Bata

Date: July 8, 2019

The Manager Corporate Relationship Department BSE Limited 1st Floor, New Trading Wing, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai - 400001	The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	The Secretary The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata - 700001
BSE Security Code: 500043	NSE Symbol: BATAINDIA	CSE Scrip Code: 10000003

Dear Sirs,

Subject: Submission of Annual Report for the financial year ended March 31, 2019

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of Annual Report of Bata India Limited ('the Company') for the financial year ended March 31, 2019 along with the Notice convening the 86th Annual General Meeting (AGM) of the Members of the Company on Friday, August 2, 2019 at 10:00 a.m. at 'KALAMANDIR', 48, Shakespeare Sarani, Kolkata - 700017.

The aforesaid details have also been made available on the website of the Company, viz., *www.bata.in*.

We request you to take the same on your record and upload on the Stock Exchange Website.

Thanking you.

Yours faithfully,
For BATA INDIA LIMITED

ARUNITO GANGULY (FCS 9285)
Assistant Vice President,
Company Secretary & Compliance Officer

Encl.: As above

Bata

ANNUAL REPORT 2018-19

RIGHT STEP FORWARD

Bata India Limited

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CORPORATE OVERVIEW

ANNUAL REPORT

Taking the right step forward

In the year gone by, Bata has remained on course to become a brand that is aspirational and sought-after. Our mix of new products, innovative brand experiences, and impactful brand positioning are strengthning our image as a vivacious, contemporary, and young-at-heart brand.

Popular campaigns involving personalities who enjoy significant influence among our target audience helped bring forward this new, bolder image. Brand ambassador-led campaigns, including 'Surprisingly Bata' with actress Kriti Sanon, 'Chalo India Now Power Walk' with cricketer Smriti Mandhana, and the new men's Casual Collection campaign with actor Sushant Singh Rajput have contributed significantly to brand recall and affinity.

This brand identity was vital to resonate with millennials, a demographic that combines disposable income and high shopping propensity. To capitalize on this segment, our strategy focused on strengthening our online presence with partner networks and making our omni-channel initiatives more attractive.

Revamping our in-store experience, we spruced up the decor and overall touch-and-feel of our stores, giving them a more open, vibrant and inviting visage. This revamp is being carried out across India, even enabling our Tier III and Tier IV buyers to have the retail experience enjoyed by their counterparts in the major metros.

We believe that the footfall of our customers is a privilege we must earn, for which we will always take the right step forward.

Bata®

Smriti Mandhana
ICC Women's Cricketer Of The Year 2018

WE ARE BATA INDIA

Established in 1931, Bata India Limited is the largest retailer and manufacturer of footwear in the country. Our four state-of-the-art production facilities are located strategically across the country and produce all kinds of footwear. We have a strong Pan-India retail presence with over 1,400 stores across cities. We have been adding large format stores every year.

Besides owned stores, Bata brand is also available through a large network of dealers. Bata, the name, stands synonymous with quality and has been the trustworthy footwear partner for the Indian consumers. As a brand, Bata is aspirational, vibrant, and sought-after. Our mix of new products, innovative brand experiences, and impactful brand positioning are sustaining our image as a bold and young-at-heart brand. Commitment to quality, combined with an excellent mix of design, comfort, and affordability, makes Bata the No. 1 footwear brand in India. Taking global, regional and local fashion trends into account, we endeavour to provide consumers with a fresh new collection, every season.

OUR VALUES

- Serve with passion
- Be bold
- Count on me
- Improving lives
- Exceed customer expectations

OUR MISSION

- We help people to look and feel good
- We become the customer's destination of choice
- We attract and retain the best people
- We remain the most respected Footwear Company

OUR VISION

- To make great shoes accessible to everyone

OUR UNIVERSE IN NUMBERS

3.07 Mn sq.ft. of retail space across india

10296 Employees across functions and location

47.25 Mn footwear pairs sold this year

29284 Mn Turnover (INR) in FY 2018-19

1415 Retail Stores across India

4 Strategically located manufacturing units

21 Mn footwear pairs production capacity per annum

OUR GLOBAL PARENTAGE

Bata is the world's leading shoemaker by volume, designing stylish and comfortable footwear at surprisingly affordable prices. Today, Bata remains a family business, which serves over one million customers a day in our 5,300 stores, and producing locally in our 23 Bata-owned manufacturing facilities across five continents. Even though it is a global company headquartered in Switzerland, the brand caters to the unique local needs of customers in countries across Europe, Africa, Asia & Latin America.

BOARD OF DIRECTORS

STANDING
(LEFT TO RIGHT)

Mr. Ashok Barat, Independent Director; Mr. Akshay Chudasama, Independent Director; Mr. Ravindra Dhariwal, Independent Director; Mr. Shaibal Sinha, Non-Executive Director; Mr. Rajeev Gopalakrishnan, Managing Director; Mr. Ram Kumar Gupta, Director Finance and Chief Financial Officer; Mr. Sandeep Kataria, Whole-time Director and Chief Executive Officer

SITTING
(LEFT TO RIGHT)

Mr. Alberto Toni, Non-Executive Director; Ms. Anjali Bansal, Independent Director; Mr. Uday Khanna, Chairman and Independent Director

MANAGEMENT TEAM

FRONT ROW
(LEFT TO RIGHT)

Mr. Anand Narang, Vice President - Marketing & Customer Service; Mr. Ankur Kohli, Head of Real Estate - South Asia; Mr. Ankur Rastogi, Vice President - Sourcing; Mr. Ram Kumar Gupta, Director Finance and Chief Financial Officer; Mr. Sandeep Kataria, Whole-time Director and Chief Executive Officer; Mr. Rajeev Gopalakrishnan, Managing Director; Mr. Hitesh Narayan Kakkar, Vice President - Quality; Mr. Sanjay Kanth, Senior Vice President - Manufacturing & Sourcing

BACK ROW
(LEFT TO RIGHT)

Mr. Amit Kumar Gupta, Senior Vice President - Distribution Business; Mr. Arunito Ganguly, Company Secretary & Assistant Vice President; Mr. Kumar Sambhav Verma, Head of Omni Channel - Asia; Mr. Manoj Goswani, Senior Vice President - Legal; Mr. Vijay Shrikant Gogate, Head of Retail - City Stores; Mr. Matteo Lambert, Chief Collection Manager; Mr. Subhabrata Bal, Assistant Vice President – Retail Operations (Emerging Market – N & E); Mr. Vinod Kumar Mangla, Vice President - Internal Audit; Mr. Pankaj Gupta, Assistant Vice President – Retail Operations (Emerging Market – S & W); Mr. Vikas Baijal, Senior Vice President - HR; Mr. Bishwanath Ganguly, Senior Vice President - Brands

AT THE HELM, BOARD OF DIRECTORS

MR. UDAY KHANNA

Chairman and Independent Director

Mr. Uday Khanna is currently the Non-Executive Chairman of Bata India Limited. He also serves on the Boards of Castrol India Limited, Pfizer Limited, Pidilite Industries Limited, DSP Investment Managers Private Limited and Kotak Mahindra Bank Limited.

He was the Managing Director and CEO of Lafarge India from July 2005 to July 2011 and subsequently its Non-Executive Chairman till September 24, 2014. He joined the Lafarge Group in Paris in June 2003 as the Senior Vice President of Group Strategy, after a long stint 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 of Finance, Unilever for Asia, based in Singapore. He has also been on the Board of Hindustan Unilever as the Director of Exports, after having served as the Financial Controller and the Treasurer of the company. He has also worked as the Vice Chairman of Lever Brothers in Nigeria and the General Auditor for Unilever in North America, based in USA.

Mr. Khanna is a Commerce graduate and a Chartered Accountant (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 was awarded the 'Ordre National du Merite' by the President of the Republic of France for his role in promoting Indo-French trade relations. He is also the Joint Managing Trustee and Treasurer of the Indian Cancer Society and is also a Director on the Governing Board of the Anglo-Scottish Education Society-Cathedral School.

MR. RAJEEV GOPALAKRISHNAN

Managing Director

Mr. Rajeev Gopalakrishnan, Managing Director, holds a Bachelor's in Mechanical Engineering from the University of Kerala. He joined Bata Shoe Organisation (BSO) in the year 1990, and has since been associated with the company. With a rich experience of 29 years, he has previously handled the positions of the Director of Wholesale Channels, Sales & Marketing with Bata International-Canada, and the Vice President of Bata India Limited in Retail Operations and Wholesale Division. Before joining as the Managing Director of Bata India Limited in October 2011, Mr. Gopalakrishnan was the Managing Director of Bata Retail Stores for a period of 9 months. He was previously the Managing Director of Bata Bangladesh for a period of one year, and the Managing Director of Bata Thailand for a period of three years.

He has attended various courses and advanced programmes of BSO, viz. Course Leader Advanco 2009 (India/China), Advanco 2006 in Singapore, Advance Retailing Courses, Executive Management Programme in 2009, Sprint 1997 (Retail Course), and Retailco 1996 in India. In addition, he also has attended a programme in IMD, Switzerland on Leadership and Sustainable Business Growth.

Mr. Gopalakrishnan, with his visionary leadership, spearheaded Bata India's retail operations, re-engineered business processes, diversified product offerings while maintaining a strong culture of innovative outlook. A self-driven professional, he has taken Bata India on a high growth trajectory. With his strategic bent of mind and ability to spot opportunities, he has articulated a vision to make Bata India the most admired name in the branded footwear and accessories industry.

His contribution to the industry has been acknowledged at several renowned platforms. He was conferred with the 'Udyog Ratna Award' and the 'Certificate of Excellence and Gold Medal' by The Institute of Economic Studies in 2014, became the 'Retail Professional of the Year' in CMO Asia Summit at the 2015 Asia Retail Conference, and received the prestigious 'EY Entrepreneur of the Year 2015' (Finalist Award). Recently, the World Consulting & Research Corporation (WCRC) bestowed upon him the honour of 'India's Most Trusted CEO' in 2017.

Bata®

MR. SANDEEP KATARIA

Whole-time Director and Chief Executive Officer

Mr. Sandeep Kataria is a business leader with more than two and a half decades of experience in the consumer and retail industry across developing and developed markets. Mr. Kataria was appointed as the Country Manager of Bata India Limited with effect from August 1, 2017. He was elevated to the Board of Directors of Bata India Limited with effect from November 14, 2017 as the Whole-time Director and Chief Executive Officer. He has been tasked with the transformation of the footwear giant into a contemporary brand appealing to modern India.

Prior to taking charge of Bata India Limited, Mr. Kataria was at Vodafone India as the Chief Commercial Officer. The IIT Delhi and XLRI Jamshedpur alumnus has also held general management and top sales & marketing posts at Yum Restaurants, the owners of KFC, Pizza Hut and Taco Bell chains in India and Eupore. His longest stint of more than 17 years was at the consumer goods company, Unilever, where he was responsible for building and managing Indian and global markets across the Home & Personal Care categories and brands like Lux, Lifebuoy, Rin & Comfort.

MR. RAM KUMAR GUPTA

Director Finance and Chief Financial Officer

Mr. Ram Kumar Gupta is the Director Finance and Chief Financial Officer of Bata India Limited. Mr. Gupta is a Bachelor of Commerce with Honours [B.Com (Hons.)] and a Chartered Accountant (FCA) with over 32 years of experience in different positions in Bata Shoe Organization (BSO). He joined Bata India in July 1986 and has had an extremely successful and rewarding career. His last assignment in Bata India was as Senior Vice President-Finance from January 2011 till January 2013. Mr. Gupta was assigned a challenging role as the Finance Director of Bata Shoe Company Kenya Ltd. in February 2013, which he held till his relocation to India in July 2015. In this overseas assignment, along with Bata Kenya, he was also made responsible for the finance operations in Bata Shoe Company Uganda Limited and Bata Shoe Company Tanzania Limited. The companies, during his tenure in India, Kenya, Tanzania and Uganda have achieved record profits with improved profit margins through various cost saving initiatives and innovative methods. Mr. Gupta has attended various courses in BSO, including Adminco and Bata Finance E-Learning.

MR. ALBERTO TONI

Non-Executive Director

Mr. Alberto Toni graduated in Economics at the Universitá Cattolica del Sacro Cuore of Milan. He is a Chartered Accountant, a Certified Tax Advisor and has attended executive education programs at Harvard Business School and INSEAD. Mr. Toni is the Chief Financial Officer and Executive Committee Member of the Bata Group. He is responsible for all aspects of finance management for the Group globally. In addition, he is in charge of Supply Chain, Information Technology and the Bata Industrial business unit.

Prior to joining Bata Group in 2016, Mr. Toni held several senior leadership positions at market-leading organisations in Europe and Latin America. He began his career as Chartered Accountant in primary consulting firms in Italy, before moving to the FMCG Industry with Heineken, where he held positions of increasing seniority during his 18-year tenure at the company and thereafter worked with Deoleo, the global market leader in olive oil, listed at the Madrid stock exchange in Spain as Chief Financial Officer and was a central part of the leadership team steering the ambitious transformation of the business.

MR. RAVINDRA DHARIWAL

Independent Director

Mr. Ravindra Dhariwal is the co-founder and Chairman of Sagacito Technologies, a data analytics firm that specialises in helping enterprises maximise their revenues. In a career spanning 39 years, he has built consumer businesses all over the world.

Just prior to co–founding Sagacito, he was the Group CEO of Bennett & Coleman, India's largest media company, with diversified media platforms including Radio Mirchi, Times Television Network, Times Internet, Times OOH and the world's largest selling English newspaper The Times of India.

Mr. Dhariwal was also the world-wide President of International News Media Association from 2011-2013. Prior to joining Bennett & Coleman, he worked with PepsiCo for 12 years. He was Pepsi's first employee in India, helping them set their roots in the country. He also led the Beverage Business in India, Africa and South East Asia. He started his career with Unilever in India in 1977, and worked for them in both India and Australia for over 12 years, mostly in Sales and Marketing management. He is an Engineer from IIT Kanpur, and an MBA from IIM Calcutta.

MS. ANJALI BANSAL

Independent Director

Ms. Anjali Bansal has founded Avaana Capital, a fund platform that invests in the scaling up of growth stage businesses. She was previously global Partner and Managing Director with TPG Growth PE, Spencer Stuart India Founder CEO, and a strategy consultant with McKinsey and Co. in New York and India. She has also been an active angel investor in India with investments in various early and growth stage consumer companies. She started her career as an engineer. Ms. Bansal serves as an independent non-executive director on the boards of GlaxoSmithKline (GSK) Pharmaceuticals India, Tata Power as well as Delhivery. She is on the Advisory Board of the Columbia University Global Centers, South Asia. She was also the former non-executive Chairperson of Dena Bank. Previously, she chaired the India board of Women's World Banking, a leading global livelihood-promoting institution and continues to be an advisor to SEWA. She is a charter member of TiE, serves on the managing committee of the Indian Venture Capital Association, an angel investor and a mentor to Facebook SheLeadsTech, NITI Aayog's Atal Innovation Mission and others. She also chairs NITI Aayog Women Entrepreneurship Platform Investment Council. An active contributor to the dialogue on corporate governance and diversity, Ms. Bansal co-founded and chaired the FICCI Center for Corporate Governance program for Women on Corporate Boards. She serves on the managing committee of the Bombay Chamber of Commerce and Industry. She is a member of the Young Presidents' Organization. She has been listed as one of the "Most Powerful Women in Indian Business" by India's leading publication, Business Today, and as one of the "Most Powerful Women in Business" by Fortune India. She has a Bachelors in Computer Engineering from Gujarat University and a Masters in International Finance and Business from Columbia University.

MR. AKSHAY CHUDASAMA

Independent Director

Mr. Akshay Chudasama is the Managing Partner of Shardul Amarchand Mangaldas & Co. and heads the firm's practice in the Mumbai Region. He has expertise in cross-border M&A and Private Equity across a range of sectors. He advises both foreign companies entering India and Indian companies in their outbound acquisitions. Mr. Chudasama holds a degree in Bachelors of Arts (BA) from St. Xavier's College (University of Bombay), and is a Law Graduate from the London School of Economics (University of London), UK. He is enrolled as an Advocate with the Bar Council of Maharashtra and Goa, and as a Solicitor with the Law Society (England and Wales). He is also enrolled with the Bombay Bar Association, the International Bar Association and the Inter-Pacific Bar Association and is a member of Entrepreneurs' Organization and Young Presidents' Organization.

Mr. Chudasama has been practicing law since 1994. He was a partner at AZB & Partners for over 3 years and thereafter at J. Sagar Associates (JSA) for almost 10 years. He has addressed several prestigious domestic and international seminars and conferences on various aspects related to his practice. He also serves *inter alia* as a Director on the Boards of Apollo Tyres Limited and Raymond Limited.

MR. ASHOK BARAT

Independent Director

Mr. Barat is a Fellow Member of the Institute of Chartered Accountants of India and a Fellow Member of the Institute of Company Secretaries of India. He has held responsible and senior leadership positions in various Indian and multinational organizations, both in India and overseas. He is on the Board of several other companies and advises businesses on governance, performance and strategy. Currently, he is the Vice President of the Council of EU Chambers of Commerce in India.

