follows: (Rs. millions)

	Gratuity	
	<u>2015</u>	<u>2013</u>
Opening defined benefit obligation	388.62	360.44
Interest cost	39.07	28.08
Current service cost	24.48	18.78
Plan Amendments	—	—
Benefits paid	(82.74)	(44.38)
Actuarial (gains) / losses on obligation	78.15	25.68
Closing defined benefit obligation	<u>447.58</u>	<u>388.60</u>

Changes in the fair value of plan assets are as follows: (Rs. millions)

	Gratuity	
	<u>2015</u>	<u>2013</u>
Opening fair value of plan assets	414.08	397.61
Expected return	42.79	32.34
Contributions by employer	60.00	10.00
Benefits paid	(82.74)	(44.38)
Actuarial gains / (losses)	13.36	18.52
Closing fair value of plan assets	<u>447.49</u>	<u>414.09</u>

The Defined benefit obligation amounting to Rs.447.58 millions is funded by assets amounting to Rs.447.49 millions and Company has contributed Rs.0.09 millions short during the period ended on 31st March 2015. The company expects to contribute Rs.40 millions (Previous Year Rs. 25 millions) during the year 2015-16.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	<u>2015</u>	<u>2013</u>
	<u>%</u>	<u>%</u>
Investments	100.00	100.00
– With Insurer	52.91	47.14
– With Government securities and Bonds	4.39	4.14
– With Special deposit scheme	42.70	48.72

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.



**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

The principal assumptions used in determining gratuity and leave encashment obligations for the Company's plans are shown below:

	2015	2013
	%	%
Discount rate	7.80	9.00
Expected rate of return on assets	9.25	8.50
Employee turnover		
Non Management		
20-24	0.50	0.50
25-29 and 55-60	0.30	0.30
30-34 and 50-54	0.20	0.20
35-49	0.10	0.10
Management		
20-25	5.00	5.00
26-35	3.00	3.00
36 and above	0.50	0.50

The estimates of future salary increases have been considered in actuarial valuation based on inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The experience adjustment on account of actuarial assumptions of the Gratuity Scheme is as follows:

(Rs. millions)

	Experience History	2015	2013	2012	2011	2010
1	Defined Benefit Obligation at end of the period	(447.58)	(388.62)	(360.46)	(348.70)	(346.55)
2	Plan Assets at end of the period	447.49	414.08	397.61	387.31	352.18
3	Funded Status	(0.09)	25.46	37.15	38.62	5.63
4	Experience Gain/(Loss) adjustments on plan liabilities	(43.04)	(45.58)	(25.67)	(40.92)	(55.33)
5	Experience Gain/(Loss) adjustments on plan assets	13.36	18.52	23.39	24.29	(04.98)
6	Actuarial Gain/(Loss) due to change on assumptions	(35.12)	19.89	05.25	6.57	06.78

**BATA INDIA LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)****Contribution to Defined Contribution Plans:**

	2015 (Rs. millions)	2013 (Rs. millions)
Pension fund	1.46	2.23

(b) Provident Fund

The Provident Fund (where administered by a Trust) is a defined benefit scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to conform to the interest rate declared by the government for the Employees Provident Fund. As per the Actuarial Society of India guidance note (GN21) for measurement of provident fund liabilities, the actuary has accordingly provided a valuation and based on the below provided assumptions, there is no shortfall as at 31st March, 2015.

	31st March 2015 (Rs. millions)	31st December, 2013 (Rs. millions)
Contribution to provident and other funds	146.84	122.74

The detail of fund and plan asset position as at 31st March, 2015 is given below:

	31st March 2015 (Rs. millions)	31st December, 2013 (Rs. millions)
Plan assets at fair value	3,898.55	3,669.06
Present value of the defined benefit obligation	3,364.36	3,187.91
Asset recognized in the balance sheet	NIL	NIL

34. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

S. No.	Details of dues to micro and small enterprises as defined under MSMED Act, 2006	2015 (Rs. millions)	2013 (Rs. millions)
I	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of period reported in Current Trade Payables		
	Principal Amount Unpaid	17.62	64.08
	Interest Due	—	—
II	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the period		
	Payment made beyond the Appointed Date	155.46	472.08
	Interest Paid beyond the Appointed Date	—	—
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006.	—	—
IV	The amount of interest accrued and remaining unpaid at the end of the period; and	—	—
V	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	—	—

35. CAPITALIZATION OF EXPENDITURE

During the period, the company has capitalized the following expenses of revenue nature to the intangible assets under development. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

	2015 (Rs. millions)	2013 (Rs. millions)
Salaries, wages and bonus	16.25	3.42
Legal & Professional Expenses	193.74	15.84
Rent	12.50	4.80
Other expenses	11.68	57.68
	<u>234.17</u>	<u>81.74</u>



BATA INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

		31.03.2015		31.12.2013
		(Rs.millions)		(Rs.millions)
36. VALUE OF IMPORTS ON CIF BASIS (on accrual basis)				
Raw Materials		49.90		37.49
Stores & Spares		2.35		3.58
Capital Goods		74.77		272.33
Finished Goods		1,733.34		1,104.82
		1,860.36		1,418.22
37 (a) Consumption of Raw Materials		31.03.2015		31.12.2013
		(Rs.millions)		(Rs.millions)
		% of total		% of total
		Consumption		Consumption
Imported		48.58	1.13	34.98
Indigenous		4,235.14	98.87	3,310.88
		4,283.72	100.00	3,345.86
				100.00
(b) Consumption of Stores and Spares		31.03.2015		31.12.2013
		(Rs.millions)		(Rs.millions)
		% of total		% of total
		Consumption		Consumption
Imported		3.23	6.95	2.70
Indigenous		43.32	93.05	29.92
		46.55	100.00	32.62
				100.00
38. FOREIGN CURRENCY INCOME & EXPENDITURE		31.03.2015		31.12.2013
		(Rs.millions)		(Rs.millions)
		(Rs.millions)		(Rs.millions)
Income - Exports (F.O.B. value)			276.64	147.07
Expenditure :				
Royalty		145.63		130.57
Technical Collaboration Fees		264.20		185.00
Others		32.37	442.20	18.53
				334.10
39. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND		31.03.2015		31.12.2013
		(Rs.millions)		(Rs.millions)
Dividend on Equity Shares* (Rs. millions)		221.21		200.55
Number of Non-resident Equity Shareholders		1		1
Number of Equity Shares held by them on which dividend is paid during the year		34,032,757		33,424,100
* Dividend of Rs. 221.21 millions pertains to year 2013 (2012: Rs. 200.55 millions)				

**NOTES TO FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

40. The current financial year is for a period of 15 months ended on 31st March 2015 ("current period") and accordingly, the figures for the current period are not comparable with figures for the year ended 31st December 2013 ('previous year') presented in the Statement of Profit and Loss, Cash Flow Statement and related notes. Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to the classification of current period.

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij
Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Uday Khanna
Chairman
DIN: 00079129

**BATA INDIA LIMITED****STATEMENT PURSUANT TO SECTION 212 OF THE
COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY**

1. Name of the Subsidiary Company : BATA PROPERTIES LIMITED
2. Financial period of the Subsidiary Company ended on : March 31, 2015
3. Extent of interest in Subsidiary Company : 100%
4. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company.
 - a) Dealt with in the Company's accounts
 - i) for the financial period of the Subsidiary : NIL
 - ii) for the previous financial years of the Subsidiary since it became the Subsidiary of the Company : NIL
 - b) Not dealt with in the Company's accounts
 - i) for the financial period of the Subsidiary : Rs. 1.78 million
 - ii) for the previous financial years of the Subsidiary since it became the Subsidiary of the Company : Rs. 1.36 million

For and on behalf of the Board of Directors

RANJIT MATHUR
Director – Finance
DIN: 03551291

RAJEEV GOPALAKRISHNAN
Managing Director
DIN: 03438046

MALOY KUMAR GUPTA
Company Secretary
Membership No.: A-24123

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurgaon
Date : May 27, 2015

BATA INDIA LIMITED**STATEMENT PURSUANT TO SECTION 212 OF THE
COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY**

1. Name of the Subsidiary Company : COASTAL COMMERCIAL & EXIM LIMITED
2. Financial period of the Subsidiary Company ended on : March 31, 2015
3. Extent of interest in Subsidiary Company : 100%
4. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company.
 - a) Dealt with in the Company's accounts
 - i) for the financial period of the Subsidiary : NIL
 - ii) for the previous financial years of the Subsidiary since it became the Subsidiary of the Company : NIL
 - b) Not dealt with in the Company's accounts
 - i) for the financial period of the Subsidiary : Rs. 0.07 million
 - ii) for the previous financial years of the Subsidiary since it became the Subsidiary of the Company : Rs. 0.26 million

For and on behalf of the Board of Directors

RANJIT MATHUR
Director – Finance
DIN: 03551291

RAJEEV GOPALAKRISHNAN
Managing Director
DIN: 03438046

MALOY KUMAR GUPTA
Company Secretary
Membership No.: A-24123

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurgaon
Date : May 27, 2015

**BATA INDIA LIMITED****STATEMENT PURSUANT TO SECTION 212 OF THE
COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY**

- | | | |
|--|---|----------------------------|
| 1. Name of the Subsidiary Company | : | WAY FINDERS BRANDS LIMITED |
| 2. Financial period of the Subsidiary Company ended on | : | March 31, 2015 |
| 3. Extent of interest in Subsidiary Company | : | 100% |
| 4. Net aggregate amount of the profits of the Subsidiary Company as far as it concerns the members of the Company. | | |
| a) Dealt with in the Company's accounts | | |
| i) for the financial period of the Subsidiary | : | NIL |
| ii) for the previous financial years of the Subsidiary since it became the Subsidiary of the Company | : | NA |
| b) Not dealt with in the Company's accounts | | |
| i) for the financial period of the Subsidiary | : | Rs. (0.14) million |
| ii) for the previous financial years of the Subsidiary since it became the Subsidiary of the Company | : | NA |