Mr. Barat is a past President of the Bombay Chamber of Commerce and Industry and currently is a member of the Managing Committee of ASSOCHAM. He is a Certified Mediator empanelled with the Ministry of Corporate Affairs, Government of India. He is a regular speaker at public forums particularly supporting family businesses, start-ups and SMEs from overseas looking at establishing and growing their business footprint in India.

MR. SHAIBAL SINHA

Non-Executive Director

Mr. Shaibal Sinha is currently the Regional Finance Director of Asia, Africa and Latin America of Bata Group based out of Singapore. He is a Bachelor of Commerce (B.Com), Chartered Accountant (ACA) and an alumni of International Institute for Management Development (IMD), Lausanne, Switzerland with more than 32 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 a period of eight years. Mr. Sinha joined Bata India Limited in November 2004 as Executive Director of Finance, based in Gurgaon and worked till September 2010. Mr. Sinha moved to Singapore in 2011 to the Bata group company as the Regional Finance Director of Bata Emerging Markets.

FROM THE DESK OF THE MANAGING DIRECTOR

MR. RAJEEV GOPALAKRISHNAN

Dear Shareholders,

The year gone by has been both thrilling and significant for the company. Along with growing our sales and net revenue substantially, we also made significant headway on the agenda we established at the beginning of the year: to emerge as a contemporary and vivacious brand.

Towards achieving this vision, we had introduced campaigns that built a strong consumer connect while communicating the essence of a younger, more dynamic and transformed Bata. Following our global strategy, all our efforts were aligned under 'Product Innovation', 'Driving Footfalls', 'Premiumisation' and 'Omni Channel' initiatives. The overarching objective of achieving brand imagery change was effectively communicated through every consumer touch point. As a result of which, your company's fresh new brand perception today is much more appealing.

We believe that maintaining this growth momentum in a fast-evolving and dynamic consumer market which necessitates your company to constantly innovate to stay relevant in the life of our younger consumers. Keeping this in mind, we have ensured that our in-store and future product collections are both fashion-forward and comfortable. Right product and pricing strategy have been crucial wherein we have defined the smart pricing with products categorised on the basis of market classifications. The refreshed product strategy has helped driving higher footfalls into the store and create an attractive value proposition for your brand. As a result, while major metro and mini-metro cities continue to contribute robustly to revenues, smaller markets have also displayed prodigious growth prospects. Taking a closer look into product dynamics; the women and kids, emerged as fast-growing categories contributing an increasing larger share, men's footwear remained the perennial hero category. In the coming year, we will make a more concerted effort towards product innovation and communication in the casual footwear space to attract newer and younger consumers.

Targeting higher footfalls of our younger and more fashion-conscious customers, we began the year with the announcement of our campaign 'Surprisingly Bata', which encapsulates our renewed and resurgent identity. The two pillars of our product focuses on design and technology resonated strongly in all the key launches during the year. Be it the Bata Comfit range with ultra-comfortable 'Ortholite' technology or Power Engage range – the lightest Power shoes ever made, or Bata Red Label collection inspired by designs from Europe and New York. The Red Label Collection saw a big-ticket launch in India with a TVC starring the vivacious actress Kriti Sanon, and beautifully capturing your brand's makeover into a fashion forward brand.

Even in the new Hush Puppies collection, our design and technology credentials were strongly reflected. The Hush Puppies 'Packable' Collection offers light and comfortable shoes for the frequent traveller and the Bounce Max range uses 'Air-pod technology' to extend the utmost comfort to casual footwear lovers.

To imbue our product lineup with a younger ethos, we also on-boarded celebrity influencer and ace Bollywood actor Sushant Singh Rajput as the face of our Men's Collections. His presence has brought freshness and dynamism to how the brand is seen, especially among his strong, youth-dominated fan base. The 'Surprisingly Bata' theme was also brought to the fore in his TVC for Bata Red Label Men's Collection, the TVC starred both Kriti and Sushant.

Kriti also featured in our recent '9to9' campaign, which tackled the age old dilemma faced by women, that is of choosing style or comfort. Your company provided the solution by offering stylish footwear with high degree of comfort and showcasing the versatility of our products.

I am pleased to note that this campaign, in particular, was loved by our women customers for this path-breaking concept and led to positive word of mouth around the brand. We envision that Kriti Sanon and Sushant Singh Rajput will continue to accelerate the brand's growth trajectory.

Breaching yet another milestone in our journey was a first-time initiative with Smriti Mandhana – 'Find Your Power'. We did extensive research on our consumer's fitness habits and then decided to inspire Indians to move towards a more active lifestyle. It was done in a very unique way, which is that customers were incentivised on losing weight! Anyone who bought Power shoes was asked to walk and lose 3 Kg in 30 days and then take back 50% of his purchase value. This campaign caught attention of the media and the consumers, as we saw participation from all ages.

Towards creating a more vibrant context for Bata's global heritage, ten leading fashion and lifestyle journalists were taken to the second edition of the Bata Fashion Weekend. They joined their counterparts from across the world in experiencing the world of footwear fashion at Bata. Since its inception, the Bata Fashion Weekend has continued to accelerate our revised brand positioning and our vision of being synonymous with global fashion. This year as well, the event not only elevated the brand's positioning among this influential opinion-maker set, but also re-emphasised the brand's fashion-focused credentials.

The last year also witnessed the launch of exclusive Bubblegummer and Power stores in Bengaluru and Indore respectively. Understanding the potential of the women's category to our revenue, we also opened our stand-alone Bata Women's store in Bengaluru.

Our retail formats saw a major revamp to synergise with our new brand imagery. New 3D elements and strategically placed lighting in stores across India is further enhancing the appeal of our products. Along with innovative branding options, we have made a conscious effort to make our display design language consistent across stores, thereby increasing brand recall. We also ensure retail synchronicity through a global style uniform for the store staff. Many of our new stores, opened in 2018, were curated under revised 'Red Angela Store Concept'.

The last mile of our customer's experiences, the store-level consumer's engagement, has always been a crucial part of the purchase cycle. To offer the best possible customer experience, we created and rolled out rigorous training modules for our store staff.

Your company's consumer loyalty platform called 'Bata Club', continued to grow in size and profitability. A multi-tier programme was added to drive repeated purchases while adding more value on every purchase. In the coming year, the programme will help us design sharply relevant and ultimately more profitable portfolio using customer insights from this programme.

To tap the unlimited online market opportunity, we continued to aggressively pursue e-commerce business during the year. In addition to www.bata.in, we will continue to leverage our strong partnerships with e-commerce leaders like Myntra, Amazon, Flipkart, as they contribute sizeably to our total online sales and give our brand increased visibility.

Product innovation, state-of-art infrastructure, and revenue strategy are crucial to any business but are ultimately meaningless if we cannot give back this benefit to the society. In line with our social objective of bettering lives, we continued to invest in our ongoing Bata Children's Programme (BCP), which is working to create better future for underprivileged children through the Ballerina Project in association with Nanhi Kali; India's largest girl-child education initiative, to empower the girl child.

Furthering Bata's commitment to sustainability is a range of green initiatives, including our drive to ultimately go paperless via e-invoices in selected stores; 100% water-based adhesives usage (instead of chemicals) in products made in our factories; use of natural compounds like 'Life Naturals' in all school shoes offering anti-bacterial protection; use of treated and recycled water in Batanagar; and adopting energy-efficient LED lighting in our factories and stores. Bata's sustainability initiatives were duly recognised, as the company was awarded second place in the 'Supplier Development' category at the 11th Confederation of Indian Industry (CII) National Competitiveness & Cluster Summit. Your company was also recognised as the 'Reader's Digest Trusted Brand, 2018' in Footwear category and by Images Retail Awards 2018 that celebrates Retail excellence. The awards and accolades garnered by us over the years reaffirm that our efforts are being noticed by the industry as well.

Achieving this growth and scale requires the support and contribution from all our shareholders and consumers, who have been vital contributors to every milestone in the year gone by.

Let's walk together and make this year a success!

Bata®

MARKETING MILESTONES

The new Bata is resurgent, vivacious and contemporary. And a robust marketing strategy is vital to communicate its new image and positioning to the world. Thus our advertising, public relations and marketing initiatives have been based on the key drivers of our global vision and value system i.e. integrity, respect, accountability and community, coupled with our understanding of the Indian consumer.

The rising proliferation of nuclear families is driving multi-occasion shopping and therefore higher spends per visit. As a result, this audience demands both quality and premiumness in their product experience. The increasing socio-economic power of the youth segment is boosting demand for casual, multi-pair and budget products, the latter being increasingly sought-out on digital platforms. Multi-day wear is another crucial driver, considering the rising presence of women in the workforce, which is estimated to grow exponentially in next four years.

Reflecting the above changes in market landscape, Bata's conscious strategy is to emerge as a brand of choice for the 25-35 year segment and transcend the perception of just being a maker of school shoes that these millennials grew up with. Our advertising and digital marketing campaigns have been successful in moving the needle in the direction of our intended image – to be seen as a contemporary and stylish brand, which have also successfully changed our perception among women audiences, as captured in their brand affinity scores, footfalls and sales.

Aligned to millennial-focused marketing, our brand ambassadors starred in the TVC led campaigns which were also released online. And each brand campaign addressed and resolved existing perceptions about the brand. These garnered immense traction within our consumers who started to re-evaluate Bata as a brand of choice. In line with our campaign, sign-off #SurprisinglyBata, the same sentiment was resonated by the consumers who were pleasantly surprised by this makeover of their favourite brand.

New campaigns from Bata feature iconic names and are rolled out perfectly in sync with collections and merchandise. Aligned to definitive marketing goals, our immensely popular brand ambassadors, actors Sushant Singh Rajput and Kriti Sanon brought alive the brands new collections, experience and promise for the millennials. Of note is the strong online and social media presence that our celebrity endorsers enjoy – this has been vital in creating appeal amongst the youth and has helped in increasing campaign reach. Embodying youthful style, these two actors launched Bata's new Red Label Collection and the Men’s Casual Collection. First time in India, the Bata Red Label collection was inspired by casual fashion from New York and was enthusiastically received by both our loyal customer base as well as new shoppers. This collection helped resolve the perception that Bata does not have too many casual styles to choose from and needs to be on top of global trends.

More recently, Kriti Sanon was again seen in a fresh avatar, talking about our new 9to9 collection for women. This collection was curated with the objective of solving every woman’s biggest dilemma; to choose between comfort or style. We brought a lot of relief and happiness into their lives with a collection that was high on style and provided non-stop comfort from 9am to 9pm.

We have also invested in creating a powerful retail experience that captures the senses. Breathtaking visual merchandising makes our stores the most powerful showcases for our launches and collections. 3D elements and props; backdrops rendering a premium connect; in-store highlight zones promoting our ongoing campaigns; international-inspired decor; and curated store music makes shopping a delightful consumer experience. The Indian launch of our ‘Red Angela Store Concept’ gave a significant boost to our VMRD initiative. With its distinctive red-and-white colour theme, this global format magnifies the products displayed by strategically combining visual merchandising with thematic windows.

Our stores are today hubs of customer engagement, making exceptional customer experience the new normal. We have empowered our staff to become proactive and knowledgeable brand voices. Awards and recognition programmes have been put in place to duly recognise our store teams for their customer engagement and contribution to sales. In-store consumer experience is measured digitally for continuous improvement. The staff has also been trained to help consumers in downloading, installing and using popular e-wallet apps, which are now accepted across Bata stores.

While Bata is the world's leading shoemaker by volume, equally impressive is Bata's status as a global fashion leader. Using this position is vital in furthering the brand as a highly aspirational and sought-after name. The Bata Fashion Week is a powerful showcase of the company's product and brand influence on the world fashion stage. To use it as a powerful branding experience, we took a contingent of the most influential Indian fashion and lifestyle journalists to see and experience the plethora of Bata offering, including our internationally designed Red Label Collection.

At the same time, we cannot forget our legacy. We recently celebrated our 125th year anniversary in line with our global brand manifesto, 'Me & Comfortable with it'. The TV campaign which highlighted the brand's admiration for women in a very special way, and presented a glimpse of the transformation in Bata's image and product line.

At heart, Bata still believes in its philosophy of 'footwear for all'; our marketing initiatives have thus included not just the major metros, but also Tier II and Tier III cities. This has contributed to increased footfall and enabled us to serve consumers across the length and breadth of the country.

AWARDS AND ACCOLADES

Awarded for
Most Admired Fashion Brand of the Year at India Fashion Forum

Awarded as
Most Admired Fashion Brand of the Year (FOOTWEAR) at 19th Annual IMAGES Fashion Awards

Awarded for
Outstanding Sales in 2017-18 for Hush Puppies

Named the
Champion in Supplier Development at 11th CII National Competitiveness and Cluster Summit, 2018

Named the
2018 Reader's Digest Most Trusted Brand

BATA FASHION WEEKEND

Bata walked its talk at its international fashion extravaganza that took place in Prague, the Czech Republic. With a theme of 'The Evolution of Style', the event saw catwalk shows, the finale of the Bata Young Designers' Challenge, an exhibition and museum, as well as creative and fun events to participate in. The show was streamed live across the world. This year Bata is celebrating its 125th year anniversary.

CORPORATE SOCIAL RESPONSIBILITY


Ms. Lucia Lot's interaction with the children in school science lab


Ms. Christine Bata's visit to the newly constructed Batanagar school building

School classroom renovation

School classroom renovation

School classroom renovation

School classroom renovation


Mr. Alberto Toni's tree plantation at BCP school, Gurugram


Library programme for the girls


Mr. Rajeev Gopalakrishanan participating in school chirstmas event


Creative science workshops for children

At Bata, we are loyal to our founding family members' belief: that the enterprises should have a social purpose, and improve the lives of the people connected to it. Thus, we have envisioned operating in a way which is economically, socially and environmentally sustainable, while recognising the interests of all our stakeholders.

Bata's CSR programmes benefit the communities in and around our operations across the country and we consciously work to enhance the quality of lives of the people in these areas.

In FY 2018-19, Bata spent ` 64.24 million, much higher than the government-mandated 2 percent (amounting to ` 58.07 million) obligation. These spends have been channelised to successfully execute a variety of CSR projects across the country.

Model Schools under Bata Children's Programme (BCP)

BCP is a global programme which aims to work for children from underprivileged backgrounds, and is operational in 30 countries where Bata is currently present. This year, BCP sought to transform the lives of over 3,000 school children at six schools located near the company's factories and Head Office. Towards transforming these schools into Model Schools, BCP rolled out a holistic programme focusing on infrastructure upgradation and STEM programme. This programme saw BCP setting up science and computer labs, improving the children's' health through regular health checkup camps, awareness sessions, a life skills programme, sports activities, and other interventions.

A specially designed programme for girl students, focusing on female adolescent healthcare, health and sanitation, life skills, sports and other girl-child-centric issues was prioritised. Separate sessions were held with parents to encourage the girl child education, as well as other aspects relevant to the overall development of their children. Teachers have been empowered with child friendly teaching learning pedagogy, which has improved the learning environment. BCP's initiatives have demonstrated significant change. Through our library programme, 74% of students drastically improved in their reading skills and 67% of the students in their writing skills. As a result of the Science Centres established at the schools along with science workshops, children have improved in the ability to understand scientific concepts and application of the learned concepts; they have become more aware and curious to understand alternative methods of learning. There was also an improvement in the knowledge and awareness levels of the children on the issues of well-being, hygiene, sanitation, substance abuse, etc.

Attendance of children has improved notably, there has been a 12.50% increase in attendance for computer classes. One school saw increase in enrollment from 90 to 214 and reduction in dropout rate from 38% to 2%. Additionally, with access to nutritious meals and better facilities, academic performances at the schools have also improved.

Girl child empowerment through Project Nanhi Kali

Bata supported the education of 92 underprivileged girls under the K. C. Mahindra Education Trust's project, Nanhi Kali. At Nanhi Kali academic support centres, girl students are provided academic support, in the form of concept-based learning, focusing on Mathematics and English. Regular assessments and evaluation of the girls' learning levels and attendance tracking are integral to the project. Every year, the young beneficiaries receive a school kit, comprising of personal clothing, notebooks, stationery, a school bag, shoes, socks, a raincoat / pullover and feminine hygiene material. The Nanhi Kali team also works to sensitise parents and communities about their role as collective guardians of the girls.

Happy Steps Programme

Bata's preventive healthcare programme, Happy Steps engaged with 11,956 school children across Chennai, Bengaluru and Hyderabad, with foot care awareness workshops. The workshops used activities, presentations and demonstrations to inform the children about the importance of healthy feet; taking care of their feet on a daily basis; foot hygiene and exercises; dealing with sports injuries; prevention of various foot diseases, and more. A Bata school kit comprising of school socks, shoe polish and brush, shoelaces, along with instructions to keep feet healthy, were also distributed amongst the young participants.

Stride with Pride

Bata introduced 'Stride with Pride', a consumer engagement programme wherein customers were encouraged to donate their old pair of footwear across Bata stores at selected cities. For every old pair of footwear received, Bata donated a new pair to a needy child. To encourage robust consumer response, Bata even launched a 'Stride with Pride' marketing and consumer communication campaign. Based on the donations received, Bata donated about 85,000 pairs of footwear to underprivileged children.

Disaster Relief and Rehabilitation

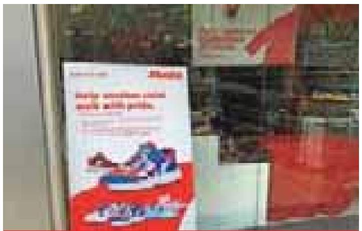
Bata actively participated in Kerala flood disaster relief and rehabilitation. Rapid response teams comprising Bata employees travelled to relief camps and distributed basic essentials and footwear. Around 8,400 pairs of footwear were donated to the affected people in Kerala and at Coorg in Karnataka.

Bata employees also donated their one day's basic salary – which was matched by Bata, resulting in a donation of ` 1.40 million to Kerala Chief Minister's Distress Relief Fund. In association with partners, Bata also held medical camps in the affected regions to provide immediate and basic health services, contributing to the prevention of epidemics in the wake of the floods. Supported by the Global BCP Foundation, Bata is currently in the process of renovating four schools which were affected during Kerala floods.

CSR Partners

In our endeavour to deliver the best outcomes, we have partnered with specialist organizations who are experts in their field.


Nanhi Kali project launch by Ms. Christine Bata


Stride with pride outside the store


Kerala flood relief camp


Bata Volunteers at school event


Stride with pride in store


Life skills workshop for the young girls


Happy Steps school foot care programme


Employee volunteers at school event


Stride with pride in school

BATA PLEDGES TO A GREENER FOOTPRINT WITH ITS ONGOING GO-GREEN INITIATIVES

Plan to increase operational sustainability across India

Towards its green goal initiatives, Bata is implementing a 'Recycle, Reuse & Reduce' policy across its manufacturing, retail and product operations. Considering the scale of Bata's operations, the systematic implementation of the initiative across its stores and factories, can set new corporate sustainability benchmarks in India. In our manufacturing unit at Batanagar, Bata's biggest shoe facility in India, we have set-up a sewerage treatment plant wherein the recycled water is being used for gardening, washrooms and house-keeping purposes, thereby reducing the pressure on local water bodies and municipal system. The installation of energy-efficient, smart LED lighting at the factories and stores has also contributed towards reducing the overall energy consumption.

Another illustration of Bata's adoption of sustainability is the use of a water-based adhesive, replacing traditional petroleum solvent chemical-based adhesives, for its shoes. The new, eco-friendlier adhesive has reduced the environmental impact of its products. Yet another green initiative by Bata is the company's association with 'Life Naturals', enabling its school shoes to provide anti-bacterial protection while using natural compounds.

Reducing the use of paper, Bata has adopted e-invoices, wherein customers receive their purchase invoice via SMS. Further, Go-Green messages encouraging customer participation in Bata's sustainability mission are integrated into the invoices. Revolutionizing the traditionally-paper intensive retail segment, Bata has launched unbranded paper carry-bags featuring disruptive messaging which encourages customers to reuse paper bags, thereby doing their role to save trees. In the coming months, retail staff will be trained to educate customers about how paper products trigger deforestation. Customers who volunteer to not use carry-bags will be given Bata Club points via an intelligent customer relationship management system.

Committed to fostering a safe environment, Bata has taken its spirit of innovation and channelised it towards highlighting the benefits of the Go-Green initiative so that it can encourage the customers and industry peers to unitedly participate in achieving a greener India.

Bata India has constantly surprised their consumers with its refreshed product offerings and now it's Go-Green initiatives have reinforced the brand's overarching positioning of #SurprisinglyBata.

BATA INDIA LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Uday Khanna	Chairman and Independent Director
Mr. Ravindra Dhariwal	Independent Director
Mr. Akshay Chudasama	Independent Director
Ms. Anjali Bansal	Independent Director
Mr. Ashok Kumar Barat	Independent Director *[with effect from December 17, 2018]*
Mr. Alberto Toni	Non-Executive Director *[with effect from February 12, 2019]*
Mr. Shaibal Sinha	Non-Executive Director
Mr. Rajeev Gopalakrishnan	Managing Director
Mr. Sandeep Kataria	Whole-time Director and Chief Executive Officer
Mr. Ram Kumar Gupta	Director Finance and Chief Financial Officer

AUDIT COMMITTEE

Mr. Ashok Kumar Barat	Chairman
Mr. Uday Khanna	Member
Mr. Ravindra Dhariwal	Member
Mr. Akshay Chudasama	Member
Ms. Anjali Bansal	Member
Mr. Alberto Toni	Member
Mr. Shaibal Sinha	Member

NOMINATION AND REMUNERATION COMMITTEE

Ms. Anjali Bansal	Chairperson
Mr. Uday Khanna	Member
Mr. Ravindra Dhariwal	Member
Mr. Akshay Chudasama	Member
Mr. Alberto Toni	Member
Mr. Shaibal Sinha	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Uday Khanna	Chairman
Mr. Rajeev Gopalakrishnan	Member
Mr. Ram Kumar Gupta	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Akshay Chudasama	Chairman
Mr. Ravindra Dhariwal	Member
Mr. Rajeev Gopalakrishnan	Member
Mr. Ram Kumar Gupta	Member

RISK MANAGEMENT COMMITTEE

Mr. Rajeev Gopalakrishnan	Chairman
Mr. Ravindra Dhariwal	Member
Mr. Alberto Toni	Member
Mr. Sandeep Kataria	Member
Mr. Ram Kumar Gupta	Member
Mr. Sanjay Kanth	Member (SVP- Manufacturing & Sourcing)
Mr. Vikas Baijal	Member (SVP- Human Resources)
Mr. Vinod Kumar Mangla	Member (Chief Internal Auditor)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Arunito Ganguly

EXECUTIVE COMMITTEE

Mr. Rajeev Gopalakrishnan
Mr. Sandeep Kataria
Mr. Ram Kumar Gupta
Mr. Sanjay Kanth
Mr. Vikas Baijal
Mr. Vijay Shrikant Gogate
Mr. Kumar Sambhav Verma
Mr. Anand Narang
Mr. Amit Kumar Gupta
Mr. Bishwanath Ganguly
Mr. Matteo Lambert
Mr. Ankur Rastogi
Mr. Ankur Kohli
Mr. Hitesh Kakkar
Mr. Pankaj Gupta
Mr. Subhabrata Bal
Mr. Vinod Kumar Mangla

BANKERS

State Bank of India
HDFC Bank Limited

CHIEF INTERNAL AUDITOR

Mr. Vinod Kumar Mangla

CORPORATE IDENTITY NUMBER (CIN)

L19201WB1931PLC007261

INVESTOR RELATIONS MANAGER

Mr. Jyotirmoy Banerjee
Share Department
27B, Camac Street, 1st Floor,
Kolkata - 700016, West Bengal
Telephone : (033) 2289 5796 ; 2301 4421
Fax : (033) 2289 5748
E-mail : share.dept@bata.com

REGISTERED OFFICE

27B, Camac Street, 1st Floor,
Kolkata - 700016, West Bengal
Telephone: (033) 2301 4400
Fax: (033) 2289 5748
E-mail: corporate.relations@bata.com

CORPORATE OFFICE

Bata House
418/02, M. G. Road, Sector - 17,
Gurugram - 122002, Haryana
Telephone: (0124) 3990100
Fax: (0124) 3990116 / 118
E-mail: in-customer.service@bata.com

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

M/s. R & D Infotech Private Limited
7A, Beltala Road, 1st Floor,
Kolkata - 700026, West Bengal
Telephone : (033) 2419 2641 / 2642
Fax : (033) 2419 2642
E-mail : bata@rdinfotech.net / info@rdinfotech.net

AUDITORS

M/s. B S R & Co. LLP
Chartered Accountants
Building No.10, 8th Floor, Tower-B,
DLF Cyber City, Phase - II,
Gurugram - 122002, Haryana

SECRETARIAL AUDITOR

M/s. P. Sarawagi & Associates
Company Secretaries
'Narayani Building'
Room No. 107, 1st Floor,
27, Brabourne Road,
Kolkata - 700001, West Bengal

PRACTICING COMPANY SECRETARY

M/s. S. M. Gupta & Co.
Company Secretaries
P - 15, Bentinck Street,
Kolkata - 700001, West Bengal

WEBSITE

www.bata.in

QR Code for Company's Website - Investor's Relations Segment

BATA INDIA LIMITED

CIN: L19201WB1931PLC007261
Registered Office: 27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal
Telephone: +91 33 2301 4400 I Fax: +91 33 2289 5748
E-mail: corporate.relations@bata.com I Website: www.bata.in

NOTICE CONVENING ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighty Sixth Annual General Meeting of the Members of Bata India Limited ('the Company') will be held at **'KALAMANDIR', 48, Shakespeare Sarani, Kolkata - 700017** on **Friday, August 2, 2019** at **10:00 a.m.**, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 (both Standalone and Consolidated basis), together with the Reports of the Auditors and the Board of Directors thereon.
2. To declare a Dividend for the financial year ended March 31, 2019. The Board recommends a Dividend of Rs. 6.25 per Equity Share of Rs. 5/- each, fully paid-up.
3. To appoint a Director in place of Mr. Ram Kumar Gupta (DIN: 01125065), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To appoint Mr. Ashok Kumar Barat as an Independent Director of the Company**

   To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Mr. Ashok Kumar Barat (DIN: 00492930), who was appointed as an Additional Director on the Board of Directors of the Company, pursuant to Section 161 of the Companies Act, 2013 with effect from December 17, 2018, to hold office up to the date of this Meeting, be and is hereby appointed a Director of the Company."

   "**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, the Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force), the appointment of Mr. Ashok Kumar Barat (DIN: 00492930) as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from December 17, 2018 be and is hereby approved."

5. **To appoint Mr. Alberto Michele Maria Toni as a Director of the Company**

   To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Mr. Alberto Michele Maria Toni (DIN: 08358691), who was appointed as an Additional Director on the Board of Directors of the Company, pursuant to Section 161 of the Companies Act, 2013 with effect from February 12, 2019, to hold office up to the date of this Meeting, be and is hereby appointed a Director of the Company and his office will be liable to retirement by rotation."

6. **To re-appoint Mr. Akshaykumar Narendrasinhji Chudasama as an Independent Director of the Company**

   To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Akshaykumar Narendrasinhji Chudasama (DIN: 00010630), who was appointed as an Independent Director at an Extraordinary General Meeting of the Company held on August 4, 2014 for a term of 5 (five) consecutive years be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing with effect from August 4, 2019 up to August 3, 2024."

7. **To re-appoint Ms. Anjali Bansal as an Independent Director of the Company**

   To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Anjali Bansal (DIN: 00207746), who was appointed as an Independent Director at an Extraordinary General Meeting of the Company held on August 4, 2014 for a term of 5 (five) consecutive years be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing with effect from August 4, 2019 up to August 3, 2024."

By Order of the Board

ARUNITO GANGULY
Assistant Vice President,
Company Secretary & Compliance Officer
ICSI Membership No.: FCS 9285

Place : Gurugram
Date : May 24, 2019

NOTES:

1. 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. 4, 5, 6 and 7 of the accompanying Notice are annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EIGHTY SIXTH ANNUAL GENERAL MEETING ('AGM') IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS / HER BEHALF ONLY ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

   In terms of Section 105 of the Companies Act, 2013 and Rules framed thereunder, a person can act as a proxy on behalf of the Members not exceeding fifty and holding in aggregate not more than 10% of the total 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 Members. A Proxy Form is annexed in page no. 199 of this Annual Report.
3. Information as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the Directors seeking appointment / re-appointment at the AGM is provided under a separate heading, which forms part of this Notice.
4. As required under SS-2 issued by the ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to this Notice.
5. 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 AGM 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 AGM.
6. Any Member desirous of receiving any information on the Financial Statements or operations of the Company is requested to forward his / her queries to the 'Share Department' of the Company at the Registered Office at least seven working days prior to the AGM, so that the required information can be made available at the AGM.
7. Pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, 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. Members holding shares

in physical mode should file their nomination with the Company or with M/s. R & D Infotech Pvt. Limited, the Registrar and Share Transfer Agent ('RTA') of the Company, at their address given in the Annual Report, whilst those Members holding shares in demat / electronic mode should file their nomination with their respective Depository Participants (DPs). The Nomination Form SH-13 and SH-14 are available on the website of the Company, i.e., *www.bata.in* at "Investor Information" under "Investor Relations" category.

8. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the Listing Regulations, the Share Transfer Books and Register of Members of the Company will remain closed from Wednesday, July 24, 2019 to Friday, August 2, 2019 (both days inclusive).

9. Dividend on Equity Shares, as recommended by the Board of Directors of the Company, for the financial year ended March 31, 2019, if declared, at the AGM, will be paid to:

   i. those Members whose names appear in the Register of Members of the Company at the end of business hours on Tuesday, July 23, 2019, after giving effect to all valid share transfers in physical mode lodged with the Company / RTA on or before Tuesday, July 23, 2019.

   ii. those 'Beneficial Owners' entitled thereto, in respect of shares held in electronic mode, whose names shall appear in the statements of beneficial ownership furnished by respective Depositories, *viz.* National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on Tuesday, July 23, 2019.

10. Members holding shares in physical mode are requested to immediately notify any change in their address along with self-attested copy of address proof i.e., Aadhaar Card / Electricity Bill / Telephone Bill / Driving License / Passport / Bank Passbook particulars to the Company or its RTA and in case their shares are held in dematerialized mode, this information should be notified / submitted directly to their respective DPs.

11. Pursuant to Regulation 12 of the Listing Regulations read with Schedule I to the said Regulations, it is mandatory for all the Companies to use bank details furnished by the investors for distributing dividends, interests, redemption or repayment amounts to them through National / Regional / Local Electronic Clearing Services (ECS) or Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), National Automated Clearing House (NACH) wherever ECS / RTGS / NEFT / NACH and bank details are available. In the absence of electronic facility, Companies are required to mandatorily print bank details of the investors on 'payable-at-par' warrants or cheques for distribution of dividends or other cash benefits to the investors. In addition to that, if bank details of investors are not available, Companies shall mandatorily print the address of the investor on such payment instruments.

12. In all correspondence with the Company, Members holding shares in physical mode are requested to quote their Folio numbers and in case their shares are held in the dematerialized mode, Members are requested to quote their DP Id and Client Id.

13. Pursuant to erstwhile Section 205 of the Companies Act, 1956, all unclaimed / unpaid dividends up to the financial year ended December 31, 1993 were transferred to the General Revenue Account of the Central Government. Consequent upon amendments of erstwhile Sections 205A and 205C of the Companies Act, 1956 and introduction of Sections 124 and 125 of the Companies Act, 2013, and subsequent amendments thereof, the amount of dividend for the subsequent years remaining unclaimed / unpaid for a period of seven years or more from the date they first become due for payment, including the amounts which were earlier transferred to General Revenue Account, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Government of India.

14. In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Equity Shares in respect of which dividend remains unclaimed / unpaid for seven consecutive years or more, are required to be transferred to the Demat Account of the IEPF Authority. Accordingly, the Company has transferred 248928 (including 18980 Equity Shares transferred during the financial year 2018-19) underlying Equity Shares, in aggregate in respect of 2611 Members on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority maintained with NSDL.

15. The Company has requested the Members vide its letter dated January 25, 2019 to those who have not encashed their dividend warrant for the financial year ended December 31, 2011 onwards, to claim the amount of dividend from the Company immediately. The unclaimed / unpaid dividend amount, if not encashed before the due date as mentioned in Point No.18 below will be transferred into the specified bank account of the IEPF, established by the Government of India.

16. The Company had also informed the Members concerned through letter(s) and subsequently through publication of Notice(s) in daily Newspapers, *viz*., 'Business Standard' and 'Ei Samay' advising Members to claim their unclaimed / unpaid dividend from the Company within the stipulated time period. The Company has also uploaded on its website, i.e., *www.bata.in* under the 'Investor Relations' category, the complete list of Members along with relevant details pertaining to unclaimed / unpaid dividend for the year ended December 31, 2011 onwards, seven consecutive years or more and the corresponding shares liable to be transferred to the Demat Account of the IEPF Authority.

17. Members are informed that once the unclaimed / unpaid dividend is transferred to the designated account of IEPF and shares are transferred to the Demat Account of the IEPF Authority, no claim shall lie against the Company in respect of such dividend / shares. The eligible Members are entitled to claim such unclaimed / unpaid dividend and shares including benefits, if any, accruing on such shares from the IEPF Authority by making an application in prescribed Form IEPF-5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents at the Registered Office of the Company for verification of their claim.

    Relevant details and the specified procedure to claim refund of dividend amount / shares along with an access link to the refund webpage of IEPF Authority's website for claiming such dividend amount / shares has been provided on the Company's website, i.e., *www.bata.in* under the "Investor Relations" category.