For and on behalf of the Board of Directors

RANJIT MATHUR
Director – Finance
DIN: 03551291

RAJEEV GOPALAKRISHNAN
Managing Director
DIN: 03438046

MALOY KUMAR GUPTA
Company Secretary
Membership No.: A-24123

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurgaon
Date : May 27, 2015



MOVEMENT OF BATA INDIA LIMITED SHARE PRICES

YEAR	HIGH	LOW
1985	91.00	47.40
1986	131.60	54.00
1987	160.00	59.25
1988	91.00	50.00
1989	89.00	60.00
1990	107.00	61.75
1991	149.00	72.00
1992	400.00	135.00
1993	358.00	72.00
1994	350.00	195.00
1995	205.00	55.00
1996	104.00	46.00
1997	174.00	49.00
1998	259.00	112.40
1999	282.00	127.00
2000	175.20	43.20
2001	73.95	28.00
2002	51.00	31.10
2003	72.50	26.00
2004	98.90	38.25
2005	195.40	74.60
2006	329.25	140.50
2007	290.50	125.55
2008	296.00	76.55
2009	208.90	76.50
2010	391.90	171.00
2011	740.70	295.00
2012	989.00	519.10
2013	1085.75	688.25
2014-15	1495.00	895.00



BATA INDIA LIMITED

**STATEMENT UNDER SECTION 212 OF THE COMPANIES ACT, 1956 RELATING
TO SUBSIDIARY COMPANIES IN TERMS OF THE CIRCULAR NO. 2/2011
DATED FEBRUARY 8, 2011 ISSUED BY THE MINISTRY OF
CORPORATE AFFAIRES, GOVERNMENT OF INDIA**

Amount (Rs. in millions)

SI No.	Particulars	BATA PROPERTIES LIMITED		COASTAL COMMERCIAL & EXIM LIMITED		WAY FINDERS BRANDS LIMITED
		31.03.2015	31.12.2013	31.03.2015	31.12.2013	31.03.2015
a	Capital					
	– Authorised	100.00	100.00	1.00	1.00	—
	– Issued & Subscribed	48.51	48.51	0.50	0.50	1.00
b	Reserve	(9.60)	(11.38)	0.18	0.10	(0.14)
c	Total Assets	43.44	40.88	1.49	1.54	0.99
d	Total Liability	43.44	40.88	1.49	1.54	0.99
e	Details of Investment (Except Investment in Subsidiary)	–	–	–	–	–
f	Turnover	2.78	2.18	1.06	0.89	–
g	Profit before taxation	2.53	1.94	0.30	0.45	(0.14)
h	Provision for taxation	0.75	0.58	0.23	0.20	–
i	Profit after taxation	1.78	1.36	0.07	0.26	(0.14)
j	Proposed dividend	–	–	–	–	–

For and on behalf of the Board of Directors

RANJIT MATHUR
Director Finance
DIN : 03551291

RAJEEV GOPALAKRISHNAN
Managing Director
DIN: 03438046

MALOY KUMAR GUPTA
Company Secretary
Membership No: A-24123

UDAY KHANNA
Chairman
DIN: 00079129

Place: Gurgaon
Date : May 27, 2015

BATA INDIA LIMITED (GROUP)

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Bata India Limited

We have audited the accompanying consolidated financial statements of Bata India Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) In the case of the consolidated Statement of Profit and Loss, of the profit for the fifteen month period ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows for the fifteen month period on that date.

Other Matter

We did not audit total assets of Rs. 45.92 million as at March 31, 2015, total revenues of Rs. 1.82 million and net cash inflows amounting to Rs. 0.89 million for the period then ended, included in the accompanying consolidated financial statements in respect of subsidiaries, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E

per Sanjay Vij
Partner
Membership No.: 95169

Place: Gurgaon
Date: May 27, 2015

BATA INDIA LIMITED (GROUP)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

	Notes	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	642.64	642.64
Reserves and surplus	4	9,569.23	7,756.10
		<u>10,211.87</u>	<u>8,398.74</u>
Non-current liabilities			
Trade payables	5	977.60	792.75
		<u>977.60</u>	<u>792.75</u>
Current liabilities			
Trade payables	5	3,567.51	2,861.42
Other current liabilities	5	850.44	876.63
Short-term provisions	6	762.34	890.68
		<u>5,180.29</u>	<u>4,628.73</u>
Total		<u><u>16,369.76</u></u>	<u><u>13,820.22</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	3,077.64	2,475.13
Intangible assets	8	9.42	7.91
Capital work-in-progress		165.80	155.33
Intangible assets under development		315.91	81.74
Non-current investments	9	—	—
Deferred tax assets (net)	10	876.15	680.79
Long-term loans and advances	11	1,767.92	1,187.71
		<u>6,212.84</u>	<u>4,588.61</u>
Current assets			
Inventories	12	7,046.98	5,826.94
Trade receivables	13.1	584.19	509.20
Cash and bank balances	14	2,100.63	2,557.52
Short-term loans and advances	11	319.08	225.74
Other current assets	13.2	106.04	112.21
		<u>10,156.92</u>	<u>9,231.61</u>
Total		<u><u>16,369.76</u></u>	<u><u>13,820.22</u></u>
Summary of significant accounting policies	2.3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij

Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Uday Khanna
Chairman
DIN: 00079129

BATA INDIA LIMITED (GROUP)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015

	Notes	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Income			
Revenue from operations (gross)	15	27,375.98	20,984.06
Less: excise duty		436.03	332.32
Revenue from operations (net)		26,939.95	20,651.74
Other income	16	434.15	314.92
Total revenue		27,374.10	20,966.66
Expenses			
Cost of raw material and components consumed	17	4,283.72	3,345.86
Purchase of traded goods	18	9,200.29	7,328.66
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	18	(1,105.80)	(1,186.05)
Employee benefits expense	19	3,119.29	2,133.12
Other expenses	20	8,092.09	5,810.51
Depreciation and amortization expense	21	798.21	597.94
Less: recoupment from revaluation reserve		(5.37)	(5.75)
Net depreciation and amortization expense		792.84	592.19
Finance costs	22	17.56	12.99
Exceptional item (income)/expense	23	(315.25)	100.77
Total Expenses		24,084.74	18,138.05
Profit before tax		3,289.36	2,828.61
Tax expenses			
Current tax		1,171.23	1,156.77
Deferred tax (credit)/charge		(195.28)	(237.20)
Total tax expenses		975.95	919.57
Profit for the period		2,313.41	1,909.04
Earnings per equity share [nominal value of share Rs.10 (Previous year: Rs.10)]			
Earning per share (basic & diluted) (Rs.)	24	36.00	29.71
Summary of significant accounting policies	2.3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij

Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Uday Khanna
Chairman
DIN: 00079129

BATA INDIA LIMITED (GROUP)

CONSOLIDATED CASH FLOW STATEMENT FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,289.36	2,828.61
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization (net)	792.84	592.19
Gain on assets received from erstwhile JV	(239.19)	—
Provision for contingencies written back	(93.00)	—
Liabilities no longer required written back	(2.93)	(2.71)
Lease rent straightlining	296.90	243.16
Loss on Disposal of Fixed Assets (Net)	1.39	38.78
Provision for Doubtful Debts & Advances	24.78	12.25
Interest expense	17.56	12.99
Interest income	(249.62)	(184.56)
Operating profit before working capital changes	3,838.09	3,540.71
Movements in working capital :		
Increase/(decrease) in trade payables	709.29	678.38
Increase / (decrease) in short-term provisions	(105.44)	9.26
Increase/(decrease) in other current liabilities	(325.08)	(127.85)
Increase/ (decrease) in other long-term trade payables	184.85	231.65
Decrease/(increase) in trade receivables	(74.99)	(59.73)
Decrease/(increase) in inventories	(1,220.04)	(1,206.03)
Decrease / (increase) in long-term loans and advances	(269.80)	(125.46)
Decrease / (increase) in short-term loans and advances	(118.12)	(26.56)
Decrease/(increase) in other current assets	4.30	6.21
Decrease / (increase) in other non-current assets	—	10.92
Cash generated from /(used in) operations	2,623.06	2,931.50
Direct taxes paid (net of refunds)	(1,435.44)	(1,106.46)
Net cash flow from/ (used in) operating activities (A)	1,187.62	1,825.04

BATA INDIA LIMITED (GROUP)

CONSOLIDATED CASH FLOW STATEMENT FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(1,464.90)	(817.23)
Proceeds from sale of fixed assets	128.94	30.10
Repayment/(Investments) in bank deposits (having original maturity of more than three months)	477.04	(514.63)
Interest received	198.55	120.24
Net cash flow from/(used in) investing activities (B)	(660.37)	(1,181.52)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(17.56)	(12.99)
Dividend paid on equity shares	(415.72)	(383.71)
Tax on equity dividend paid	(70.99)	(65.53)
Net cash flow from/(used in) in financing activities (C)	(504.27)	(462.23)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	22.98	181.29
Cash and cash equivalents at the beginning of the period	513.25	331.96
Cash and cash equivalents at the end of the period	536.23	513.25
Components of cash and cash equivalents		
Cash on hand	97.22	78.98
With banks- on current account	424.49	422.61
-- unpaid dividend accounts*	14.52	11.66
Total cash and cash equivalents (note 14)	536.23	513.25
Summary of significant accounting policies	2.3	

*The company can utilize these balances only towards settlement of the respective unpaid dividend and unpaid matured deposits

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij

Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Uday Khanna
Chairman
DIN: 00079129

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015

1. CORPORATE INFORMATION

Bata India Limited (Parent Company) along with its subsidiaries, (collectively the “Group”) is primarily engaged in the business of manufacturing and trading of footwear & accessories through its retail and wholesale network and development of real estate.

2. BASIS OF PREPARATION

2.1 Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- i) The financial statements of the Group have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses (to the extent cost can be recovered), if any, as per Accounting Standard - 21, Consolidated Financial Statements, notified in the Companies (Accounting Standards) Rules, 2006 (as amended), read with General Circular 08/2014 dated 4th April 2014, issued by the Ministry of Corporate Affairs.
- ii) The financial statements of the Subsidiary Companies used in the consolidation are drawn for the same period as that of the Parent Company i.e. period ended March 31, 2015.
- iii) List of Domestic Subsidiaries considered for Consolidation:

Sl. No.	Name of the Company	Nature of relationship	Country of Incorporation	Extent of Holding/ Voting Power (%) as on March 31, 2015	Extent of Holding/ Voting Power (%) as on December 31, 2013
1.	Bata Properties Limited	Subsidiary	India	100.00	100.00
2.	Coastal Commercial & Exim Limited	Subsidiary	India	100.00	100.00
3.	Way Finders Brands Limited	Subsidiary	India	100.00	—

- iv) As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company’s separate financial statements.

2.2 Basis of Accounting

The Consolidated financial statements relate to Bata India Limited (Parent Company), and its Subsidiary Companies (hereinafter referred as the “Group”). The financial statements have been prepared to comply in all material respects with the Accounting Standard notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956, read with General Circular 08/2014 dated 4th April 2014, issued by the Ministry of Corporate Affairs. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

2.3 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

b. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisitions are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments.

c. Fixed Assets

Fixed Assets are stated at cost of acquisition (or revalued amounts, as the case may be) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In case of revaluation of fixed assets, the revalued amount as determined by the valuer, is considered in the books of account and the differential amount is transferred to Revaluation Reserve. Depreciation on the revalued amount is transferred from Revaluation Reserve to Statement of profit and loss.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

d. Depreciation

- i. Fixed Assets costing below Rs. 5,000 are fully depreciated in the year of acquisition.
- ii. Lease hold improvements (LHI) included under building and furniture & fixtures are amortised on straight line basis over the period of lease or useful life (not exceeding 9 years), whichever is lower.
- iii. Depreciation on other fixed Assets is provided on Written Down Value method at the rates based on the estimated useful life of the assets, estimated by the management which is in accordance with the rates specified in Schedule XIV of the Companies Act, 1956.
- iv. Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

e. Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis. Cost of traded goods includes purchase and allied costs incurred to bring inventory to its present condition and location, determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

g. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

i. Sale of Goods:

Revenue is recognized when the significant risks and rewards of ownership of goods have passed to the buyer, which generally coincides with delivery. It includes excise duty but excludes value added tax/sales tax. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

ii. Interest:

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii. Export Benefits:

Export Entitlements in the form of Duty Drawback, Duty Entitlement Pass Book (DEPB) and other schemes are recognized in the Statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

h. Foreign Currency Transactions

i. Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period.

i. Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the assets concerned in arriving at the carrying amount of the related asset.

Government grants in the form of non-monetary assets given at a concessional rate are accounted for on the basis of their acquisition cost.

j. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of Qualifying Assets, which take substantial period of time to get ready for its intended use, are capitalized until the time all substantial activities necessary to prepare such assets for their intended use are complete. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

k. Segment Reporting Policies

(i) Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are footwear & accessories and investment in erstwhile joint venture for surplus property development.

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

(ii) Allocation of Common Costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

(iii) Unallocated Items:

Includes general corporate income and expense items which are not allocated to any business segment.

(iv) Segment Policies:

The Company prepare its segment information in conformity with the Accounting Policies adopted for preparing and presenting the Financial Statement of the company as a whole.

l. Intangible Assets

i. Computer Software Acquired for Internal Use

Costs relating to computer software which is acquired are capitalized and amortized on a straight-line basis over its useful life of 5 years.

ii. Research and Development Costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development cost is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

m. Retirement and Other Employee Benefits

i. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method, at each year end. The liability so provided is represented substantially by creation of separate funds and is used to meet the liability as and when it accrues for payment in future.

ii. The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to conform to the interest rate declared by the government for the Employees Provident Fund. The Guidance Note on implementing AS-15, Employee Benefits (revised 2005) states that provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The Actuarial Society of India has issued the final guidance for measurement of provident fund liabilities. The Company has adopted actuary valuation to arrive at provident fund liability as at 31st March, 2015.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

- iii. Short term compensated absences are provided on estimated basis. Long term compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an actuary, at each year end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

- iv. Retirement benefits in the form of Pension cost is a defined contribution scheme and the contributions are charged to the Statement of profit and loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- v. Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred.
- vi. Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss in the year such scheme is accepted by the employees/workers.

n. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

o. Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are off set, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on Income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will not be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

p. Provisions

A provision is recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

q. Earnings Per Share (Basic & Diluted)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

3. SHARE CAPITAL

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Authorized shares		
70,000,000 (Previous year: 70,000,000) equity shares of Rs.10/- each	700.00	700.00
Issued shares*		
64,285,000 (Previous year: 64,285,000) equity shares of Rs. 10/- each	642.85	642.85
Subscribed and fully paid-up shares		
64,263,770 (Previous year: 64,263,770) equity shares of Rs.10/- each	642.64	642.64
Total issued, subscribed and fully paid-up share capital	642.64	642.64

***Shares held in abeyance**

21,230 (Previous year: 21,230) equity shares of Rs. 10 each were held in abeyance on account of pending adjudication of the shareholders' right to receive those shares / inability of depository to establish ownership rights.

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	As at 31.03.2015		As at 31.12.2013	
	No. of Shares	Rs. millions	No. of Shares	Rs. millions
At the beginning of the period	64,263,770	642.64	64,263,770	642.64
Outstanding at the end of the period	64,263,770	642.64	64,263,770	642.64

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the period, the amount of per share dividend recognized as distributions to equity shareholders was Rs.6.50 (Previous year: Rs.6.50).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

c. Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company		
34,032,757 (Previous year: 34,032,757) equity shares of Rs.10/- each fully paid	340.33	340.33

d. Details of shareholders holding more than 5% shares in the Company

	As at 31.03.2015		As at 31.12.2013	
	No. of Shares	% Holding in the class	No. of Shares	% Holding in the class
Equity shares of Rs.10 each fully paid				
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company	34,032,757	52.96%	34,032,757	52.96%

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

4. RESERVES AND SURPLUS	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Securities premium account		
Balance as per the last financial statements	501.36	501.36
Closing balance	<u>501.36</u>	<u>501.36</u>
Revaluation reserve		
Balance as per the last financial statements	279.51	288.55
Less: used on sold/ discarded fixed assets	(6.21)	(3.29)
Less: amount transferred to the statement of profit and loss as reduction from depreciation	(5.37)	(5.75)
Closing balance	<u>267.93</u>	<u>279.51</u>
General reserve		
Balance as per the last financial statements	1,097.09	906.35
Add: amount transferred from surplus balance in the statement of profit and loss	231.17	190.74
Closing balance	<u>1,328.26</u>	<u>1,097.09</u>
Surplus in the statement of profit and loss		
Balance as per last financial statements	5,878.14	4,651.52
Profit for the period	2,313.41	1,909.04
Amount available for appropriations	<u>8,191.55</u>	<u>6,560.56</u>
Less: Appropriations		
Proposed final equity dividend (amount per share Rs.6.50 (Previous year: Rs. 6.50))	(417.71)	(417.71)
Tax on proposed equity dividend (Including Rs.2.98 millions (Previous year: Rs. 2.98) for previous year)	(70.99)	(73.97)
Transfer to general reserve	(231.17)	(190.74)
Total appropriations	<u>(719.87)</u>	<u>(682.42)</u>
Net surplus in the statement of profit and loss	<u>7,471.68</u>	<u>5,878.14</u>
Total reserves and surplus	<u><u>9,569.23</u></u>	<u><u>7,756.10</u></u>

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

5. TRADE PAYABLES AND OTHER LIABILITIES				
	Current		Non-current	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Trade payables (refer note 34 for details of dues to micro and small enterprises)	3,567.51	2,861.42	977.60	792.75
<u>Other liabilities</u>				
Payable for capital goods	148.41	196.26	—	—
Advance from customers	38.89	45.07	—	—
Unearned revenue	5.39	3.48	—	—
Investor education and protection fund will be credited by following amounts (as and when due):				
Unpaid dividend	10.59	8.60	—	—
Others:				
Deposit from agents and franchisees	394.46	300.90	—	—
Statutory Payables	252.70	322.32	—	—
	850.44	876.63	—	—
	4,417.95	3,738.05	977.60	792.75
6. PROVISIONS				
	Short-term		Long-term	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
<u>Provision for employee benefits</u>				
Provision for leave benefits	19.24	30.56	—	—
	19.24	30.56	—	—
<u>Other provisions</u>				
Provision for warranties	7.25	12.07	—	—
Provision for contingencies	134.11	224.71	—	—
Provision for taxation (net)	111.74	134.64	—	—
Provision for Loyalty Program	1.21	—	—	—
Proposed equity dividend	417.71	417.71	—	—
Provision for tax on proposed equity dividend	70.99	70.99	—	—
Provision for gratuity	0.09	—	—	—
	743.10	860.12	—	—
	762.34	890.68	—	—

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

Provision for warranties

The warranty claim provision covers the expenses relating to the repairing / cost of shoes sold which are covered by a warranty period of 60 days from the date of sale. Provision in respect of warranties is made on the basis of valuation carried out by an independent actuary as at period end. It is expected that cost will be incurred over the warranty period as per the warranty terms.