18. During the financial year ended March 31, 2019, the Company has deposited a sum of Rs. 12,24,176/- (Rupees Twelve Lakhs Twenty Four Thousand One Hundred and Seventy Six only) into the specified bank account of the IEPF, Government of India, towards unclaimed / unpaid dividend for the financial year ended December 31, 2010. The due dates for transfer of the unclaimed / unpaid dividend relating to subsequent years to IEPF are as follows:

Dividend for the Financial Year ended	Due date for transfer to IEPF
December 31, 2011	04/07/2019
December 31, 2012	09/07/2020
December 31, 2013	26/06/2021
March 31, 2015*	09/09/2022
March 31, 2016	08/09/2023
March 31, 2017	22/08/2024
March 31, 2018	24/08/2025

** The financial year ended March 31, 2015 comprised of fifteen months from January 1, 2014 to March 31, 2015.*

19. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 had mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. In this regard, M/s. R & D Infotech Pvt. Ltd, the Registrar and Share Transfer Agent (RTA) of the Company had issued three letters to the shareholders dated July 12, 2018, August 14, 2018 and September 20, 2018 requesting the Members to submit their PAN and Bank Account details to the 'Share Department' of the Company at the Company's Registered Office or to the RTA of the Company. In the same letter the Members were also informed that pursuant to SEBI Notification dated June 8, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized mode with a depository w.e.f. December 5, 2018. The said date was further extended vide SEBI circular till April 1, 2019.

20. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax Permanent Account Number (PAN) Card. Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company / RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s). In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/139 dated November 6, 2018.

21. Members are requested to kindly note that if physical documents *viz*. Demat Request Forms (DRF) and Share Certificates, etc. are not received from their DPs by the RTA within a period of 15 days from the date of generation of the Demat Request Number (DRN) for dematerialization, such DRN will be treated as rejected / cancelled. This step is taken on the advice of NSDL and CDSL, so that no demat request remains pending beyond a period of 21 days from

its lodgement. Upon rejection / cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with the Share Certificates by the DPs to the RTA. This note is only to caution Members that they should ensure that their DPs do not delay in sending the DRF and Share Certificates to the RTA after generating the DRN.

22. The Ministry of Corporate Affairs (MCA), Government of India has introduced 'Green Initiative in Corporate Governance' by allowing paperless compliance 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 e-mail Id, please communicate the same to the Company or its RTA at their communication address given in the Annual Report in respect of the shares held in physical mode or communicate to your DPs concerned in respect of shares held in demat / electronic mode. Although you are entitled to receive physical copy of the Notices, 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 to participate in the Green Initiative of the MCA and to protect our environment.

23. Members are requested to bring and produce their Attendance Slip duly signed as per the specimen signature recorded with the Company / DPs for admission to the AGM venue.

24. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members of the Company without payment of fees at the Registered Office of the Company at 27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal. Copies of the said documents shall also be available for inspection at the Corporate Office of the Company at Bata House, 418/02, Mehrauli Gurgaon Road, Sector - 17, Gurugram - 122002, Haryana. Inspection by the Members can be done on any working day between 11:00 a.m. and 1:00 p.m. up to the date of AGM of the Company and shall also be available at the venue of the AGM.

25. 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 amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to facilitate its Members to transact business at the AGM of the Company by voting through electronic means. In this regard, the Company has engaged the services of NSDL as the Agency to provide remote e-voting services and voting at the AGM venue through electronic voting system.

II. The facility for voting through electronic means shall be made available at the AGM venue and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through electronic voting system.

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 remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of **"Two Steps"** which are mentioned below:

Step 1: Login to NSDL e-Voting system at https://www.evoting.nsdl.com.

Step 2: Cast your vote electronically on NSDL e-Voting system.

DETAILS ON STEP 1 ARE GIVEN BELOW:

How to Login to NSDL e-Voting website?

1. Open the web browser by typing the URL: https://www.evoting.nsdl.com either on a Personal Computer or on a Mobile.
2. Click on icon "Login" available under "Shareholder" section.
3. Enter your User Id, Password and also a verification code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e., IDEAS, you can login at https://eservices.nsdl.com with your existing IDEAS login. Once you login to NSDL e-services after using your login credentials, click on e-voting and you can proceed to Step 2 i.e., directly to cast your vote electronically.

4. Your User Id details are given below :

Manner of holding shares i.e., in Demat Account or in Physical Form	Your User Id is:
a) For Members who hold shares in Demat Account with NSDL.	8 Character DP Id followed by 8 Digit Client Id. For example if your DP Id is IN300*** and Client Id is 12****** then your User Id is IN300***12******
b) For Members who hold shares in Demat Account with CDSL.	16 Digit DP Id and Client Id. For example if your DP Id and Client Id is 12************** then your User Id is 12**************
c) For Members holding shares in Physical Form.	EVEN followed by Folio Number registered with the Company. For example if Folio Number is 001*** and EVEN is 101456 then User Id is 101456001***

5. Your Password details are given below:
   a. If you are already registered with NSDL for remote e-voting then you can use your existing User Id and Password to login and cast your vote.
   b. If you are using NSDL e-Voting system for the first time, you are required to retrieve the "Initial Password" which was communicated to you. Once you retrieve your "Initial Password", you need to enter the "Initial Password" and the system will direct you to change your "Initial Password".
   c. How to retrieve your "Initial Password"?
      (i) Open the e-mail and open the PDF file *viz*.: "BataIndiaLimited_e-voting.pdf". The Password to open the pdf file is your 8 digit Client Id of NSDL Demat Account or the last 8 digits of Client Id of CDSL Demat Account or Folio Number for shares held in Physical form. The said PDF file contains your User Id and "Initial Password" for remote e-voting purpose.
      (ii) If your e-mail Id is not registered, your "Initial Password" is communicated to you on your registered postal address.
6. If you are unable to retrieve or have not received the "Initial Password" or have forgotten your Password:
   (a) If you are holding shares in physical mode, click on icon "Physical User Reset Password?" available on *www.evoting.nsdl.com.*
   (b) If you are holding shares in physical mode, click on icon "Physical User Reset Password?" available on *www.evoting.nsdl.com.*
   (c) If you are still unable to get the Password by following aforesaid two options, you can send your request at evoting@nsdl.co.in mentioning your DP Id and Client Id / Folio Number, your PAN, your name and your registered postal address.
7. Tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now click on icon "Login".
9. Home page of remote e-voting opens.

DETAILS ON STEP 2 ARE GIVEN BELOW:

How to cast your vote electronically on NSDL e-Voting system?

1. Click on remote e-voting: "Active Voting Cycles".
2. Select "EVEN" of Bata India Limited.
3. Now you are ready for remote e-voting as "Cast Vote" page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify / modify the number of shares for which you wish to cast your vote and thereafter click on icon "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you have confirmed after voting on the Resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR MEMBERS

1. 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.
2. It is strongly recommended not to share your Password with any other person and you must take utmost care to keep your Password confidential. Login to e-voting website will be disabled upon five unsuccessful login attempts with incorrect details. In such an event, you will require to reset the Password by clicking on the icon "Forgot User Details / Password" or "Physical User Reset Password" available on *www.evoting.nsdl.com*.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the "Downloads" section of *www.evoting.nsdl.com* or call on Toll Free No.: 1800 222 990 or Mr. Supratim Mitra, Asst. Vice President, NSDL, at Telephone Nos. (033) 22904243 / 22904246 or at e-mail id: supratimm@nsdl.co.in or alternatively at evoting@nsdl.co.in. For any further assistance, you may contact Mr. Jyotirmoy Banerjee, Investor Relations Manager at Telephone No. (033) 2289 5796 or at e-mail Id: share.dept@bata.com.
4. 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).
5. The remote e-voting period commences on Tuesday, July 30, 2019 (09:00 a.m.) and ends on Thursday, August 1, 2019 (05:00 p.m.). During this period, the Members of the Company, holding shares either in physical or dematerialized mode, as on the cut-off date of Friday, July 26, 2019, 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 a Member, the Member shall not be allowed to change it subsequently.
6. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date i.e., Friday, July 26, 2019.
7. Any person, who acquires shares in the Company and becomes a Member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date i.e., Friday, July 26, 2019, may obtain the Login User Id and Password by sending a request at evoting@nsdl.co.in or share.dept@bata.com. 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.
8. 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 venue through electronic means, if not participated through remote e-voting.
9. Mr. Pawan Kumar Sarawagi of M/s. P. Sarawagi & Associates, Company Secretaries (Membership No.: FCS-3381 and C.P. No. 4882), Narayani Building, Room No. 107, 1st Floor, 27, Brabourne Road, Kolkata - 700001, has been appointed by the Board of Directors of the Company as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
10. The Chairman shall at the AGM allow voting, with the assistance of Scrutinizer, by use of electronic means for all those Members who are present at the AGM and did not cast their votes by availing the remote e-voting facility.
11. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through electronic voting system provided at the AGM venue and remote e-voting in presence of at least two witnesses, not in the employment of the Company and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, within 48 hours of conclusion of the AGM, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the results of the voting forthwith. The resolution(s) shall be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.
12. The declared results along with the report of the scrutinizer shall be placed on the Company's website i.e., *www.bata.in* under "Investor Relations" category and on the website of NSDL immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The same shall be communicated by the Company to the 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 in Kolkata and at the Corporate Office in Gurugram.

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

Item No. 4: Appointment of Mr. Ashok Kumar Barat (DIN: 00492930) as an Independent Director of the Company

Mr. Ashok Kumar Barat (Mr. Barat) was appointed as an Additional Director (Category: Independent Director) of the Company with effect from December 17, 2018 through circular resolution dated December 12, 2018. In terms of Section 161 of the Companies Act, 2013, he holds office up to the date of this AGM of the Company. Based on the recommendations of the Nomination and Remuneration Committee (NRC) of the Board and in compliance with the provisions of Sections 149, 152 of the Companies Act, 2013, the Rules framed thereunder read with Schedule IV to the Companies Act, 2013, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Nomination and Remuneration Policy of the Company, the Board appointed Mr. Barat as an Independent Director of the Company, for a term of 5 (five) consecutive years with effect from December 17, 2018, subject to approval of the Members of the Company at the ensuing AGM. The period of office of Mr. Barat as the Independent Director of the Company shall not be liable to determination by retirement of directors by rotation at every AGM.

Mr. Barat is a Fellow Member of the Institute of Chartered Accountants of India and a Fellow Member of the Institute of Company Secretaries of India. He has held responsible and senior leadership positions in various Indian and multinational organizations, both in India and overseas. He is on the Board of several other companies and advises businesses on governance, performance and is also holding the office of the Vice President of the Council of EU Chambers of Commerce in India.

Mr. Barat is a past President of the Bombay Chamber of Commerce and Industry and currently is a member of the Managing Committee of ASSOCHAM. He is a Certified Mediator empanelled with the Ministry of Corporate Affairs, Government of India. He is a regular speaker at public forums particularly supporting family businesses, start-ups and SMEs from overseas looking at establishing and growing their business footprint in India.

In terms of the provisions of the Companies Act, 2013, Mr. Barat has filed requisite consent(s) / disclosures before the Board. The Company has also received an intimation from Mr. Barat in Form DIR-8 to the effect that he is not disqualified and further confirmed that he is also not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority to be appointed as a Director in any Company. As required under Regulation 25(8) of Listing Regulations, Mr. Barat has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Barat meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Rules framed thereunder read with Regulation 16 of the Listing Regulations and that he is independent of the management. Mr. Barat is entitled to sitting fees for attending the meetings of the Board and its Committee(s) and also for Commission on Net Profits of the Company not exceeding 1% in aggregate (together with all Non-Executive Independent Directors) as computed in the manner referred to in Section 198 of the Companies Act, 2013 and Rules framed thereunder.

The necessary documents relating to his appointment shall be open for inspection by the Members at the Registered Office of the Company at 27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal. Copies of the said documents shall also be available for inspection at the Corporate Office of the Company at Bata House, 418/02, Mehrauli Gurgaon Road, Sector-17, Gurugram - 122002, Haryana. Inspection by the Members can be done on any working day between 11:00 a.m. and 1:00 p.m. up to the date of AGM of the Company and shall also be available at the venue of the AGM till the conclusion of the AGM.

Necessary information(s) in compliance with Regulation 36(3) of the Listing Regulations and SS-2 issued by the ICSI, relating to Mr. Barat has been provided separately in a table and also in 'Report on Corporate Governance'.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Barat, as a Director of the Company.

Except Mr. Barat and his relatives, no other Director or Key Managerial Personnel of the Company, or their relatives, is concerned or interested financially or otherwise, in Resolution No. 4 as contained in the Notice.

Considering the knowledge, background, experience and expertise of Mr. Barat, the NRC and the Board are of the view that the appointment of Mr. Barat as an Independent Director of the Company shall be of immense benefit to the Company.

The Board recommends Resolution No. 4 as an Ordinary Resolution for approval by the Members.

Item No. 5: Appointment of Mr. Alberto Michele Maria Toni (DIN: 08358691) as a Director of the Company

Mr. Alberto Michele Maria Toni (Mr. Toni) was appointed as an Additional Director (Category: Non-Executive Director) of the Company at the Board Meeting held on February 12, 2019. In terms of Section 161 of the Companies Act, 2013, he holds office up to the date of this AGM of the Company. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors, pursuant to Section 152 of the Companies Act, 2013, the Rules framed thereunder read with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Nomination and Remuneration Policy of the Company, proposed the appointment of Mr. Toni as a Director (Category: Non-Executive Director) of the Company for the approval of Members by way of an Ordinary Resolution. The period of office of Mr. Toni as the Director of the Company shall be liable to determination by retirement of directors by rotation at every AGM.

Mr. Toni has held several senior leadership positions at market-leading organisations in Europe and Latin America. He began his career as a Chartered Accountant in primary consulting firms in Italy, before moving to the FMCG industry with Heineken, where he held positions of increasing seniority during his 18 year tenure at the company. He also worked with Deoleo, the global market leader in olive oil, listed at the Madrid Stock Exchange in Spain, as its Chief Financial Officer and was also a central part of the leadership team steering the ambitious transformation of the business.

Mr. Toni is the Chief Financial Officer and Executive Committee Member of the Bata Group. He is responsible for all aspects of finance management for the Group globally. In addition, he in charge of Supply Chain, Information Technology and the Bata Industrial business unit.

Mr. Toni graduated in Economics from the Università Cattolica del Sacro Cuore of Milan. He is a Chartered Accountant, a Certified Tax Advisor and has attended executive education programs at Harvard Business School and INSEAD.

In terms of the provisions of the Companies Act, 2013, Mr. Toni has filed requisite consent(s) / disclosures before the Board. The Company has also received an intimation from Mr. Toni in Form DIR-8 to the effect that he is not disqualified and further confirmed that he is not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority to be appointed as a Director in any Company.

Mr. Toni does not hold Directorship in any Company in India other than Bata India Limited. Other necessary information(s) in compliance with Regulation 36(3) of the Listing Regulations and SS-2 issued by the ICSI, relating to Mr. Toni has been provided separately in a table.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Toni, as a Director of the Company.

Except Mr. Toni and his relatives, no other Director or Key Managerial Personnel of the Company, or their relatives, is concerned or interested financially or otherwise, in Resolution No. 5 as contained in the Notice.

Considering the knowledge, experience and expertise of Mr. Toni, the Board is of opinion that appointment of Mr. Toni as a Non-Executive Director of the Company shall be of immense benefit to the Company.

The Board recommends Resolution No. 5 as an Ordinary Resolution for approval by the Members.

Item No. 6: Re-appointment of Mr. Akshaykumar Narendrasinhji Chudasama (DIN: 00010630) as an Independent Director of the Company

Mr. Akshaykumar Narendrasinhji Chudasama (Mr. Chudasama) was appointed as an Independent Director of the Company at an Extraordinary General Meeting held on August 4, 2014 and who holds office up to August 3, 2019 and is eligible for re-appointment.

In terms of provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board of the Company, but such Independent Director shall be eligible for re-appointment for another term of up to 5 (five) consecutive years after passing of Special Resolution.

The Board of Directors of the Company, based on the outcome of performance evaluation process and on recommendation of the Nomination and Remuneration Committee (NRC), proposed the re-appointment of Mr. Chudasama as an Independent Director for the approval of Members by way of Special Resolution, for second term of 5 (five) consecutive years not liable to retire by rotation, from August 4, 2019 to August 3, 2024.

Mr. Chudasama is the Managing Partner of Shardul Amarchand Mangaldas & Co. and heads the firm's practice in the Mumbai Region. He has expertise in cross-border M&A and Private Equity across a range of sectors. He advises both foreign companies entering India and Indian companies in their outbound acquisitions. Mr. Chudasama holds a degree in

Bachelors of Arts (BA) from St. Xavier's College (University of Bombay) and is a Law Graduate from the London School of Economics (University of London), UK. He is enrolled as an Advocate with the Bar Council of Maharashtra and Goa, and as a Solicitor with the Law Society (England and Wales). He is also enrolled with the Bombay Bar Association, the International Bar Association and the Inter-Pacific Bar Association and is a member of Entrepreneurs' Organization and Young Presidents' Organization.