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
At the beginning of the period	12.07	8.05
Arising during the period	167.53	124.08
Utilized during the period	(84.54)	(109.79)
Unused amounts reversed	(87.81)	(10.27)
At the end of the period	7.25	12.07

Provision for contingencies

The breakup and movement of provision for contingencies are as follows: (Rs. millions)

Particulars	ESI		Labour Case and Other Civil Cases		Liability for Land Development (Refer note no. 26)		Total	
	2015	2013	2015	2013	2015	2013	2015	2013
Opening balance as on 1st Jan 2013	5.16	1.27	3.31	0.76	216.24	216.24	224.71	218.27
Additions	—	7.83	2.40	4.64	—	—	2.40	12.47
Utilized	—	3.94	—	2.09	—	—	—	6.03
Reversals	—	—	—	—	93.00	—	93.00	—
Closing balance as on 31st Mar 2015	5.16	5.16	5.71	3.31	123.24	216.24	134.11	224.71

The Company sets up and maintains provision for trade related and other litigations or disputes when a reasonable estimate can be made. The amounts of provisions are based upon estimates provided by the Company's legal department, which are revisited on a timely basis. The exact timing of the settlement of the litigations and consequently, the outflow is uncertain.

*In view of large number of labour cases and other civil cases, it is not practicable to disclose the details of each case separately. The exact timing of the settlement of the litigation and consequently, the outflow is uncertain.

Provision for Loyalty Program

A provision on Loyalty program reward points started during the period is recognized based upon expected usage of reward points by the members, as estimated by actuarial valuation. The movement in the provision for Loyalty program costs is as follows:

	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
At the beginning of the period	—	—
Provision created during the period	1.42	—
Provision utilised during the period	(0.21)	—
At the end of the period	1.21	—

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

(Rs. millions)							
7.	TANGIBLE ASSETS	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Total
	Cost or valuation						
	At 01.01.2013	252.60	1,222.24	1,876.90	2,255.22	21.11	5,628.07
	Additions	—	108.67	165.17	438.61	3.28	715.73
	Disposals	—	(41.45)	(121.62)	(152.68)	(0.53)	(316.28)
	At 31.12.2013	252.60	1,289.46	1,920.45	2,541.15	23.86	6,027.52
	Additions	—	632.33	243.96	652.61	6.64	1,535.54
	Disposals	—	(65.84)	(265.49)	(266.07)	(1.89)	(599.29)
	At 31.03.2015	252.60	1,855.95	1,898.92	2,927.69	28.61	6,963.77
	Depreciation						
	At 01.01.2013	—	449.69	1,540.14	1,198.56	12.04	3,200.43
	Charge for the year	—	103.78	125.47	364.25	2.57	596.07
	Disposals	—	(22.86)	(106.36)	(114.36)	(0.53)	(244.11)
	At 31.12.2013	—	530.61	1,559.25	1,448.45	14.08	3,552.39
	Charge for the period	—	165.49	167.58	459.91	3.50	796.48
	Disposals	—	(24.51)	(242.98)	(193.64)	(1.61)	(462.74)
	At 31.03.2015	—	671.59	1,483.85	1,714.72	15.97	3,886.13
	Net Block						
	At 31.03.2015	252.60	1,184.36	415.07	1,212.97	12.64	3,077.64
	At 31.12.2013	252.60	758.85	361.20	1,092.70	9.78	2,475.13
(Rs. millions)							
8.	INTANGIBLE ASSETS (COMPUTER SOFTWARE)						
	Gross block						
	At 01.01.2013						8.39
	Purchase						3.01
	At 31.12.2013						11.40
	Purchase						3.23
	At 31.03.2015						14.63
	Amortization						
	At 01.01.2013						1.62
	Charge for the year						1.87
	At 31.12.2013						3.49
	Charge for the period						1.72
	At 31.03.2015						5.21
	Net block						
	At 31.03.2015						9.42
	At 31.12.2013						7.91

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

9. NON-CURRENT INVESTMENTS	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Non-trade investments (valued at cost unless stated otherwise)		
Investment in Cooperative Societies (Unquoted)		
250 (Previous year : 250) Shares of Rs. 10 each in Bata Employees' Co-operative Consumers' Stores Limited, Hathidah	0.00	0.00
5 (Previous year : 5) Shares of Rs. 10 each in Bhadrakali Market Co-operative Society Limited, Nasik	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
Aggregate amount of unquoted investments	0.00	0.00
10. DEFERRED TAX ASSETS (NET)		
Deferred tax assets		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	410.62	340.14
Impact of expenditure charged to the statement of profit and loss in the current/earlier period but allowable for tax purposes on payment basis	440.40	327.31
Provision for doubtful debts and advances	25.13	13.34
Net deferred tax asset	876.15	680.79

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

11. LOANS AND ADVANCES	Non-current		Current	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Capital advances				
Unsecured, considered good	93.37	79.67	—	—
(A)	<u>93.37</u>	<u>79.67</u>	<u>—</u>	<u>—</u>
Security deposit				
Unsecured, considered good	1,109.23	850.21	13.08	26.20
Unsecured, considered Doubtful	2.07	2.07	—	—
	1,111.30	852.28	13.08	26.20
Provision for doubtful security deposit	(2.07)	(2.07)	—	—
(B)	<u>1,109.23</u>	<u>850.21</u>	<u>13.08</u>	<u>26.20</u>
Loan and advances to related parties				
Unsecured, considered good	—	—	21.79	9.21
(C)	<u>—</u>	<u>—</u>	<u>21.79</u>	<u>9.21</u>
Advances recoverable in cash or kind				
Unsecured, considered good	—	—	162.68	87.40
Unsecured, considered Doubtful	—	—	62.25	37.47
	—	—	224.93	124.87
Provision for doubtful advances	—	—	(62.25)	(37.47)
(D)	<u>—</u>	<u>—</u>	<u>162.68</u>	<u>87.40</u>
Balances with statutory/ government authorities				
Unsecured, considered good	85.39	89.91	58.44	36.49
Unsecured, considered Doubtful	8.29	8.29	—	—
	93.68	98.20	58.44	36.49
Provision for doubtful advances	(8.29)	(8.29)	—	—
(E)	<u>85.39</u>	<u>89.91</u>	<u>58.44</u>	<u>36.49</u>
Other loans and advances				
Advance income-tax (net of provision for taxation)	432.52	135.82	—	—
Prepaid expenses	47.41	32.10	63.09	66.44
(F)	<u>479.93</u>	<u>167.92</u>	<u>63.09</u>	<u>66.44</u>
Total (A+ B + C + D + E + F)	<u>1,767.92</u>	<u>1,187.71</u>	<u>319.08</u>	<u>225.74</u>
12. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)				
			As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Raw materials and components (including goods in transit Rs. 7.38 millions (Previous year: Rs. 5.13 millions)) (refer note 17)			242.11	229.56
Work-in-progress (refer note 18)			319.48	322.36
Finished goods (including goods in transit Rs. 780.48 millions (Previous year: Rs. 531.53 millions)) (refer note 18)*			6,470.76	5,261.69
Stores and spares			14.63	13.33
			<u>7,046.98</u>	<u>5,826.94</u>
*Finished goods include stock in trade, as both are stocked together				

BATA INDIA LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

13. TRADE RECEIVABLES AND OTHER ASSETS				
13.1 Trade receivables				
	Non-current		Current	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Debts outstanding for a period exceeding six months from the date they are due for payment				
- Unsecured, considered good	—	—	6.58	4.10
	—	—	6.58	4.10
Other receivables				
- Unsecured, considered good	—	—	577.61	505.10
	—	—	577.61	505.10
	—	—	584.19	509.20
	—	—	584.19	509.20
13.2 Other current assets				
	Non-current		Current	
	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions	As at 31.03.2015 Rs. millions	As at 31.12.2013 Rs. millions
Unsecured, considered goods unless stated otherwise				
Bank balances (note 14)	—	—	18.07	15.25
(B)	—	—	18.07	15.25
Others				
Interest accrued on fixed deposits	—	—	84.55	89.25
Insurance claims	—	—	3.42	7.71
	—	—	87.97	96.96
	—	—	106.04	112.21
	—	—	106.04	112.21
14. CASH AND BANK BALANCES				
Cash and cash equivalents				
Balances with banks:				
-On current & cash credit accounts	—	—	424.49	422.61
-On unpaid dividend account	—	—	14.52	11.66
Cash on hand	—	—	97.22	78.98
	—	—	536.23	513.25
Other bank balances				
Deposits with original maturity for more than 12 months	—	—	18.07	15.25
Deposits with original maturity for more than 3 months but less than 12 months*	—	—	1,564.40	2,044.27
	—	—	1,582.47	2,059.52
Amount disclosed under non-current/ current assets (note 13.2)	—	—	(18.07)	(15.25)
	—	—	2,100.63	2,557.52
	—	—	2,100.63	2,557.52

*Includes deposit pledged with banks of Rs.14.41 millions (Previous year Rs.14.27 millions).

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

15. REVENUE FROM OPERATIONS	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Revenue from operations		
Sale of products		
Finished goods	27,356.95	20,972.18
Other operating revenue		
Others (including export incentives, scrap sales etc.)	19.03	11.88
Revenue from operations (gross)	27,375.98	20,984.06
Less: Excise duty*	436.03	332.32
Revenue from operations (net)	26,939.95	20,651.74
<p>* Excise duty on sales amounting to Rs. 436.03 millions (Previous year: Rs. 332.32 millions) has been reduced from sales in statement of profit & loss and differential excise duty on opening and closing stock of manufactured finished goods amounting to Rs. 100.39 millions (Previous Year: Rs. 27.15 millions) has been adjusted from (increase)/decrease in inventories in Note 18.</p>		
Details of products sold		
	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Footwear	25,742.34	19,847.71
Accessories, Garments and others	1,614.61	1,124.47
	27,356.95	20,972.18
16. OTHER INCOME		
	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Interest income on		
-Bank deposits	247.40	181.18
-Others	2.22	3.37
Gain on Foreign Exchange Fluctuations (Net)	—	7.29
Provision no longer required written back	2.93	2.71
Insurance Claim Received	2.32	0.76
Other non-operating income	179.28	119.61
	434.15	314.92

BATA INDIA LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

17. COST OF RAW MATERIAL AND COMPONENTS CONSUMED	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Inventory at the beginning of the period	229.56	239.91
Add: Purchases	4,296.27	3,335.51
	4,525.83	3,575.42
Less: Inventory at the end of the period	242.11	229.56
Cost of raw material and components consumed	4,283.72	3,345.86
<u>Details of raw material and components consumed</u>		
Leather (natural and synthetic)	727.19	555.02
Rubber	183.13	208.10
Textiles	319.07	255.77
Chemical	734.52	613.72
Packaging	268.76	210.46
Job processing charges	460.11	343.87
Other Materials	1,590.94	1,158.92
	4,283.72	3,345.86
<u>Details of Inventory</u>		
Raw materials and components		
Leather (natural and synthetic)	77.29	61.36
Rubber	17.31	24.46
Textiles	36.49	29.59
Chemical	38.06	42.63
Packaging	6.26	5.04
Other Materials	66.70	66.48
	242.11	229.56

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

18. (INCREASE)/DECREASE IN INVENTORIES	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions	(Increase)/ decrease Rs. millions
<u>Inventories at the end of the period</u>			15 Months ended 31.03.2015
Finished goods	6,470.76	5,261.69	(1,209.07)
Work-in-progress	319.48	322.36	2.88
	<u>6,790.24</u>	<u>5,584.05</u>	<u>(1,206.19)</u>
<u>Inventories at the beginning of the period</u>			12 Months ended 31.12.2013
Finished goods	5,261.69	4,113.23	(1,148.46)
Work-in-progress	322.36	257.62	(64.74)
	<u>5,584.05</u>	<u>4,370.85</u>	<u>(1,213.20)</u>
	<u>(1,206.19)</u>	<u>(1,213.20)</u>	
Increase/(decrease) of excise duty on change in inventories	100.39	27.15	
Total increase/decrease	<u>(1,105.80)</u>	<u>(1,186.05)</u>	
<u>Details of purchase of traded goods</u>		15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Footwear		8,596.61	6,866.76
Accessories, garments and others		603.68	461.90
		<u>9,200.29</u>	<u>7,328.66</u>
<u>Details of inventory</u>			
Finished goods			
Footwear		6,217.66	5,050.94
Accessories, garments and others		253.10	210.75
		<u>6,470.76</u>	<u>5,261.69</u>
Work-in-progress			
Footwear		319.48	322.36
		<u>319.48</u>	<u>322.36</u>
19. EMPLOYEE BENEFIT EXPENSE			
Salaries, wages and bonus		2,747.66	1,894.45
Contribution to provident and other funds		157.29	127.31
Gratuity expense (refer note 33)		85.55	21.68
Staff welfare expenses		128.79	89.68
		<u>3,119.29</u>	<u>2,133.12</u>

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

20. OTHER EXPENSES	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Consumption of stores and spares	46.55	32.62
Power and fuel	642.46	512.28
Freight	498.00	428.87
Rent [Refer note 27] (Including impact of straight lining of lease rent Rs. 296.90 millions (Previous year: Rs.243.16 millions))	3,740.90	2,618.81
Rates and taxes	220.21	173.46
Insurance	84.34	70.16
Repairs and maintenance		
Plant and machinery	28.17	31.02
Buildings	57.76	47.04
Others	44.10	24.87
Advertising and sales promotion	277.08	139.48
Sales commission	862.06	642.19
Legal and professional fees*	164.06	104.57
Loss on Foreign Exchange Fluctuations (Net)	11.62	—
Technical collaboration fee	295.06	207.58
Provision for doubtful debt, loans, advances etc.	24.78	12.25
Loss on sale / discard of fixed assets (net)	1.39	38.78
Royalty	290.67	167.25
Bank charges	160.14	118.21
Miscellaneous expenses	642.74	441.07
	8,092.09	5,810.51
*Payment to auditor (under legal & professional fees)		
As auditor	8.28	5.83
In other capacity:		
Other services (certification fees)	1.73	0.23
Reimbursement of expenses	1.37	2.03
	11.38	8.09
21. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of tangible assets	796.49	596.07
Amortization of intangible assets	1.72	1.87
	798.21	597.94
Less: recoupment from revaluation reserve	5.37	5.75
	792.84	592.19

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

22. FINANCE COSTS

	15 Months ended 31.03.2015 Rs. millions	12 Months ended 31.12.2013 Rs. millions
Interest	17.56	12.99
	<u>17.56</u>	<u>12.99</u>

23. EXCEPTIONAL ITEM

VRS expenses (refer note 2.1 m(vi))	16.94	100.77
Gain on assets received from erstwhile JV (Refer Note No. 26)	(239.19)	—
Provision for contingencies written back	(93.00)	—
	<u>(315.25)</u>	<u>100.77</u>

During the period, the Company had announced a Voluntary Retirement Scheme (VRS) for the workmen of Faridabad Unit and paid the above amount to workmen who have opted for the scheme.

24. EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	15 Months ended 31.03.2015	12 Months ended 31.12.2013
Profit after tax (Rs. millions)	2,313.41	1,909.04
Weighted average number of equity shares in calculating basic EPS	64,263,770	64,263,770
Basic and Diluted EPS (Rs.)	36.00	29.71

25. Note 19 includes R&D expenses of Rs.53.71 millions (Previous year: Rs. 43.89 millions) and Note 20 includes R&D expenses of Rs. 21.18 millions (Previous year: Rs. 20.96 millions).

26. The Company in the earlier years, entered into a joint venture agreement for the development of the township at Batanagar with Riverbank Developers Private Limited (RDPL). Thereafter, in April 2010, while retaining the legal title over the land at Batanagar Project and shares in the erstwhile Joint Venture Company (RDPL), the Company restructured its agreements with revised terms and conditions and received 315,000 sq. ft of employee housing recorded as fixed assets at INR 433.75Mn. and also recorded a liability of INR 216.244Mn. for obligation to be fulfilled. In December 2013, the Company had signed a further addendum to the development agreement to receive further constructed area of 332,030 sq. ft. against 325,000 sq. ft., agreed in April, 2010.

During the period, the Company has received approval from the WB Government committee, *inter alia*, specifies that the Company has completed the obligations with respect to Batanagar factory, retail stores and in employee housing and RDPL is to complete balance employee housing by end 2014. The Company has also received handover of 136,955 sq. ft. out of total 332,030 sq. ft. from RDPL after the due diligence exercise carried out by an independent agency. The Company has recognized exceptional income on account of apartments received amounting to INR 239.19 Mn. based on fair valuation undertaken by an independent valuer.

The Company based on management assessment also considered prudent to carry provision of INR 123 Mn. (previous year 216 Mn.) and reversed INR 93 Mn. as exceptional income and believes that no further adjustments are required in the financial statements in this regard.

27. LEASES

Assets Taken on Operating Lease

- a) The Company has taken various residential, office, warehouse and shop premises under operating lease agreements. The lease agreements generally have an escalation clause and there are no subleases. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreements.
- b) The aggregate lease rentals payables are charged as 'Rent' in Note 20.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

The future minimum lease payments under non-cancellable operating leases are as follows:

	31-Mar-15	31-Dec-13
Lease rentals		(Rs. millions)
Within one year	24.15	62.63
After one year but not more than five years	3.04	3.49
More than five years	—	—

28. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE, WHICH ARE NOT INTENDED FOR TRADING OR SPECULATION PURPOSE.

Forward Contract outstanding as at balance sheet date

Particulars of Forward Contracts	Currency	Mar 2015	Dec 2013	Purpose
Purchase	USD	1,282,774.20	1,086,043.32	Hedge of Trade Payable

Particulars of Unhedged foreign currency exposure as at the balance sheet date

Particulars of Unhedged foreign currency exposure	Amount in Foreign Currency			Amount in Indian Currency (Rs. millions)	
	Currency	Mar 2015	Dec 2013	Mar 2015	Dec 2013
Trade payables	USD	426,159.21 @ 63.06	408,861.08 @ 62.26	26.87	25.46
Advance for Import purchases	USD	65,518.95 @ 62.22	373,335.43 @ 61.42	4.08	22.93
	EURO	7657.66 @ 66.89	—	0.51	—
Advance from Customer	USD	5,200.00@ 63.06	6,577.00@ 62.26	0.33	0.41
Trade receivables	USD	607,959.55 @ 62.22	282,078.40 @ 61.42	37.83	17.33
	EURO	60,690 @ 66.89	—	4.06	—

29. SEGMENT REPORTING

The Company operates in two segments - Footwear & Accessories and Surplus Property Development. The Company has chosen business segments as its primary segments considering the dominant source and nature of risks and returns and the internal organisation and management structure.