Mr. Chudasama has been practicing law since 1994. He was a partner at AZB & Partners for over 3 years and thereafter at J. Sagar Associates (JSA) for almost 10 years. He has addressed several prestigious domestic and international seminars and conferences on various aspects related to his practice. He also serves *inter alia* as a Director on the Boards of Apollo Tyres Ltd. and Raymond Ltd.

In terms of the provisions of the Companies Act, 2013, Mr. Chudasama has filed requisite consent(s) / disclosures before the Board. The Company has also received an intimation from Mr. Chudasama in Form DIR-8 to the effect that he is not disqualified and further confirmed that he is also not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority to be re-appointed / continue as a Director in any Company. As required under Regulation 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Chudasama has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Chudasama meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Rules framed thereunder read with Regulation 16 of the Listing Regulations and that he is independent of the management. Mr. Chudasama is entitled to sitting fees for attending the meetings of the Board and its Committee(s) and also for Commission on Net Profits of the Company not exceeding 1% in aggregate (together with all Non-Executive Independent Directors) as computed in the manner referred to in Section 198 of the Companies Act, 2013 and Rules framed thereunder.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Chudasama, as a Director of the Company.

Necessary information(s) in compliance with Regulation 36(3) of the Listing Regulations and SS-2 issued by the ICSI, relating to Mr. Chudasama has been provided separately in a table and also in 'Report on Corporate Governance'.

Considering the contribution made by Mr. Chudasama during his current tenure, his knowledge, experience and understanding of Company's business, the NRC and the Board of Directors are of the view that the continued association of Mr. Chudasama would be valuable to the Company.

The necessary documents relating to his appointment shall be open for inspection by the Members at the Registered Office of the Company at 27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal. Copies of the said documents shall also be available for inspection at the Corporate Office of the Company at Bata House, 418/02, Mehrauli Gurgaon Road, Sector-17, Gurugram - 122002, Haryana. Inspection by the Members can be done on any working day between 11:00 a.m. and 1:00 p.m. up to the date of AGM of the Company and shall also be available at the venue of the AGM till the conclusion of the AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 and Listing Regulations, the re-appointment of Mr. Chudasama as an Independent Director is now being proposed before the Members for their approval by way of a Special Resolution.

Except Mr. Chudasama and his relatives, no other Director or Key Managerial Personnel of the Company, or their relatives, is concerned or interested financially or otherwise, in Resolution No. 6 as contained in the Notice.

The Board recommends Resolution No. 6 as a Special Resolution for approval by the Members.

Item No. 7: Re-appointment of Ms. Anjali Bansal (DIN: 00207746) as an Independent Director of the Company

Ms. Anjali Bansal (Ms. Bansal) was appointed as an Independent Director of the Company at an Extraordinary General Meeting held on August 4, 2014 and she holds office up to August 3, 2019 and is eligible for re-appointment.

In terms of provisions of Section 149 (10) of the Companies Act, 2013, an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board of the Company, but such Independent Director shall be eligible for re-appointment for another term of up to 5 (five) consecutive years after passing of Special Resolution.

The Board of the Directors of the Company, based on the outcome of performance evaluation process and on recommendation of the Nomination and Remuneration Committee (NRC), proposed the re-appointment of Ms. Bansal as an Independent Director for the approval of Members by way of Special Resolution, for a second term of 5 (five) consecutive years not liable to retire by rotation, from August 4, 2019 to August 3, 2024.

Ms. Anjali Bansal currently chairs NITI Aayog Women Entrepreneurship Platform Investment Council. She has founded Avaana Capital, a fund platform that invests in the scaling up of growth stage businesses. She was previously global Partner and Managing Director with TPG Growth PE, Spencer Stuart India- Founder CEO, and strategy consultant with McKinsey and Co. in New York and India. She serves as an independent non-executive director on the boards of GlaxoSmithKline (GSK) Pharmaceuticals India, Tata Power as well as Delhivery. She is on the Advisory Board of the Columbia University Global Centers, South Asia. She was also the former Non-Executive Chairperson of Dena Bank. Previously, she chaired the India Board of Women's World Banking, a leading global livelihood-promoting institution and continues to be an advisor to SEWA. She is a member of the Young Presidents' Organization.

She has been listed as one of the "Most Powerful Women in Indian Business" by India's leading publication, Business Today, and as one of the "Most Powerful Women in Business" by Fortune India. Ms. Bansal is an active contributor to the dialogue on corporate governance and diversity and serves on the Managing Committee of the Indian Venture Capital Association, Angel Investor and mentor to Facebook SheLeadsTech, NITI Aayog's Atal Innovation Mission and others. She has a Bachelors in Computer Engineering from Gujarat University and a Masters in International Finance and Business from Columbia University.

In terms of the provisions of the Companies Act, 2013, Ms. Bansal has filed requisite consent(s) / disclosures before the Board. The Company has also received an intimation from Ms. Bansal in Form DIR-8 to the effect that she is not disqualified and further confirmed that she is also not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority to be re-appointed / continue as a Director in any Company. As required under Regulation 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Ms. Bansal has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. In the opinion of the Board, Ms. Bansal meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Rules framed thereunder read with Regulation 16 of the Listing Regulations and that she is independent of the management. Ms. Bansal is entitled to sitting fees for attending the meetings of the Board and its Committee(s) and also for Commission on Net Profits of the Company not exceeding 1% in aggregate (together with all Non-Executive Independent Directors) as computed in the manner referred to in Section 198 of the Companies Act, 2013 and Rules framed thereunder.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Ms. Bansal, as a Director of the Company.

Necessary information(s) in compliance with Regulation 36(3) of the Listing Regulations and SS-2 issued by the ICSI, relating to Ms. Bansal has been provided separately in a table and also in 'Report on Corporate Governance'.

Considering the contribution made by Ms. Bansal during her current tenure, her knowledge, experience and understanding of Company's business, the NRC and the Board of Directors are of the view that the continued association of Ms. Bansal would be valuable to the Company.

The necessary documents relating to her appointment shall be open for inspection by the Members at the Registered Office of the Company at 27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal. Copies of the said documents shall also be available for inspection at the Corporate Office of the Company at Bata House, 418/02, Mehrauli Gurgaon Road, Sector-17, Gurugram - 122002, Haryana. Inspection by the Members can be done on any working day between 11:00 a.m. and 1:00 p.m. up to the date of AGM of the Company and shall also be available at the venue of the AGM till the conclusion of the AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 and Listing Regulations, the re-appointment of Ms. Bansal as an Independent Director is now being proposed before the Members for their approval by way of a Special Resolution.

Except Ms. Bansal and her relatives, no other Director or Key Managerial Personnel of the Company, or their relatives, is concerned or interested financially or otherwise, in Resolution No. 7 as contained in the Notice.

The Board recommends Resolution No. 7 as a Special Resolution for approval by the Members.

By Order of the Board

ARUNITO GANGULY
Assistant Vice President,
Company Secretary & Compliance Officer
ICSI Membership No.: FCS 9285

Place : Gurugram
Date : May 24, 2019

INFORMATION RELATING TO THE APPOINTMENT / RE-APPOINTMENT OF DIRECTOR(S) AT THE EIGHTY SIXTH ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) issued by the ICSI]

Re-appointment of Mr. Ram Kumar Gupta (DIN: 01125065) as a Director of the Company, liable to retire by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013, Rules framed thereunder and the Articles of Association of your Company, Mr. Ram Kumar Gupta (Mr. Gupta), Director is due to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. Mr. Gupta was appointed as the Director Finance and Chief Financial Officer of the Company at the 83rd AGM held on August 4, 2016, as a director liable to retire by rotation.

Mr. Gupta is a Bachelor of Commerce with Honours [B. Com. (Hons.)] and a Chartered Accountant (FCA) with over 32 years of experience in different positions in Bata Shoe Organization (BSO). He joined Bata India in July 1986 and has had an extremely successful and rewarding career. His last assignment in Bata India was as Senior Vice President - Finance from January 2011 till January 2013.

Mr. Gupta was assigned a challenging role as Finance Director of Bata Shoe Company Kenya Ltd. in February 2013, which he held till his relocation to India in July 2015. In this overseas assignment, along with Bata Kenya, he was also made responsible for the finance operations of Bata Shoe Company Uganda Limited and Bata Shoe Company Tanzania Limited. The companies, during his tenure in India, Kenya, Tanzania and Uganda have achieved record profits with improved profit margins through various cost saving initiatives and innovative methods. Mr. Gupta has attended various courses in BSO including Adminco and Bata Finance - E Learning.

In terms of the provisions of the Companies Act, 2013, Mr. Gupta has filed requisite consent(s) / disclosures before the Board, confirming his eligibility to be re-appointed as a Director of the Company, liable to retire by rotation. The Company has also received an intimation from Mr. Gupta in Form DIR-8 to the effect that he is not disqualified and further confirmed that he is not debarred by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority to be appointed as a Director in any Company.

Except Mr. Gupta and his relatives, no other Director or Key Managerial Personnel of the Company or their relatives, is concerned or interested financially or otherwise, in Resolution No. 3 as contained in the Notice.

Considering the knowledge, experience and expertise of Mr. Gupta, the Board is of opinion that re-appointment of Mr. Gupta as the Director of the Company shall be of immense benefit to the Company.

In compliance with the applicable laws, other necessary information(s) relating to Mr. Gupta has been provided separately in a table below.

The Board recommends Resolution No. 3 as an Ordinary Resolution for approval by the Members.

Details required under Section 102 of the Companies Act, 2013 in respect of Mr. Ashok Kumar Barat, Mr. Alberto Michele Maria Toni, Mr. Akshaykumar Narendrasinhji Chudasama and Ms. Anjali Bansal, Directors of the Company, who are seeking appointment(s) / re-appointment(s) at the ensuing AGM, have already been provided under the heading Explanatory Statement annexed to this Notice. The other information(s) in compliance with the Regulation 36(3) of the Listing Regulations and SS-2 issued by the ICSI have been provided in table below:

Particulars	Item No. 3	Item No. 4	Item No. 5	Item No. 6	Item No. 7
Name of Director	**Mr. Ram Kumar Gupta**	**Mr. Ashok Kumar Barat**	**Mr. Alberto Michele Maria Toni**	**Mr. Akshaykumar Narendrasinhji Chudasama**	**Ms. Anjali Bansal**
Category of Director	Director Finance and Chief Financial Officer	Independent Director	Non-Executive Director	Independent Director	Independent Director
Date of Birth	01.11.1958	05.12.1956	03.09.1967	30.09.1969	25.02.1971
Nationality	Indian	Indian	Italian	Indian	Indian
Date of Appointment on the Board	19.08.2015	17.12.2018	12.02.2019	28.04.2011	21.05.2014
Qualifications	B. Com. (Hons.), FCA	B. Com. (Hons.), FCA, FCS	Graduated in Economics, Chartered Accountant, Certified Tax Advisor, has attended executive education programmes at Harvard Business School and INSEAD	Bachelor of Arts (BA) from St. Xavier's College (University of Bombay) and is a Law graduate from London School of Economics (University of London), UK	Bachelors in Computer Engineering from Gujarat University and a Masters in International Finance and Business from Columbia University
Expertise in specific functional areas	Finance, Accounts, Taxation, Costing	Finance, Accounts, M&A, Strategist, Management Assurance & Governance	Taxation, Finance, Business Evaluation, IT, Supply chain	Legal including International Law, Cross-border M&A and Private Equity	Human Resource, Private Equity, Startup Funding, Digital Marketing and CSR
Directorships held in other Companies	1. Bata Properties Limited 2. Coastal Commercial & Exim Limited 3. Way Finders Brands Limited	1. DCB Bank Limited@ 2. Birlasoft Limited@ 3. Cholamandalam Financial Holdings Limited@ 4. Cholamandalam Investment and Finance Company Limited@ 5. Cholamandalam Home Finance Limited 6. Mahindra Intertrade Limited 7. Wacker Metroark Chemicals Private Limited 8. The Council of EU Chambers of Commerce in India	1. Bata Brands SA, Switzerland# 2. Leader AG, Switzerland# 3. Bata Nederland B.V., Netherlands# 4. Chaussures Bata SA, Switzerland# 5. Compar Spa, Italy# 6. Fondation Bata Programme pour les enfants, Switzerland#	1. Apollo Tyres Limited@ 2. Raymond Limited@ 3. Artemis Global Life Sciences Limited@ 4. Artemis Medicare Services Limited 5. Wyosha Real Estates Private Limited 6. Apollo Vredestein B.V.# 7. Apollo Tyres (Hungary) Kft.# 8. Apollo Tyres Holdings (Singapore) Pte. Ltd.#	1. GlaxoSmithKline Pharmaceuticals Limited@ 2. The Tata Power Company Limited@ 3. Apollo Tyres Limited@ 4. Voltas Limited@ 5. Siemens Limited@ 6. TATA Power Solar Systems Limited 7. TATA Power Renewable Energy Limited 8. Kotak Mahindra Asset Management Company Limited 9. Delhivery Private Limited 10. Bombay Chamber of Commerce and Industry 11. SAB Holdings Private Limited, Mauritius#

Particulars	Item No. 3	Item No. 4	Item No. 5	Item No. 6	Item No. 7
Name of Director	**Mr. Ram Kumar Gupta**	**Mr. Ashok Kumar Barat**	**Mr. Alberto Michele Maria Toni**	**Mr. Akshaykumar Narendrasinhji Chudasama**	**Ms. Anjali Bansal**
Chairmanships/ Memberships of committees of other Companies	NIL	**Audit Committee** DCB Bank Limited* Birlasoft Limited* Cholamandalam Financial Holdings Limited Cholamandalam Investment and Finance Company Limited Cholamandalam Home Finance Limited* Mahindra Intertrade Limited **Risk Management Committee** DCB Bank Limited Birlasoft Limited Cholamandalam Investment and Finance Company Limited* **Stakeholders Relationship Committee** Birlasoft Limited Cholamandalam Investment and Finance Company Limited **Nomination and Remuneration Committee** Cholamandalam Financial Holdings Limited* Cholamandalam Investment and Finance Company Limited Cholamandalam Home Finance Limited Mahindra Intertrade Limited **Corporate Social Responsibility Committee** Cholamandalam Financial Holdings Limited Wacker Metroark Chemicals Private Limited **IT Strategy Committee** Cholamandalam Investment and Finance Company Limited* Cholamandalam Home Finance Limited* **Business Committee** Cholamandalam Investment and Finance Company Limited **Fraud Reporting and Monitoring Committee** DCB Bank Limited* **Capital Raising Committee** DCB Bank Limited **Willful Defaulters Review Committee** DCB Bank Limited	NIL	**Audit Committee** Apollo Tyres Limited Artemis Global Life Sciences Limited Artemis Medicare Services Limited **Nomination and Remuneration Committee** Apollo Tyres Limited Artemis Medicare Services Limited **Stakeholders Relationship Committee** Apollo Tyres Limited Raymond Limited* **Business Responsibility Committee** Apollo Tyres Limited	**Corporate Social Responsibility Committee** GlaxoSmithKline Pharmaceuticals Limited The Tata Power Company Limited* Apollo Tyres Limited **Nomination and Remuneration Committee** GlaxoSmithKline Pharmaceuticals Limited Voltas Limited The Tata Power Company Limited Delhivery Private Limited*

Particulars	Item No. 3	Item No. 4	Item No. 5	Item No. 6	Item No. 7
Name of Director	**Mr. Ram Kumar Gupta**	**Mr. Ashok Kumar Barat**	**Mr. Alberto Michele Maria Toni**	**Mr. Akshaykumar Narendrasinhji Chudasama**	**Ms. Anjali Bansal**
Number of Board Meetings attended during the year	4	1	1	4	3
Relationships between Directors inter-se	None	None	None	None	None
Remuneration details *(Including Sitting Fees & Commission)*	Please refer to the 'Report on Corporate Governance', which is a part of this Annual Report.				
Number of shares held in the Company	56	NIL	NIL	NIL	NIL

* *Indicates Chairman / Chairperson of the Committee.*

Indicates Foreign Company.

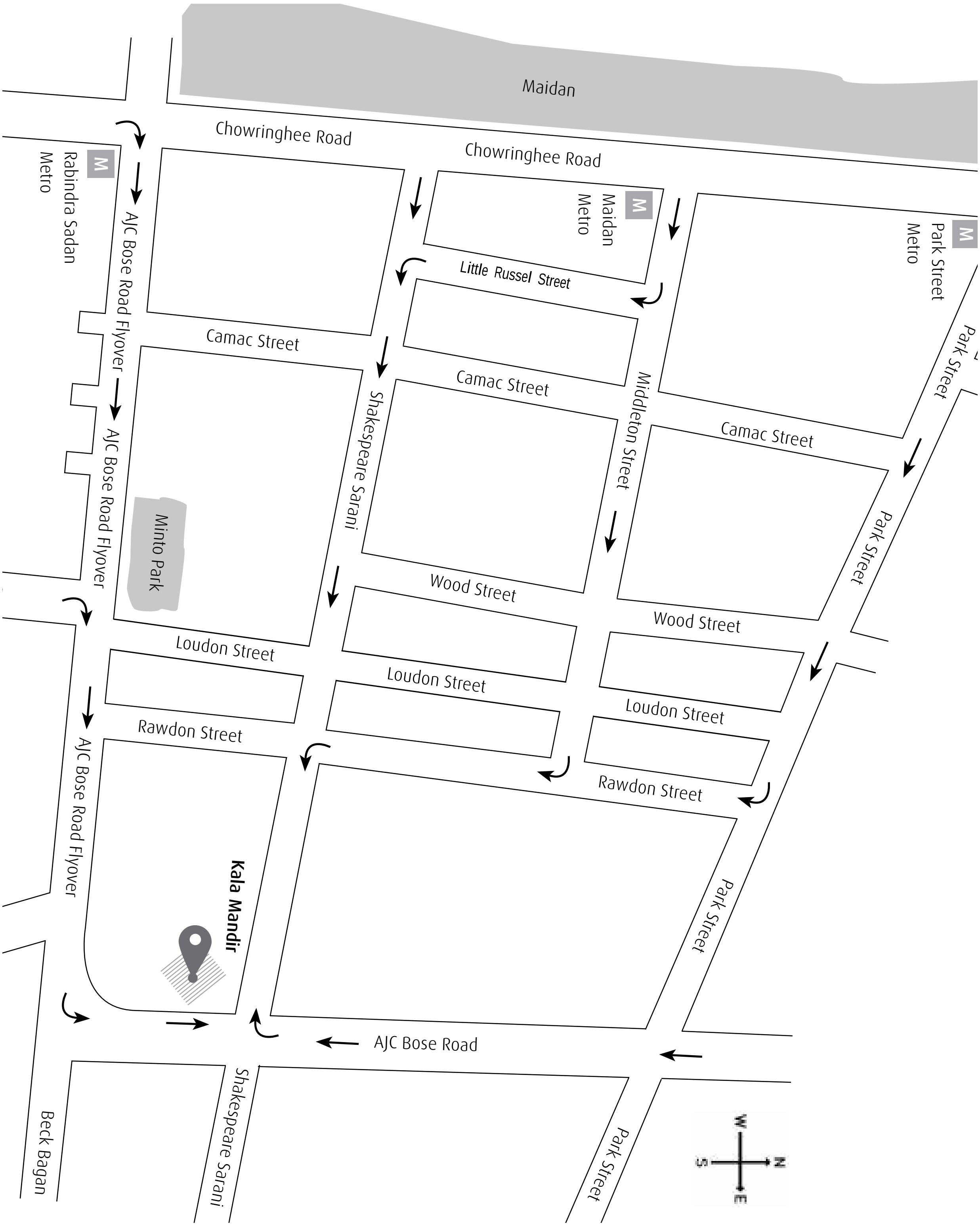
@ *Indicates Listed Company.*

By Order of the Board

ARUNITO GANGULY
Assistant Vice President,
Company Secretary & Compliance Officer
ICSI Membership No.: FCS 9285

Place : Gurugram
Date : May 24, 2019

ROUTE MAP TO THE AGM VENUE
"Kalamandir", 48, Shakespeare Sarani, Kolkata - 700 017, West Bengal



BOARD'S REPORT TO THE MEMBERS

Your Directors are pleased to present the 86th Annual Report covering the operational and financial performance of your Company along with the Audited Financial Statements for the financial year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

(Rs. in Million)

Particulars	Financial Year ended on March 31, 2019	Financial Year ended on March 31, 2018
	(Audited)	**(Audited)**
Revenue from operations	**29,284.44**	**26,363.18**
Other Income	685.43	508.44
Total	**29,969.87**	**26,871.62**
Profit / (Loss) before Taxation	**4,782.65**	**3,400.14**
Provision for Taxation	1,486.05	1,164.36
Net Profit	**3,296.60**	**2,235.78**
Other Comprehensive Income / (Loss) (net of tax)	1.38	(160.03)
Total Comprehensive Income	**3,297.98**	**2,075.75**

Your Company has prepared the Financial Statements for the financial year ended March 31, 2019 in terms of Sections 129, 133 and Schedule II to the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

During the financial year ended March 31, 2019, your Company recorded a turnover of Rs. 29,284.44 Million as compared to the turnover of Rs. 26,363.18 Million recorded during the previous financial year ended March 31, 2018. Revenue from operations for the year ended March 31, 2019 has increased by 11% over the corresponding period last year. The Net Profit of your Company for the financial year ended March 31, 2019 stood at Rs. 3,296.60 Million as against the Net Profit of Rs. 2,235.78 Million for the financial year ended March 31, 2018. The Profit before Tax for the financial year ended March 31, 2019 reflects a growth of 41% over the corresponding Profit for the financial year ended March 31, 2018.

On a consolidated basis, your Company recorded a turnover of Rs. 29,311.03 Million during the financial year ended March 31, 2019 and achieved consolidated Net Profit of Rs. 3,289.94 Million for the said financial year.

Your Company consolidated its position as the leading footwear company in India in the year under review delivering double digit sales growth and improving its profitability significantly. This has been achieved by rigorously executing our "Sweeping Angela Off her Feet" strategy through the year to help the brand emerge as more contemporary and vivacious. We made significant headway this year across its key pillars of being commercially aggressive, continuously upgrading our collections and reaching out to consumers everywhere while keeping costs in check.

This year, we significantly stepped up our marketing presence reaching out to recruit new consumers as well as strengthen our bond with our loyal consumer base. This was achieved with the use of a highly visible consumer insight based marketing campaign built around our brand ambassadors. Leveraging our excellent retail assets, traditional media channels as well new age digital media it helped us to connect with more consumers and reinforce the "Surprises" that awaited them in a Bata store. It has reflected well in our brand equity strengthening as well as footfall increase in stores. This initiative combined with new & contemporary collections in Bata Casuals, Bata Red Label, 9to9 ladies range as well as Power & North Star have helped us connect and build the brand among the youth of the country.

After successfully testing the contemporary and clutter free "Red" Store design last year, we rolled out the design to over 100 stores across the country this year. These stores exude a premium feel helping us upgrade our imagery as well as our merchandise. Your company intends to further pick up speed to take this new store design to a majority of our stores in the next few years.

To help us to reach out to more of India, your company also stepped up the focus on entering new towns through Franchise stores this year. We have received very enthusiastic response from current as well as new Franchise partners to open stores in new towns, helping us take Bata to more than 45 new towns in this year with many more in the pipeline. Another key pillar of reaching more consumers has been our digital push with large e-Commerce partners as well as improving the assortment and speed of our own website *www.bata.in*. Through Omni-Channel technology deployment we have also been able to leverage our store inventory for fulfillment as well as quick delivery!

Your company's brand popularity and consumer initiatives were recognized as we were conferred the "IMAGES Most Admired Footwear Brand of the Year 2019" at the Annual Images Fashion Awards as well as the Readers Digest Most Trusted Brand Award.

SHARE CAPITAL

The Authorized Share Capital of your Company as on March 31, 2019 stands at Rs. 700 Million divided into 140,000,000 equity shares of Rs. 5/- each. The Issued Share Capital of your Company is Rs. 642.85 Million divided into 128,570,000 equity shares of Rs. 5/- each and the Subscribed and Paid-up Share Capital is Rs. 642.64 Million divided into 128,527,540 equity shares of Rs. 5/- each, fully paid-up.

DIVIDEND

Your Board recommends a dividend of Rs. 6.25 per Equity Share of Rs. 5/- each (i.e., 125%) for the financial year ended March 31, 2019. The dividend, if declared, by the Members at the forthcoming Annual General Meeting (AGM) shall be paid to the eligible Members of the Company from Wednesday, August 14, 2019 onwards. The total payout of aforesaid dividend amount would be approximately Rs. 968.42 Million, including the corporate dividend distribution tax, as applicable.

Dividend Distribution Policy

The recommendation of aforesaid dividend is in line with the Dividend Distribution Policy of the Company approved by your Board. The said Dividend Distribution Policy has been annexed to this Board's Report and has also been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/0/pdf/DividendDistributionPolicy-BIL.pdf.

Investor Education and Protection Fund (IEPF)

In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has deposited a sum of Rs. 12,24,176/- into the specified bank account of the IEPF, Government of India, towards unclaimed / unpaid dividend amount for the financial year ended December 31, 2010.

As per the said Rules, the corresponding equity shares in respect of which Dividend remains unclaimed / unpaid for seven consecutive years or more, are required to be transferred to the Demat Account of the IEPF Authority. During the year under review, the Company has transferred 18980 underlying Equity Shares to the Demat Account of the IEPF Authority, in compliance with the aforesaid Rules.

GENERAL RESERVE

The Company has not transferred any amount to the General Reserve during the financial year ended March 31, 2019.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

Subsequent to the end of the financial year on March 31, 2019 till date, there has been no material change and / or commitment which may affect the financial position of the Company.

CREDIT RATING

During the year under review, ICRA Limited (ICRA) has reaffirmed the Credit Rating of '[ICRA] AA+' (pronounced as ICRA double A plus) for the Non-Fund Based Facilities of your Company. The outlook on the Long Term Rating is 'Stable'.

DEPOSITS

Your Company has no unclaimed / unpaid matured deposit or interest due thereon since December 31, 2013. Your Company has not accepted any deposits covered under 'Chapter V - Acceptance of Deposits by Companies' under the Companies Act, 2013 during the financial year ended March 31, 2019.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In terms of Section 186 of the Companies Act, 2013 and Rules framed thereunder, details of the Loans given and Investments made by your Company have been disclosed in Note No. 5 of the Notes to Financial Statements for the year ended March 31, 2019, which forms part of this Annual Report. Your Company has not given any guarantee or provided any security during the year under review.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2019, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. Your Company does not have a 'Material Subsidiary' as defined under Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations']. Your Board shall formulate a Policy to determine Material Subsidiary as and when considered appropriate in the future.

Your Company has formulated a Policy on Related Party Transactions and the said Policy has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://www.bata.in/0/pdf/RelatedPartyTransactionPolicy.pdf. Also, your Company has an internal mechanism for the purpose of identification and monitoring of Related Party Transactions.

During the year under review, your Company did not enter into any Related Party Transactions which require prior approval of the Members. All Related Party Transactions of your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations. Subsequently, the Audit Committee and the Board have reviewed the Related Party Transactions on a quarterly basis. During the year under review, there has been no materially significant Related Party Transactions having potential conflict with the interest of the Company.

Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, therefore details required to be provided in the prescribed Form AOC - 2 is not applicable to the Company. Necessary disclosures required under the Ind AS 24 have been made in Note No. 36 of the Notes to the Financial Statements for the year ended March 31, 2019.

SUBSIDIARIES

The Company has three wholly owned subsidiaries viz., Bata Properties Limited, Coastal Commercial & Exim Limited and Way Finders Brands Limited.

The Annual Reports of these Subsidiaries will be made available for inspection by the Members of the Company at the Registered Office of your Company at 27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal between 11:00 a.m. and 1:00 p.m. on any working day upto the date of AGM. The Annual Reports along with the Audited Financial Statements of each of the Subsidiaries of your Company are also available on the website of the Company at *www.bata.in.* The Annual Reports of the aforesaid Subsidiaries for the financial year ended March 31, 2019 shall be provided to the Members of the Company upon receipt of written request from them.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of Financial Statements of the aforesaid Subsidiaries has been provided in Form AOC-1 and forms part of this Annual Report.

The Audited Consolidated Financial Statements (CFS) of your Company for the financial year ended March 31, 2019, prepared in compliance with the provisions of Ind AS 27 issued by the Institute of Chartered Accountants of India (ICAI) and notified by the Ministry of Corporate Affairs (MCA), Government of India also forms part of this Annual Report.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in the Form No. MGT-9 as on March 31, 2019 is annexed to this Board's Report and marked as Annexure I. The copy of same has also been uploaded on the website of the Company at *www.bata.in* and is available at the link https://www.bata.in/bataindia/a-29_s-181_c-42/investor-relations.html.

AUDIT AND AUDITORS

Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) was appointed as the Auditors of the Company for a consecutive period of 5 (five) years from conclusion of the 84th AGM held in the year 2017 until conclusion of the 89th AGM of the Company scheduled to be held in the year 2022.

The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. Therefore, the Company is not seeking any ratification of appointment of M/s. B S R & Co. LLP, Chartered Accountants as the Auditors of the Company, by the Members at the ensuing AGM.

Your Company has received a certificate from M/s. B S R & Co. LLP, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of the Listing Regulations.

Secretarial Auditors

In terms of the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board at its meeting held on February 12, 2019 appointed M/s. P. Sarawagi & Associates, Company Secretaries, 27, Brabourne Road, Kolkata - 700001, as the Secretarial Auditors of the Company, to conduct the Secretarial Audit for the financial year ended March 31, 2019 and to submit Secretarial Audit Report in Form No. MR - 3.

A copy of the Secretarial Audit Report received from M/s. P. Sarawagi & Associates in the prescribed Form No. MR-3 is annexed to this Board's Report and marked as Annexure II.

Qualification, reservation or adverse remark in the Auditor's Reports and Secretarial Audit Report

There is no qualification, reservation or adverse remark made by the Auditors in their Reports to the Financial Statements (both Standalone and Consolidated) or by the Secretarial Auditors in their Secretarial Audit Report for the financial year ended March 31, 2019.

SIGNIFICANT AND MATERIAL LITIGATIONS / ORDERS

During the year under review, there were no significant material orders passed by the Regulators / Courts and no litigation was outstanding as on March 31, 2019, which would impact the going concern status and future operations of your Company. The details of litigation on tax matters are disclosed in the Auditor's Report and Financial Statements which forms part of this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In compliance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, a statement containing information on conservation of energy, technology absorption, foreign exchange earnings and outgo of the Company, in the prescribed format, is annexed to this Board's Report and marked as Annexure III.

MANUFACTURING AND SOURCING

Your Company has an elaborate system driven compliance programme in place starting with strict and detailed pre-review for on-boarding procedure in case of a new manufacturing partner in sourcing and also for an associate manufacturer for our own factories. This includes clearance of documents and a thorough compliance audit prior to approval. All our factories have been audited by SGS and have been certified fully compliant by them. Our vendors have also been audited by various competent organizations in order to check their level of compliance. The Company has engaged "Lexplosion" for providing support and also ensuring that all statutory compliances are being done on time with facility of escalation in case the same is required. This software has been implemented end to end across the organization including all the manufacturing units of the Company. The software provides real-time data visibility and a compliance dashboard. Multiple other initiatives are in progress across Occupational Health, Safety & Environment related aspects of the Company's operations at any given point of time.

To upgrade our associates & our own factories, we have also embarked upon "Manufacturing Excellence" programme driven by CII (Confederation of Indian Industry) & ICME (Indian Centre for Research and Manufacturing Excellence) to build up their capability which comprehensively covers continuous improvement programs such as 5S, TEI, Integrated Quality &

Sustenance Management, etc. In regard to this, your Company was recognized in the category of "Supplier Development" at the 11th CII Confederation on National Competitiveness & Cluster Summit held in National Capital.

To remain competitive, your Company has also very strongly focused on innovation & has successfully launched products with anti-microbial properties & "ortholite" for our Power shoes to increase comfort & fitting experience. Your Company has been working continuously with TBU (Tomas Bata University) based out of Zlin, Czech Republic to improve properties of our rubber compound with better abrasion properties. Apart from such initiatives, your Company has also been using upcycled rubber for rubber soles for sports shoes through its association with "Austin Rubber" based out of U.S.A. which makes the product not only performance driven, but also eco-friendly.

RESEARCH AND DEVELOPMENT ACTIVITIES AND ENERGY CONSERVATION

Research and Development activities during the year under review continued to emphasize on creating a pollution-free and a safe work environment. Technological improvement in product development, material development, introduction of new footwear moulds, process improvement, etc. were the key focus areas to improve quality of footwear and productivity in manufacturing. During the year under review, an expenditure of Rs. 66.31 Million was incurred on Research and Development (including product development initiatives), as against Rs. 57.93 Million during the financial year 2017-18. Research and Development Centres at Batanagar, Bataganj & Batashatak manufacturing units across India, are approved by the Department of Science & Technology, Government of India.

The Company has adopted a series of energy conservation measures like continuously replacing conventional tubelights with energy efficient LED lights, installation of energy efficient Variable Frequency Drive (VFD) motors in conveyors etc. at its manufacturing units across India. Such energy saving measures led to a saving of energy cost worth approx. Rs. 8.03 Million during the year under review. Your Company shall continue to invest on Research and Development activities and energy saving measures in its manufacturing units in the future as well.

CORPORATE SOCIAL RESPONSIBILITY

Your Board has constituted a Corporate Social Responsibility (CSR) Committee of the Board under the Chairmanship of an Independent Director. A CSR sub-committee comprising of Senior Executives of the Company and a dedicated CSR team undertake and monitor all CSR projects of your Company. Composition of CSR Committee of your Company and other relevant details have been provided in the Corporate Governance Report which forms part of this Annual Report.