A description of the types of products and services provided by each reportable segment is as follows:

Footwear & Accessories: The Segment is engaged in the business of manufacturing and trading of footwear and accessories items through its retail and wholesale network.

Surplus Property Development: The segment is involved in development of surplus property at Batanagar.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

A. PRIMARY SEGMENT DISCLOSURE						(Rs. Millions)
Particulars	Footwear & Accessories		Surplus Property Development		Total	
	2015	2013	2015	2013	2015	2013
REVENUE						
External Turnover	26,939.95	20,651.74	—	—	26,939.95	20,651.74
Other income*(also includes exceptional income)	169.59	130.37	347.13	—	516.72	130.37
RESULT	2,721.55	2,665.13	347.13	—	3,068.68	2,665.13
Unallocated Corporate Expenses					(11.38)	(8.09)
Operating Profit					3,057.30	2,657.04
Interest Expenses					(17.56)	(12.99)
Interest Income					249.62	184.56
Income Taxes					(975.95)	(919.57)
Net Profit					2,313.41	1,909.04
OTHER INFORMATION						
Segment assets	14,976.54	12,914.36	—	—	14,976.54	12,914.36
Unallocated corporate assets					1,393.22	905.86
Total assets					16,369.76	13,820.22
Segment liabilities	5,427.86	4,562.73	123.24	216.24	5,551.10	4,778.97
Unallocated corporate liabilities					606.79	642.51
Total liabilities					6,157.89	5,421.48
Capital expenditure	1,464.90	817.23	—	—	1,464.90	817.23
Depreciation	791.12	590.32	—	—	791.12	590.32
Amortisation	1.72	1.87	—	—	1.72	1.87
Non-cash expenses other than depreciation and amortisation	24.78	12.25	—	—	24.78	12.25
* Other income as reported does not include interest income amounting to Rs.249.62 millions (Previous year: Rs. 184.56 millions)						
B INFORMATION ABOUT SECONDARY SEGMENTS						
a) Revenue & Trade receivables as per Geographical Markets						(Rs. Millions)
Particulars	Revenue		Trade Receivables			
	2015	2013	2015	2013		
India	26,663.31	20,504.67	539.68	492.25		
Outside India	276.64	147.07	44.51	16.95		
Total	26,939.95	20,651.74	584.19	509.20		
b) The following table present expenditure and certain asset information regarding the company's geographical segments:						(Rs. Millions)
Other segment information	2015			2013		
	India	Outside India	Total	India	Outside India	Total
Segment assets	14,932.03	44.51	14,976.54	12,897.41	16.95	12,914.36
Total assets						
Capital expenditure:						
Tangible fixed assets*	1,227.52	—	1,227.52	732.51	—	732.51
Intangible assets	237.40	—	237.40	84.75	—	84.75
* excluding assets received from erstwhile JV.						

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

30. A. Related Party Transaction Details

i. Sale of Goods:

Details of sales to Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Empresas Comerciales S.A.	2015	10.12	2.30
	2013	—	—
Bata Shoe Co. (Bangladesh) Ltd.	2015	17.11	0.83
	2013	15.00	2.18
Bata Shoe Co. of Ceylon Ltd.	2015	17.73	12.65
	2013	—	—
Bata Shoe of Thailand Public Company Limited	2015	—	—
	2013	2.39	—
Futura Footwear Ltd.	2015	—	—
	2013	2.86	1.31
Others	2015	3.31	3.59
	2013	1.20	0.75

ii. Purchase of Goods:

Details of Purchase from Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Bata Shoe Co. (Kenya) Ltd.	2015	1.32	—
	2013	1.34	—
Bata Singapore	2015	9.34	—
	2013	—	—
Others	2015	1.11	1.03
	2013	—	—

iii. Reimbursement of Expenses to:

Details of Reimbursement of expenses to Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Bata Malaysia SDN. BHD.	2015	3.08	1.24
	2013	1.15	0.04
Global Footwear Services Pte Ltd.	2015	2.19	—
	2013	0.55	—
Bata Brands S.A.	2015	0.90	0.90
	2013	—	—
Bata Shoe Singapore Pte Ltd.	2015	—	—
	2013	0.79	—
Euro Footwear Holdings S.a r.l.	2015	—	—
	2013	0.40	—
Others	2015	1.86	(0.08)
	2013	—	—

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

iv. Reimbursement of Expenses from:

Details of Reimbursement of expenses from Fellow Subsidiaries which are material:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Euro Footwear Holdings S.a r.l.	2015	16.58	11.62
	2013	13.64	5.63
International Footwear Investment B.V.	2015	14.99	2.64
	2013	13.19	2.85
Global Footwear Services Pte Ltd.	2015	24.03	4.59
	2013	1.41	—
Bata Shoe Singapore Pte Ltd.	2015	—	—
	2013	4.14	1.01
Others	2015	12.90	3.02
	2013	0.48	0.18

v. Technical Collaboration Fees:

Details of Technical Collaboration Fees paid/payable to Fellow Subsidiaries:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Global Footwear Services Pte Ltd.	2015	264.20	38.67
	2013	185.00	33.84

vi. Royalty:

Details of Royalty paid/payable to Fellow Subsidiaries:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)	Outstanding Balance (Rs. millions)
Bata Brands S.a.r.l.	2015	9.92	9.92
	2013	5.79	4.49
Bata Brands S.A.	2015	3.77	3.77
	2013	—	—

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

vii. Remuneration to Directors and other key managerial personnel *:

Name of the Director/Key Managerial Personnel	Fifteen months period / Year	Transaction Value (Rs. millions)
Rajeev Gopalakrishnan	2015	50.32
	2013	39.35
Ranjit Mathur	2015	17.54
	2013	13.51
Kumar Nitesh	2015	19.52
	2013	—
Maloy Kumar Gupta	2015	3.22
	2013	—

* As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors/key managerial personnel are not included above.

viii. Transaction with Holding Company:

Dividend Payment:

Name of the Party	Fifteen months period / Year	Transaction Value (Rs. millions)
BATA (BN) B.V., Amsterdam, The Netherlands	2015	221.21
	2013	200.55

30. B. Related Party Disclosure

I. Where Control Exists:

Nature of Relationship	Name
A. Holding Company	: BATA (BN) B.V., Amsterdam, The Netherlands

II. Related parties under AS 18 with whom transactions have taken place during the year:

Nature of Relationship	Name
A. Key Management Personnel	: Rajeev Gopalakrishnan, Managing Director Ranjit Mathur, Director Finance Kumar Nitesh, Managing Director - Retail (w.e.f. 21.05.2014)

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

B. Fellow Subsidiaries with whom transactions have taken place during the period:

Company Name	Company Name
Bata Shoe (Singapore) Pte. Ltd.	Bata Shoe Co. (Bangladesh) Ltd.
Global Footwear Services Pte Ltd.	International Footwear Investment B.V.
Bata Malaysia SDN. BHD.	Bata Shoe of Thailand Public Company Limited
Bata Shoe Co. (Kenya) Ltd.	Bata Brands S.a.r.l.
Euro Footwear Holdings S.a.r.l.	Futura Footwear Ltd.
Bata Shoe Co. of Ceylon Ltd.	Bata Brands S.A.
Empresas Comerciales S.A.	China Footwear Services
P.T. Sepatu Bata Tbk	Manaco S.A. Bolivia
Bata Colombia Manisol S.A.	Bubblegummers Inc.
The Zimbabwe Bata Shoe Co.	Compar S.P.A. Italy

III. Additional related parties as per Companies Act 2013 with whom transactions have taken place during the period:

Company Secretary : Mr. Maloy Kumar Gupta w.e.f. 01.04.2014

31. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

a) Claims against Company not acknowledged as debts includes:

Nature	2015 (Rs. millions)	2013 (Rs. millions)
Excise and Customs Cases	148.40	148.40
Sales Tax Cases	21.80	21.80
Others*	241.54	211.50
Income Tax Cases**	355.41	291.87
Total	767.15	673.57

* Others include individually small cases pertaining to rent, labour etc.

** During earlier years, the Assessing Officer had revised the computation of Capital Gains on "Transfer of Development Rights to RHPL" in the year 2007 by treating it as Short Term instead of the Long Term and thus raised a demand of Rs. 230.55 millions on the Company. The Company during the previous year had received favourable order from the ITAT Kolkata. However Income Tax Department had filed an appeal with the High Court against the said order.

During the previous year, the Company has received an order of Commissioner of Income Tax under section 263 of the Income Tax Act, 1961 directing the Assessing Officer for re-computation of consideration adopted by Company for computation of long term capital gain for A.Y. 2007-08 on transfer of development rights of Batanagar land to River Bank Holding Private Ltd (erstwhile JV company). The amount of tax liability is not mentioned in the order. The Company has filed an appeal to Income Tax Appellate Tribunal against the said order. The Company on the basis of consultant's advice believes that it has a good case and hence no provision there against is considered necessary. As per the agreement, liability of income tax on such transfer, if any, will be borne by the erstwhile JV company.

On the basis of current status of individual cases and as per legal advice obtained by the Company wherever applicable, the Company is confident that no provision is required in respect of these cases at this point in time.

b) Future obligations imposed by the Govt. of West Bengal in respect of property project are Rs. Nil (Previous year: Rs. 28.53 millions).

c) The erstwhile JV company will fulfil the obligation of development of 88 acre (Previous Year: 88 acres) of land for social and economic purposes as per conditions imposed on the Company by Government of West Bengal. Considering the discharge of Company's commitments as per government letter dated August 25, 2014, Company has released the bank guarantee from RDPL of Rs. 240.00 millions.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

d) In August 2014, M/s Crocs Limited filed a suit on Bata India limited for trademark infringement. The District court passed an ex-parte injunction order which was later transferred to Hon'ble Delhi High Court on account of jurisdictional issue. The management based upon the legal opinion believes that the Company has a strong case on merits and believes that no adjustment is required in the financial statements in this regard.

32. CAPITAL AND OTHER COMMITMENTS:

Estimated amount of contracts remaining to be executed for capital expenditure and not provided for amounted to Rs.301.64 millions (Previous year: Rs. 169.01 millions).

33. (a) Gratuity and other post-employment benefit plans:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at the rate of 15 days salary (last drawn salary) for each completed year of service. The scheme is funded through the companies own trust.

The Company has also provided long term compensated absences which are unfunded.

The following tables summarize the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet for the defined benefit gratuity plan.

Statement of Profit and Loss

Net employee benefit expense (recognised in Gratuity expense) :

	(Rs. millions)	
	Gratuity	
	<u>2015</u>	<u>2013</u>
Current service cost	24.48	18.78
Interest cost on benefit obligation	39.07	28.08
Expected return on plan assets	(42.79)	(32.34)
Net actuarial(gain) / loss recognised in the year	64.79	7.16
Past Service Cost	—	—
Net benefit expense	<u>85.55</u>	<u>21.68</u>

Balance sheet

Details of Provision for gratuity

	(Rs. millions)	
	Gratuity	
	<u>2015</u>	<u>2013</u>
Defined benefit obligation	447.58	388.62
Fair value of plan assets	447.49	414.08
	(0.09)	25.46
Plan asset / (liability)	<u>(0.09)</u>	<u>25.46</u>

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

Changes in the present value of the defined benefit obligation are as follows: (Rs. millions)

	Gratuity	
	2015	2013
Opening defined benefit obligation	388.62	360.44
Interest cost	39.07	28.08
Current service cost	24.48	18.78
Plan Amendments	—	—
Benefits paid	(82.74)	(44.38)
Actuarial (gains) / losses on obligation	78.15	25.68
Closing defined benefit obligation	<u>447.58</u>	<u>388.60</u>

Changes in the fair value of plan assets are as follows: (Rs. millions)

	Gratuity	
	2015	2013
Opening fair value of plan assets	414.08	397.61
Expected return	42.79	32.34
Contributions by employer	60.00	10.00
Benefits paid	(82.74)	(44.38)
Actuarial gains / (losses)	13.36	18.52
Closing fair value of plan assets	<u>447.49</u>	<u>414.09</u>

The Defined benefit obligation amounting to Rs.447.58 millions is funded by assets amounting to Rs.447.59 millions and Company has contributed Rs.0.09 millions short during the period ended on 31st March 2015. The company expects to contribute Rs.40 millions (Previous Year Rs. 25 millions) during the year 2015-16.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	2015	2013
	%	%
Investments	100.00	100.00
– With Insurer	52.91	47.14
– With Government securities and Bonds	4.39	4.14
– With Special deposit scheme	42.70	48.72

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

The principal assumptions used in determining gratuity and leave encashment obligations for the Company's plans are shown below:

	2015	2013
	%	%
Discount rate	7.80	9.00
Expected rate of return on assets	9.25	8.50
Employee turnover		
Non Management		
20-24	0.50	0.50
25-29 and 55-60	0.30	0.30
30-34 and 50-54	0.20	0.20
35-49	0.10	0.10
Management		
20-25	5.00	5.00
26-35	3.00	3.00
36 and above	0.50	0.50

The estimates of future salary increases have been considered in actuarial valuation based on inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The experience adjustment on account of actuarial assumptions of the Gratuity Scheme is as follows:

(Rs. millions)

	Experience History	2015	2013	2012	2011	2010
1	Defined Benefit Obligation at end of the period	(447.58)	(388.62)	(360.46)	(348.70)	(346.55)
2	Plan Assets at end of the period	447.49	414.08	397.61	387.31	352.18
3	Funded Status	(0.09)	25.46	37.15	38.62	5.63
4	Experience Gain/(Loss) adjustments on plan liabilities	(43.04)	(45.58)	(25.67)	(40.92)	(55.33)
5	Experience Gain/(Loss) adjustments on plan assets	13.36	18.52	23.39	24.29	(04.98)
6	Actuarial Gain/(Loss) due to change on assumptions	(35.12)	19.89	05.25	6.57	06.78

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

Contribution to Defined Contribution Plans:

	2015 (Rs. millions)	2013 (Rs. millions)
Pension fund	1.46	2.23

(b) Provident Fund

The Provident Fund (where administered by a Trust) is a defined benefit scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to conform to the interest rate declared by the government for the Employees Provident Fund. As per the Actuarial Society of India guidance note (GN21) for measurement of provident fund liabilities, the actuary has accordingly provided a valuation and based on the below provided assumptions, there is no shortfall as at 31st March, 2015.

	31st March 2015 (Rs. millions)	31st December, 2013 Rs. (millions)
Contribution to provident and other funds	146.84	122.74

The detail of fund and plan asset position as at 31st March, 2015 is given below:

	31st March 2015 (Rs. millions)	31st December, 2013 Rs. (millions)
Plan assets at fair value	3,898.55	3,669.06
Present value of the defined benefit obligation	3,364.36	3,187.91
Asset recognized in the balance sheet	NIL	NIL

BATA INDIA LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)**

34. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

S. No.	Details of dues to micro and small enterprises as defined under MSMED Act, 2006	2015 (Rs. millions)	2013 (Rs. millions)
I	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of period reported in Current Trade Payables		
	Principal Amount Unpaid	17.62	64.08
	Interest Due	—	—
II	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the period		
	Payment made beyond the Appointed Date	155.46	472.08
	Interest Paid beyond the Appointed Date	—	—
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006.	—	—
IV	The amount of interest accrued and remaining unpaid at the end of the period; and	—	—
V	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	—	—

35. CAPITALIZATION OF EXPENDITURE

During the period, the company has capitalized the following expenses of revenue nature to the intangible assets under development. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

	2015 (Rs. millions)	2013 (Rs. millions)
Salaries, wages and bonus	16.25	3.42
Legal & Professional Expenses	193.74	15.84
Rent	12.50	4.80
Other expenses	11.68	57.68
	<u>234.17</u>	<u>81.74</u>

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

		31.03.2015 (Rs.millions)	31.12.2013 (Rs.millions)
36. VALUE OF IMPORTS ON CIF BASIS (on accrual basis)			
Raw Materials		49.90	37.49
Stores & Spares		2.35	3.58
Capital Goods		74.77	272.33
Finished Goods		1,733.34	1,104.82
		1,860.36	1,418.21
37 (a) Consumption of Raw Materials	31.03.2015	31.12.2013	
	(Rs.millions)	% of total	(Rs.millions)
		Consumption	% of total
Imported	48.58	1.13	34.98
Indigenous	4,235.14	98.87	3,310.88
	4,283.72	100.00	3,345.86
(b) Consumption of Stores and Spares	31.03.2015	31.12.2013	
	(Rs.millions)	% of total	(Rs.millions)
		Consumption	% of total
Imported	3.23	6.95	2.70
Indigenous	43.32	93.05	29.92
	46.55	100.00	32.62
38. FOREIGN CURRENCY INCOME & EXPENDITURE	31.03.2015	31.12.2013	
	(Rs.millions)	(Rs.millions)	(Rs.millions)
Income - Exports (F.O.B. value)		276.64	147.07
Expenditure :			
Royalty	145.63		130.57
Technical Collaboration Fees	264.20		185.00
Others	32.37	442.20	18.53
39. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND	31.03.2015	31.12.2013	
Dividend on Equity Shares* (Rs. millions)		221.21	200.55
Number of Non-resident Equity Shareholders		1	1
Number of Equity Shares held by them on which dividend is paid during the year		34,032,757	33,424,100
* Dividend of Rs. 221.21 millions pertains to year 2013 (2012: Rs. 200.55 millions).			

BATA INDIA LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTH PERIOD ENDED 31ST MARCH, 2015 (Contd.)

40. The current financial year is for a period of 15 months ended on 31st March 2015 ("current period") and accordingly, the figures for the current period are not comparable with figures for the year ended 31st December 2013 ("previous year") presented in the Statement of Profit and Loss, Cash Flow Statement and related notes. Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to the classification of current period.