The Company works on the belief of its founding family members that Companies should exist to serve a social purpose and enhance the quality of lives of people connected through its business. The Company has a CSR Policy in place which aims to ensure that the Company continues to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders. It takes up CSR programmes, which benefit the communities in and around the vicinity of its operational presence resulting in enhancing the quality of lives of the people in these areas. The said CSR Policy has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/0/pdf/CorporateSocialResponsibilityPolicy.pdf.

Your Company has spent an amount of Rs. 64.24 Million during the financial year 2018-19 as against its 2% obligation amounting to Rs. 58.07 Million, thereby exceeding its entire CSR obligation. Your Company made significant strides to harness all its resources towards successful execution of the CSR projects across all locations.

Model Schools under Bata Children's Programme (BCP)

Your Company worked with more than 3,000 school children at 6 schools adopted under Bata Children's Programme (BCP) near to the factories and corporate office. BCP is a global programme which aims to work for the children from underprivileged background and is operational in 30 countries wherever Bata is operational. The focus has been to undertake various initiatives at schools to convert them into Model Schools. A holistic programme across these schools is being implemented focusing on infrastructure upgradation, STEM programme by setting up science and computer labs, life skills programme, improving overall health of the children through regular health checkup camps and awareness sessions, sports activities, etc.

Especially designed programme on female adolescent healthcare, health & sanitation, life skills, sports and sessions on female centered issues have been given a priority for the girl child population at the schools. Separate sessions have been held with the parents to encourage the education of girl child and various other issues relevant to the overall development of their children.

Through our concentrated initiatives and extra-curricular activities, there has been an overall development of children through a period of time. Children have become more regular to school. There has been an increase of 12.50% attendance of children in Computer Classes. At one school, after Bata's support, the number of children at the school increased from 90 to 214, dropout rate reduced from 38% to 2%, teachers were able to use child friendly teaching learning pedagogy which leads to better learning environment. With implementation of better teaching methodology, nutritious meals and better facilities, the academic performance amongst the children also improved.

Through our library programme, 74% of the students drastically improved in their reading skills and 67% of the students in their writing skills. As a result of the Science Centres established at the schools along with science workshops, children have improved their ability to understand scientific concepts and its application; they have become more aware and curious to understand alternative methods of learning. There was also a noticeable improvement in the knowledge and awareness levels of the children on the issues of well-being, hygiene, sanitation, substance abuse, etc.

Girl Child Empowerment through Project Nanhi Kali

In association with K. C. Mahindra Education Trust, your Company supported education of 92 underprivileged girls under project Nanhi Kali. These girls go to Nanhi Kali academic support centres after school hours, where trained tutors engage the girls in concept based learning, focusing on Mathematics and English. Regular assessments and evaluation of these girls' learning level is an integral part of the project along with efficient tracking of attendance. A school kit is provided to every girl annually, thereby allowing her to attend school with dignity. This kit consists of personal clothing, notebooks, stationery, a school bag, shoes, socks, a raincoat/pullover and feminine hygiene material. The Nanhi Kali team works extensively with parents and communities to sensitize them to become collective guardians of the girls.

Happy Steps Programme

As part of Preventive Healthcare, under the Happy Steps Programme of your Company, we engaged with 11956 school children across Chennai, Bangalore and Hyderabad to conduct foot care awareness workshops. Through activities, presentations and demonstrations, children were made aware on the importance of a healthy feet as the foundation of our body, on how to take care of the feet in our daily lives, foot hygiene, foot exercises, dealing with sports injuries, various foot diseases and ways to prevent them, dealing with diabetic feet, etc. A customized Bata school kit comprising of school socks, polish, laces, brush along with instructions to keep the feet healthy and clean were also distributed amongst the children during the workshops.

Stride with Pride

A consumer engagement programme named 'Stride with Pride', was also introduced, wherein customers were encouraged to donate their pair of old footwear across Bata stores at selected cities. For every pair of old footwear received, Bata donated a new pair to a needy child. In order to reduce inequalities faced by socially & economically backward groups, your Company donated about 85,000 pairs of footwear to the underprivileged children.

Disaster Relief & Rehabilitation

During Kerala floods, your Company, as part of the disaster relief and rehabilitation initiative, contributed to help the people in need of the hour. Rapid response teams of employees at respective regions were formed who travelled to relief camps, distributed basic essentials and footwear. Around 8,400 pairs of footwear were donated to the affected people in Kerala and at Coorg in Karnataka.

Employees of your Company came forward to donate their one day's basic salary. Your Company matched the employees donation and contributed around Rs. 1. 40 Million to Kerala Chief Minister's Distress Relief Fund. In association with partners, your Company held medical camps in the affected regions to provide immediate and basic health services to the affected population and also focused on the prevention of epidemics in the region. With support from Global BCP Foundation, your Company is renovating 4 schools which got affected during Kerala floods.

CSR Partners

In our endeavor to deliver the best outcomes, we partnered with specialist organizations who are experts in their field.

Partner	Specialization	Project
SHARP (School Health Annual Report Programme)	Preventive Healthcare	BCC (Behaviour Change Communication) workshops for school children.
NIIT Foundation	Computer education	'Hole in the Wall' computer project in schools, Computer labs

Partner	Specialization	Project
Ingenuity EduLabs LLP	Creative science workshops	Hands on science workshops with school children
Agastya International Foundation	Science Education	Science Centres in schools
Katha	Library education	Enhancing reading writing skills
K. C. Mahindra Education Trust	Education of girl child	Learning centres after school hours
Sugam NGO	School for underprivileged children	Non-formal school for underprivileged children
SEEDS (Sustainable Environment and Ecological Development Society)	Disaster Management	Kerala flood school renovation
Sulabh Sanitation Mission Foundation and Delhi Metro Rail Corporation (DMRC)	Sanitation	Public Toilets at metro rail stations
Sambhav Foundation	Vocational skills	Training partner for retail sales
Centum Foundation	Vocational skills	Training partner for retail sales

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, the Annual Report on CSR Activities has been annexed to this Board's Report and marked as Annexure IV.

SUPPORT FROM BATA SHOE ORGANIZATION

Your Company continues to receive support from the Holding Company - Bata (BN) B.V., Amsterdam, The Netherlands and also from Bata Shoe Organization (BSO). Your Company also enjoys the benefits of technical research 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 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 technical services fee of Rs. 283.96 Million to GFS during the financial year ended March 31, 2019, which is around 1% of the Turnover of your Company.

BOARD OF DIRECTORS, BOARD MEETINGS AND KEY MANAGERIAL PERSONNEL

Your Company's Board is duly constituted and in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company. Your Board has been constituted with requisite diversity, wisdom, expertise and experience commensurate to the scale of operations of your Company.

During the year under review, a total of four Meetings of the Board of Directors of the Company were held, i.e., on May 22, 2018; July 20, 2018; November 2, 2018 and February 12, 2019. Also, the Board of Directors have passed 2 (two) Resolutions by Circulation dated December 12, 2018 and March 31, 2019. Details of Board composition and Board Meetings held during the financial year 2018-19 have been provided in the Corporate Governance Report which forms part of this Annual Report.

At the 85th AGM with the approval of the Members, Mr. Sandeep Kataria (DIN: 05183714) was appointed as the Whole-time Director and Chief Executive Officer of the Company for a period of five consecutive years with effect from November 14, 2017. In terms of Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, the period of office of Mr. Kataria shall be liable to retire by rotation.

During the year under review, Mr. Christopher MacDonald Kirk (DIN: 07425236), Non-Executive Director, who retired at the 85th AGM, was re-appointed as a Director of the Company. Subsequently, consequent upon his resignation from the Board of Compass Limited, Bata Shoe Organisation (BSO), Mr. Kirk had tendered his resignation as a Director of Bata India Limited ('the Company') with effect from January 31, 2019. The Board expressed its deepest appreciation for the valuable contribution made by Mr. Kirk during his tenure as a Director of the Company and noted his significant contribution towards the success of the organization.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company through Resolution by Circulation dated December 12, 2018 has approved the appointment of Mr. Ashok Kumar Barat (DIN: 00492930) as an Additional Director of the Company with effect from December 17, 2018 to hold office as an Independent Director of the Company for a term of 5 (five) consecutive years, subject to approval of the Members of the Company at the ensuing AGM. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on February 12, 2019 has appointed Mr. Alberto Michele Maria Toni (DIN: 08358691) as an Additional Director (Category-Non-Executive Director) of the Company with effect from February 12, 2019 to hold office up to the date of the ensuing AGM.

The Company has received Notice under Section 160 of the Companies Act, 2013 from the Member(s) of the Company signifying the candidature of Mr. Barat and Mr. Toni for their appointment as Director(s) of the Company at the ensuing AGM. A brief profile along with necessary disclosures of Mr. Barat and Mr. Toni has been annexed to the Notice convening the ensuing AGM. Your Board recommends appointment of Mr. Barat as a Director and also as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from December 17, 2018. Your Board also recommends appointment of Mr. Toni as a Director (Category-Non-Executive Director), liable to retire by rotation.

Mr. Ram Kumar Gupta (DIN: 01125065), Director Finance and Chief Financial Officer of the Company is due to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. Your Board recommends re-appointment of Mr. Gupta as a Director of the Company, liable to retire by rotation.

Mr. Akshay Chudasama (DIN:00010630) and Ms. Anjali Bansal (DIN:00207746) were appointed as Independent Directors of the Company at an Extraordinary General Meeting of the Company held on August 4, 2014, for a term of five (5) consecutive years each. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed their re-appointment for a second term of five (5) consecutive years at the ensuing AGM for the approval of the Members by way of special resolution(s). Resolutions requiring re-appointment(s) have been annexed to the Notice convening the ensuing AGM.

Mr. Uday Khanna (DIN: 00079129), Chairman and Independent Director, after 13 years as a Director including the last 8 years as the Chairman has decided not to offer himself for re-appointment and will relinquish his position on the Board with effect from August 4, 2019. This is in consonance with the Company's internal convention of Bata India Chairman retiring at the age of 70, which he will reach by year end.

The Board places on record its deep sense of gratitude and sincere appreciation for the immense contribution made by Mr. Khanna towards the growth and development of your Company.

Mr. Uday Khanna (DIN: 00079129), Mr. Ravindra Dhariwal (DIN: 00003922), Mr. Akshay Chudasama (DIN:00010630), Ms. Anjali Bansal (DIN:00207746) and Mr. Ashok Kumar Barat (DIN: 00492930), Independent Directors of your Company have declared to the Board of Directors that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 read with Regulations 16(1)(b) and 25(8) of the Listing Regulations and there is no change in their status of Independence and have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Mr. Rajeev Gopalakrishnan (DIN: 03438046), Managing Director, Mr. Sandeep Kataria (DIN: 05183714), Whole-time Director and Chief Executive Officer, Mr. Ram Kumar Gupta (DIN: 01125065), Director Finance and Chief Financial Officer and Mr. Arunito Ganguly, Assistant Vice President, Company Secretary & Compliance Officer are the Key Managerial Personnel (KMP) of your Company.

The Board of Directors confirms that the Independent Directors have affirmed compliance with the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013 and also with the Company's Code of Conduct applicable to all the Board Members and Senior Management Personnel of the Company for the financial year ended March 31, 2019.

Necessary Resolution(s) alongwith disclosure(s) / information(s) in respect of the directors seeking appointment / re-appointment at the ensuing AGM has been annexed to the Notice convening the ensuing AGM.

AUDIT COMMITTEE

The Board of Directors of your Company has duly constituted an Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013, the Rules framed thereunder read with Regulation 18 of the Listing Regulations. The terms of reference of the Audit Committee has been duly approved by the Board of Directors. The recommendations made by the Audit Committee are accepted by your Board.

The Audit Committee consists of five Independent Directors and two Non-Executive Directors. The Audit Committee met four times during the financial year ended March 31, 2019, i.e., on May 22, 2018; July 20, 2018; November 2, 2018 and February 12, 2019. Mr. Ashok Kumar Barat, Independent Director is the Chairman of the Audit Committee.

Name of committee members, number of meetings held during the year under review, power of audit committee, terms of reference and other requisite details have been provided in the Corporate Governance Report which forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

Your Board has adopted a Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The Policy provides criteria for fixing remuneration of the Directors, KMPs, SMPs as well as other employees of the Company. The Policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee.

Your Board, on the recommendations of the Nomination and Remuneration Committee, appoints Director(s) of the Company based on his / her eligibility, experience and qualifications and such appointment is approved by the Members of the Company at General Meetings. Generally, the Managing Director and Whole-time Directors (Executive Directors) are appointed for a period of five years. Independent Directors of the Company are appointed to hold their office for a term of upto five consecutive years on the Board of your Company. Based on their eligibility for re-appointment, the outcome of their performance evaluation and the recommendation by the Nomination and Remuneration Committee, the Independent Directors may be re-appointed by the Board for another term of five consecutive years, subject to approval of the Members of the Company. The Directors, KMPs and SMPs shall retire as per the applicable provisions of the Companies Act, 2013 and the policy of the Company. While determining remuneration of the Directors, KMPs, SMPs and other employees, the Nomination and Remuneration Committee ensures that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate them and ensure the quality required to run the Company successfully. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks and such remuneration comprises a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Company follows a compensation mix of fixed pay, benefits, allowances, perquisites, performance linked incentives and retirement benefits for its Executive Directors, KMPs, SMPs and other employees. Performance Linked Incentive is determined by overall business performance of your Company. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the Board of Directors and Members of the Company. The Company pays remuneration to Independent Directors by way of sitting fees and commission on the net profits of the Company. Non-Executive Non-Independent Directors of your Company do not accept any sitting fees / commission. Remuneration to Directors is paid within the limits as prescribed under the Companies Act, 2013 and the limits as approved by the Members of the Company, from time to time.

During the year under review, there was no change in the Nomination and Remuneration Policy of the Company and the said Policy has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/0/pdf/Remuneration-Policy_2015.pdf. Your Company conducts a Board Evaluation process for the Board of Directors as a whole, Board Committees and also for the Directors individually through self-assessment and peer assessment. The details of Board Evaluation process for the financial year 2018-19 have been provided in the Corporate Governance Report which forms part of this Annual Report.

DISCLOSURES ON REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

Information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subsequent amendments thereto, is annexed to this Board's Report and marked as Annexure V.

A statement containing the information of top ten employees in terms of remuneration drawn and particulars of every employee of the Company, who was in receipt of remuneration not less than the limits specified under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subsequent amendments thereto, is annexed to this Board's Report and marked as Annexure VI.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, hereby confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed;

(b) they 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 as at March 31, 2019 and of the profit of the Company for that period;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In terms of provisions of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 22 of the Listing Regulations, your Company has a vigil mechanism in place for the Directors and Employees of the Company through which genuine concerns regarding various issues relating to inappropriate functioning of the organization can be communicated. A Vigil Mechanism Committee under the Chairmanship of the Audit Committee Chairman is also in place. Your Board has amended the existing policy and adopted the revised Whistle Blower Policy, effective from April 1, 2019 which has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/0/pdf/Bata-WhistleBlowerPolicy.pdf. The Policy provides access to the Legal Head 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 and the Audit Committee Chairman.

CONFIRMATION OF COMPLIANCE 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 and other women stakeholders, as they are considered as integral and important part of the organization.

In terms of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, your Company has duly adopted a Policy and has also complied with the provisions relating to the constitution of Internal Complaints Committee (ICC).

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.

A summary of the complaints dealt during the financial year ended March 31, 2019 in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder has been provided in page no. 91 of the Corporate Governance Report which forms part of this Annual Report.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company's internal financial control ensures that all assets of the Company are properly safeguarded and protected, proper prevention and detection of frauds and errors and all transactions are authorized, recorded and reported appropriately. Your Company operates through definitive Chart of Authorities (COAs) and Standard Operating Procedures (SOPs) in respect of its operations including financial transactions. Such COAs and SOPs are regularly monitored and if required, modified from time to time depending on business requirements.

Your Company has an adequate system of internal financial controls commensurate with its size and scale of operations, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

Such practice provides reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with the applicable legislations and that the same are well within the COAs and SOPs, without exception. Your Company also monitors through its Internal Audit Team the requirements of processes in order to prevent or timely detect unauthorized acquisition, use or disposition of the Company's Assets which could have a material effect on the Financial Statements of the Company. The Internal Audit function is responsible to assist the Audit Committee and Risk Management Committee on an independent basis with a complete review of the risk assessments and associated management action plans.

Risk Management is embedded in the Company's operating framework. Your Company believes that risk resilience is key to achieving higher growth. To this effect, there is a robust process in place to identify key risks across the Company and prioritize relevant action plans to mitigate these risks. Risk Management framework is reviewed periodically by the Board, the Audit Committee and the Risk Management Committee, which includes discussing the management submissions on risks, prioritising key risks and approving action plans to mitigate such risks. An assessment of cyber security has also been carried out in compliance with the requirement of the Listing Regulations and a mitigation plan has been made to counter such risks.

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 Audit Committee of your Board.