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E
Chartered Accountants

Per Sanjay Vij
Partner
Membership No.: 95169
Place : Gurgaon
Date : May 27, 2015

For and on behalf of the Board of Directors

Ranjit Mathur
Director Finance
DIN: 03551291

Maloy Kumar Gupta
Company Secretary
Membership No.: A-24123

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Uday Khanna
Chairman
DIN: 00079129

Form No. MGT-11**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L19201WB1931PLC007261
 Name of the Company : BATAINDIALIMITED
 Registered office : 27B, Camac Street, 1st Floor, Kolkata - 700 016(w.e.f. January 1, 2015)
 Name of the Member(s) :
 Registered Address :
 E-mail ID :
 Folio No./DP & Client ID :

I/We, being the Member(s) of _____ shares of the above named Company, hereby appoint

1	Name	:	
	Address	:	
	E-mail ID	:	Signature : _____, or failing him
2	Name	:	
	Address	:	
	E-mail ID	:	Signature : _____, or failing him
3	Name	:	
	Address	:	
	E-mail ID	:	Signature : _____

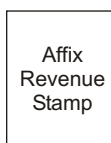
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eighty Second Annual General Meeting of the Company, to be held on Wednesday, the 5th day of August, 2015 at 10:00 a.m. at 'Kalamandir', 48, Shakespeare Sarani, Kolkata 700017 and at any adjournment(s) thereof in respect of such Resolutions as are indicated below:

RESOLUTION NUMBER	PARTICULARS OF RESOLUTION
Resolution 1 (Ordinary Resolution)	To receive, consider and adopt the Balance Sheet of the Company as on March 31, 2015, the Statement of Profit and Loss for the fifteen month period ended on that date, Notes to Financial Statements, Auditors' Report and Directors' Report thereon.
Resolution 2 (Ordinary Resolution)	To declare a dividend @ Rs. 6.50 per share (i.e. 65%) for the fifteen month period ended March 31, 2015.
Resolution 3 (Ordinary Resolution)	To appoint Mr. George Nigel John Clemons, who retires by rotation and being eligible offers himself for re-appointment, as a Director, liable to retire by rotation.
Resolution 4 (Ordinary Resolution)	To re-appoint Auditors and to fix their remuneration.
Resolution 5 (Ordinary Resolution)	To appoint Mr. Ravindra Dhariwal as an Independent Director for a period of five years.
Resolution 6 (Ordinary Resolution)	To appoint Mr. Shaibal Sinha as a Director, liable to retire by rotation.
Resolution 7 (Special Resolution)	To approve payment of commission not exceeding 1% of Net Profit, to the Non-Executive Directors of the Company.
Resolution 8 (Ordinary Resolution)	To approve sub-division of share capital of the Company from one Equity Share of Rs. 10/- each to two Equity Shares of Rs. 5/- each.
Resolution 9 (Special Resolution)	To approve alteration of Capital Clause in the Memorandum of Association of the Company.
Resolution 10 (Special Resolution)	To approve adoption of new set of Articles of Association of the Company.

Signed this _____ day of _____ 2015.

Signature of Shareholder:

Signature of Proxy holder(s):



Note: I) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company or at the office of the Registrar & Transfer Agent, i.e., R&D Infotech Pvt. Ltd., 7A, Beltala Road, 1st Floor, Kolkata 700026, not less than 48 hours before the commencement of the Meeting.
 II) Please mark the envelope "BATA PROXY".

RETAIL DIVISION



RETAIL NETWORK OF MORE THAN 1400 STORES

BATA EXPANDS WITH 127 NEW STORES • AVERAGE STORE SIZE 3000 SQ. FT.

Bata India has continued to expand its retail presence by opening 127 new stores in the year 2014. The new stores are bigger stores built on the Global concept making them look more lit and inviting with the right amount of space to display the products. The retail footprint for Bata is spread across metros, tier 1 and tier 2 markets. The Company plans to add 100 new Retail Stores every year and renovate the existing stores providing incomparable shopping experience and customer service. The Company will now open destination stores to provide a one stop solution to

the consumers. Last year Bata opened bigger stores in key locations like Bandra Matrix in Mumbai with a total space of 9000 square feet and Hebbal Hight Street store in Bangalore. The store openings in the year 2014 were further amplified with media announcements and celebrity launches to garner more footfall and incremental sales by making news around the store location. Bata also opened more than 26 stores of Hush Puppies and 24 stores of Footin at key locations.



Bata Store - Bandra, Mumbai



Bata Store - Hebbal, Bangalore

HUSH PUPPIES

RETAIL NETWORK OF 57 EXCLUSIVE STORES • 37 SHOP-IN-SHOP STORES

Hush Puppies - Bata India's offering in the premium segment, is also on an aggressive growth path and has reached new heights with 57 exclusive brand outlets in all major metros across India. These exclusive brand outlets offer complete brand experience and the entire Hush Puppies product range to consumers. The brand has also

expanded its presence in large departmental stores via shop in shop and is also available with most of the Bata stores and its dealers, across metros. Hush Puppies is observed as one of the fastest growing casual footwear brand in India with total retail space of 5,900 sq metres.



Hush Puppies Store - Pacific Mall, Anand Vihar



Hush Puppies Store - MGF Mall, Gurgaon

FOOTIN

CASUAL FOOTWEAR FOR MEN & WOMEN • AFFORDABLE FASHION

Bata India offers to the youth and trendy, a range of footwear and accessories which focus on affordable fashion. The stores offer a very different experience in terms of display and ambience than any other retailer in India; trendy

designs and attractive price points play a key role. The brand is on an aggressive growth path with 23 exclusive stores opened in 2014.



Footin Store - Pacific Mall, Anand Vihar



Footin Store - MGF Mall, Gurgaon

COLLECTION



Bata.

Hush Puppies®

marie claire.

WENBRENNER®

NORTH STAR®

Scholl®

Bubbling Colors.

POWER.

ambassador

Mocassino

Bata
COMFIT

SPRING SUMMER 2015 - ITS ALL FOR YOU

A journey of a thousand miles begins with a single step. The Spring Summer season at Bata was inspired from this very thought. Our eclectic mix & fix of colors variety

of materials and styles were put together for the season to put a spring in your step and make you want to reach your secret destination.

MEN'S COLLECTION

For the men of real world, the Voguish range of Bata Spring Summer Collection 2015 was an adequate mix of exquisite product range, outlandish style and the eccentric pattern detailing of the new shoes which were stylish yet consistently comfortable and supportive.

Spring Summer Collection for men highlighted the brand's best attributes that were cool, casual and comfortable styles covering each aspect of your daily lifestyle. The Out-of-the-box range included shoe styles like brogues, oxfords, derby, sandals, moccasins, monk strap boots and



many more. Our commitment to craftsmanship and timeless design also inspired this collection lavish materials and rich leather combination.



WOMEN'S COLLECTION

Bata's Women's Spring Summer Collection added a different shade of color in each style to acknowledge a true personality. SS'15 offered a wide range of splendid products like stilettos, wedges, kitten heels, ballerinas, flats, back strap sandals made up with eccentric designs in different textures and patterns. The collection flourished with detailing like studs, embellishments, shimmer and various trims available in both solid and pastel colors.

KID'S COLLECTION

With dozens of funky styles and joyful colors to choose from, our famous bubblegummers collection had something for even the insightful primary-schooler.

From bumpy outdoor shoes to modish sneakers, sandals and slippers the collection had a variety of styles across all age groups. Bata offered a collection of footwear for both boys and girls that were not just stylish, but good for the growing feet too. Moreover the latest innovative technologies of the range lent wonderful fragrance to those little feet while giving them the extra cushioning comfort and shock absorption technology to play in the light of summer.



CORPORATE SOCIAL RESPONSIBILITY

The Bata Children's Program (BCP) under the direction of the Bata Children's Foundation is charged with bringing all Bata community initiatives under one umbrella, with the mission to create a brighter future for children in the communities in which Bata operates. We have adopted schools in and around our areas of operations / factories

HIGHLIGHTS OF 2014-15

Jammu & Kashmir Flood Relief Initiative - Our company decided to come forward to help the people in distress during the Jammu & Kashmir floods. We decided to provide relief and rehabilitation to the children living in the communities affected by the natural disaster by collaborating with SEEDS (Sustainable Environment and Ecological Development Society), a New-Delhi based humanitarian non-profit organization working to make vulnerable communities resilient to disasters. A MOU was signed for Rs. 12,50,000/- to support the rebuild of

EDUCATION & HEALTH INITIATIVES

Computer lab set up at BCP schools in Bataganj and Gurgaon - Computer classes were started for children in schools and we were able to reach out to about 150 girl students.

Each One Teach One Campaign - Volunteers dedicated 4-6 hours every month to teach both curricular and extra curricular subjects towards the holistic development of 280 underprivileged children.

Each One Feed One Campaign - This campaign was launched across Bata India in association with The Akshaypatra Foundation wherein the employees were requested to donate Rs. 750/- and hence sponsor one time meal of an underprivileged child in school. BCP India provided meals to over 200 underprivileged children at functional government schools.

Book Wall Campaign - Volunteers were encouraged to donate



particularly at Gurgaon, Batanagar and Bataganj. Various programmes have been designed to improve the infrastructure of the schools in order to make a conducive environment for the children to learn. We work on providing quality education to the children, ensure their health and safety, and raise environmental awareness amongst children and adults.

Government Upper Primary School (two classrooms and a drinking water facility), at District Pulwama Kashmir, under the Jammu & Kashmir Flood Response and Recovery Initiative. The school was severely damaged due to the floods. In continuation to this, Bata has also donated shoes for the people affected by the disaster. Our employees came forward to voluntarily contribute their one day basic salary, which was donated to Prime Minister's Relief Fund. Employees also contributed clothes, food items, utensils etc, which were handed over to a NGO called 'Goonj' towards their RAHAT Floods Initiative.



new and used story books, comics, books on science, geography, animals etc. Over 2,300 books were collected from the volunteers.

Donation of fans in the school - Under BCP, 28 new fans were donated for the 7 newly constructed classrooms at the BCP school, Bataganj.

Infrastructure upliftment at the BCP School, Gurgaon - Converted a clumsy classroom into a state of the art library and renovated two old classrooms based on model room with ventilated library and water proofing septic tanks.

Health check-up camps for the children - We organized general and specialized health check-up camps for the children in our adopted schools throughout the year.



BATA INDIA LIMITED

(CIN : L19201WB1931PLC007261)

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Fax: 0124-3990116/118
Email: customer.service@bata.co.in

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Kolkata-700016
West Bengal
Phone: 033-39802001
Email: corporate.relations@bata.com
Website: www.bata.in