Your Board has also constituted a Risk Management Committee comprising of the Directors and Senior Executives of the Company under the Chairmanship of the Managing Director of the Company. The terms of reference of the Risk Management Committee and a Risk Management Policy of the Company have also been approved and adopted.

Your Board is of the opinion that the Internal Financial Controls, affecting the Financial Statements of your Company are adequate and are operating effectively.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

NON-APPLICABILITY OF MAINTENANCE OF COST RECORDS

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and Rules framed thereunder with respect to the Company's nature of business.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure and developments

India's resource strengths in the form of materials and skilled manpower is a comparative advantage for the country. The increasing use and variety of footwear is leading to an upsurge in demand indicating higher growth prospects for the footwear industry. While Tier I cities have always been brand centric, Tier II and Tier III cities are catching up and therefore sales of branded products are expected to grow significantly in the future.

The Indian footwear market is expected to grow at a double digit and by the year 2022, total market is expected to be around Rs. 72,000 crores with a CAGR of 11%. The Branded footwear is expected to garner substantial market share and this will be supported by the growth in both organized and online retail sale simultaneously. Branded footwear currently accounts for around 45% and unbranded dominates with 55% market share respectively. In case of online retail, Brands are also launching dedicated product range for online channel to differentiate from offline channel and are using data analytics to grow the business. The online sale of footwear is expected to grow in high double digits.

The growing population and the continuous demand has made India the second largest producer of footwear in the world after China and also the world's third-largest footwear consumer after China and the USA. It is estimated that more than 80% of the produced goods are consumed within the domestic market. The market has also witnessed expansion of existing international brands in the country and the entry of premium formal and sportswear brands.

The change in lifestyle, preferences, growing health and fitness awareness amongst urban Indians has also led to a boost in the fitness footwear industry in India. As a result, products like apparel, accessories and variety of fitness equipment now tops priority in shopping lists of consumers around the country primarily including comfortable branded fitness footwear. The Indian fitness footwear segment is witnessing a steady boom and is expected to grow with rapid pace during 2019 - 21.

The Indian footwear industry has been witnessing a change from a need-based industry to fashion, style and fitness oriented industry and it has also got the potential to increase its global market share in footwear export. With changing lifestyles and increasing affluence, domestic demand for footwear is projected to grow at a faster rate than it has been seen during the last 10 years.

Opportunities and Threats

Changes in the external business environment along with growing competition from domestic and foreign players in the industry has posed challenges for sustained future growth. To maintain such growth, your Company is taking necessary steps such as focusing on stylish, comfortable and durable quality products so as to be ahead of competition.

Sports and Kids categories are one of the fastest growing among all categories therefore attracting traction from all footwear brands. Your Company is set to take leverage of our strong brands “Power” and “Bubblegummers” including testing of exclusive concept stores. Another opportunity is the upgradation of consumers from unorganized and low priced footwear to branded and lifestyle products thereby enhancing their experience. Your Company is uniquely placed to take advantage of this trend with its aspirational brand image, wide range of recognized brands and unparalled retail footprint.

With the infusion of new lines in men’s and women’s contemporary collection along with exciting and colorful range for teenage consumers and a range of offerings for the sports & fitness lovers the footfalls at stores are increasing. A range of products in the casual and lifestyle offering especially for working women are expected to create a sustained demand for the future.

The brick and mortar retail industry is also expected to witness intense competition from the innovative digital platforms. Your Company has increased its focus on consumer facing technology and rolled out a full suite of Omni-Channel solutions in 400+ stores as well as upgraded our online experience.

Segment wise or product wise performance

Your Company operates in Footwear & Accessories Segment only and performances of major business categories and key brands of your Company during the financial year ended March 31, 2019 are highlighted below:

Retail Business

Your Company has followed a strategy of driving same store growth while adding new retail stores in Malls and High Street locations to enhance its Retail footprint. These spacious new stores are located in the growing markets of the country and are based on the global design ‘Red Angela Store Concept’. These stores are the new face of Bata in India & the first touchpoint for consumers to experience “Surprisingly Bata”. It has simple clean lines of design thinking and uses essentially 2 colours, red & white that are uniquely identified with brand Bata.

Your Company shall continue to make investment on renovating existing stores hence creating a delightful shopping experience for the customers by improving store layouts and creating an emphasis on key products within the retail stores. Your Company plans to focus on building the Bata Brand and attract more footfalls in the retail stores through breathtaking windows, in-stores activities and amplify various new launches of products and collections. Your Company is also focused on improving customer service at stores through regular training of store staff. Your Company has initiated a “Store Excellence Program” which aims to improve customer journey inside the stores & improve business parameters while delivering excellent customer service.

During the financial year ended March 31, 2019, your Company opened 71 new Bata retail stores, 51 Franchisee stores & renovated 47 stores across India. Your Company also relocated 14 stores and closed 28 stores.

Your Company is strengthening various brands under the umbrella of Bata like Power & Bubblegummers & have continued testing these formats in couple of more locations. Now your Company operates 3 Power & Bubblegummers stores. A new concept of Bata Woman also has been tested with 2 stores in Bengaluru. These new concept stores would open new consumer segments for us in times to come.

Digital Multi-Channel Business

Your Company’s online business has recorded a significant growth during the year under review. Your Company sold more than 1.5 million pairs of footwear through online channels and achieved a turnover of over Rs.1,200 Million. Your Company’s e-commerce presence has penetrated in 1000+ cities and towns across India.

During the fiscal year, your Company's e-commerce division worked on identifying market opportunities for business growth in the existing online business models including B2B and B2C. Your Company has strengthened its e-commerce team for creating an edge in online marketing. From online customer segmentation, purchase behaviour analysis to direct and indirect competition analysis, the business maximized its reach to potential online buyers in footwear and accessories category. Cross-channel promotions and performance-driven e-commerce marketing campaigns got the overall website's *www.bata.in* business off the ground with an increase in traffic from 4.50 Million to 9 Million. Your Company strengthened its online customer database more than doubling it by reaching out to the leading telecom, airline and banking players in association with affiliate partners. Your Company's website launched Endless Aisle while connecting retail store inventory to online website with technical integration multiplying the business potential. Your Company's B2B business has grown across all partner portals - Amazon, Flipkart, Myntra and Jabong - with a steep increase in secondary sales through competitive product offerings, rigorous marketing campaigns including Cost per Click (CPC) and Cost per Million Impressions (CPM) while diligently participating in brand specific and category specific events. Various market expansion strategies were put in place like expansion of brand presence through marketplace model by listing products on high-traffic generating websites including TataCliq, ShopClues, Limeroad etc. Your Company's e-commerce website *www.bata.in* implemented CDN services to improve overall load time of the website which reduced from 15 sec to 7 sec per new session.

Hush Puppies

Hush Puppies entered Indian market 20 years ago & initially positioned as "Premium Men's Dress Footwear Brand". Last year also, as a team we have worked on the products, marketing, stores & overall customer experience to re-position it as "International Premium Lifestyle Brand", which is in synchronisation with current global brand positioning. Today, Hush Puppies is the biggest brand in Premium Footwear space with increasing market share on year to year basis.

The Brand has traversed from being Men Dress brand to becoming a Lifestyle Casual footwear brand in last couple of years. The product mix varies from Dress to casual, from closed to open footwear in both Men & Ladies with a strong presence in Hand Bags / Socks / Accessories. It has now shoes for literally all occasions in a life of an urban consumer. Hush Puppies believe in vision of "treating the world to their favorite shoe". With increasing per capita footwear consumption & a wide variety of national & international brands operating, Indian market has become really exciting turf to play on. Hush Puppies would like to maintain its leadership position in market as well as in the heart of Indian consumers.

Currently, the main focus is on urban Indians residing in Metro & Tier I and Tier II cities through Hush Puppies concept stores & through a wide Bata Network that goes up-to Tier III cities as well. Fast growing online (e-commerce) is helping us virtually reaching every corner of India & helping aspiring consumers to own a pair of Hush Puppies. This Brand is already having 90+ Company owned & managed Exclusive Brand Outlets which would cross 100 mark by the end of 2019.

Hush Puppies is an aspirational brand for urban India & we will continue to attract consumers through exceptional products, beautiful stores which are in-line with Global store concepts & best in-class customer service.

Children's Footwear

In order to cater to the children's ever changing footwear demand, your Company has been introducing many new designs and innovative footwear. Through 'Bubblegummers' brand of footwear, your Company has always been striving to make quality shoes with uncompromising comfort and features that safeguard their little feet. Bubblegummers is retailed through all Bata stores across the Country and has been the first point of contact to start our consumers' journey to establish long term association with Bata. With 18% of the Country's population below the age of 10 years, the potential to grow in the children category of footwear is huge, which makes this category as one of the key focus areas for your Company.

Your Company has further established an association with The Walt Disney Company India Pvt. Ltd. and working with a set of designers from Disney, to create a complete collection covering all types of footwear ranging from casual shoes, canvas shoes and Ballerinas to everyday-wear sandals and chappals. Your Company has created exclusive 'Disney Corners' in some of its key retail stores across major cities in India to highlight the collection and add value to the children category of footwear range.

Non-Retail Business

Your Company's non-retail business division comprises of urban wholesale, industrial and institutional business divisions and exports. Across all the divisions, actions are taken to improve customer service, enhancing quality of Product / Packaging and Upgrading the capability of Employees.

- **Innovation**: There are lots of legendary products with Bata which has huge consumer base built over many decades. Efforts are being made to ensure that they are available in their nearest footwear store. We have also launched some brands like Way Finder to make the brand more casual, young and aspirational.
- **Introduction of New Practices / Products**: We have launched / upgraded about 400 articles this year which are best in class in terms of Comfort and target youth and ladies. We have also initiated changes in the way we manage our Supply chain. The Demand planning and forecasting process has been re-hauled which is helping in better customer service to our wholesalers as well as Industrial/Institutional Customer.
- **Expansion:** The Expansion in MBO's (Multibrand Outlets) as well as in Industrial and Institutional Customer base concept has been activated which have yielded good results in last few months. During the year, Bata Product availability has got enhanced in 100 new towns across the country.
- **Technology Upgradation:** We have initiated technological upgradation in our billing and MIS system. This has helped us taking faster decision based on right information at almost on real time basis.

Customer Care Initiatives

Customer Service and Experience has been a big focus area of the Company. There is a dedicated customer service team to ensure that customers don't face any inconvenience and their concerns are addressed in a timely and amicable way. A toll free customer support number is in place so that customers can reach out directly to the Company as well as via other channels like e-mail, facebook, twitter, etc. The Company ensures that all customer concerns are resolved within minimum timelines.

The Company has also been collecting customers feedback on their shopping experience and measuring it as per the global standard tool NPS since January 2018. The Company has started an initiative to close loop Detractors (customers who give negative feedback) by calling them and addressing / resolving their queries.

Bata Club

The Company's loyalty programme "Bata Club" has increased over the years and currently it has over 25 Million members. The programme engages with its members continuously and rewards them with special benefits to drive repeat purchase, conversion and footfalls. The Company has also started doing various innovative technology-driven promotions to leverage big festivals and events and further increase engagement from its member base.

Outlook

Your Company has an established leadership position in the industry and the most trusted name in branded footwear and accessories. With the change in customer preferences, shoes have become a style statement especially among the teenagers, youth and the affluent working class. The domestic demand for footwear is projected to grow at a fast pace. The inclination towards purchase of products manufactured by established brands is increasing. The digital platform, presence in social media, blogs and advertisements are fast catching up with the brick and mortar sales model. Your Company is proactively engaged in taking appropriate steps to tap these opportunities in order to improve its market share and retain its leadership position in the organized footwear and accessories sector of the industry.

Risks and Concerns and Contingent Liabilities

Your Company acknowledges the fact that competition from both domestic and international players is increasing by every passing day. In addition to increasing competition, the changing customer's behaviour and impact of online marketing initiatives have an effect on your Company's performance since your Company has a huge network of retail stores Pan India. With the opportunity for employment, gradually increasing people / talent retention is considered as a challenge. Your Company also realizes that modernization of I.T. systems along with having suitable protection from risk of loss / theft of data is one of the major areas of concern globally. Your Company monitors its major risks and concerns at regular intervals. Appropriate steps are taken in consultation with all concerned including the Risk Management Committee and the Audit Committee of the Board to identify and mitigate such risks.

During the normal course of its business operations, your Company has been subjected to litigations 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 are unlikely to cause a materially adverse effect on the Company's profitability or business performance. Your Company has a Contingent Liability of Rs. 435.89 Million as on March 31, 2019 as compared to Rs. 460.54 Million as on March 31, 2018. Attention is drawn to the explanations mentioned in Note No. 31 of the Notes to Financial Statements for the financial year ended March 31, 2019. In view of the present status and based on legal advice obtained from time to time, your Board is of the opinion that no provision is required to be made against these Contingent Liabilities.

Internal control systems and their adequacy

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

Discussion on financial performance

Your Company has been able to achieve profitable growth and believes that this is sustainable, barring unforeseen circumstances.

The Earnings per Share (EPS-Basic and Diluted) of your Company for the financial year ended March 31, 2019 was at Rs. 25.65 as compared to the (EPS-Basic and Diluted) for the previous financial year ended March 31, 2018 was at Rs. 17.40. Your Company recorded EBITDA margin of 16.30% during the financial year under review as compared to 13.40% during the financial year 2017-18.

Your Company does not have any Bank Borrowings and the entire capital expenditure has been funded through internal sources.

The Capital Expenditure incurred during the year under review amounted to Rs. 911.96 Million as compared to Rs. 930.77 Million in the previous year.

Details of significant changes in key financial ratios alongwith explanation

In compliance with the requirement of the Listing Regulations, the key financial ratios of the Company alongwith explanation for significant changes (i.e., for change of 25% or more as compared to the immediately previous financial year will be termed as 'significant changes'), has been provided hereunder:

Sl. No.	Particulars#	2018-19	2017-18
(i)	Debtors to Sales (in days)	8	12
(ii)	Inventory to Turnover Ratio (in months)	3.44	3.47
(iii)	Interest Coverage Ratio	116.53	69.89
(iv)	Current ratio	2.92	2.76
(v)	Debt Equity Ratio*	-	-
(vi)	Operating Profit Margin (%)	14.11	11.13
(vii)	Net Profit Margin (%)	11.26	8.48
(viii)	Return on Net worth (%)	18.88	15.12

The Government of India has implemented Goods and Services Tax (GST) from July 2017 subsuming excise duty, service tax and various other indirect taxes. Accordingly, the Revenue for the financial year ended March 31, 2019 as reported in the Statement of Profit and Loss are not comparable with the previous financial year. Therefore, the Ratio relating to Turnover are not comparable with the previous financial year.

* *There is no borrowing in the Company. However, Finance cost includes interest expenses accounted for various deposits in accordance with Ind AS 109, Financial Instruments.*

- The significant changes in Debtor Turnover Ratio has been recorded on account of increase in turnover and reduction in receivables which resulted into reduction of outstanding receivable days.
- The significant changes in Interest Coverage Ratio has been recorded due to significant increase in Earnings Before Interest and Taxes (EBIT) with reduction in finance cost of the Company.
- The significant changes in Operating Profit Margin (%), Net Profit Margin (%) and the Net worth Ratio (%) is due to cost efficiencies/productivity improvement and premiumisation of our product range leading to increased profits.

The other financial ratios of the Company relating to previous 10 years has been provided in other part of Annual Report 2018 -19.

Material developments in human resource / industrial relations front, including number of people employed

Your Company has been continuously working to improve human resources skills, competencies and capabilities in the Company, which is critical to achieve desired results in line with our strategic business ambitions. Some key initiatives that have been taken during the financial year 2018-19 in this direction are summarized below:

- Execution of Long Term Agreement (LTA) for settlement of dues with the Worker's Union at the manufacturing unit of the Company at Bataganj, Patna.
- Industrial relations at all the manufacturing units of your Company have been harmonious and peaceful with active involvement of the employees in the collective bargaining process. Your Company has also encouraged wholehearted participation of the employees and union in improving productivity as well as quality of its products.
- The goal setting process was cascaded from the Top aligned with Country's strategies and goals for the year. With a co-ownership of goals at the Department Head level, a complete alignment in the organization was possible. A quarterly review of scorecard helped to further strengthen the process.
- Multiple set of training programmes have been designed and rolled out in phases focusing on functional and behavioral needs of an individual. Some of these include Leadership & Coaching for Leaders who manage Managers, Personal Effectiveness for all individual contributor roles, first time Leaders, Negotiation skills and B2B sales process and capability. Cross functional training is another key area of focus.
- Keeping up with the philosophy of "Learning is individual driven and organization facilitated", we are now building a catalogue of online training modules which an individual can access on their own anytime.
- For our store staffs, an online learning platform was launched in 2018, this now is available to over 4000 employees across 800 stores. On this 24/7 learning platform, the employees complete their Product training & certification as well as gain useful knowledge on new launches and campaigns.
- 'Stepping Stones' is our new career programme being launched which would enable an employee to make a choice of role across functions, understand the differentiating competencies and work out a learning plan. It's a tool to empower the employees take the right decision for themselves.
- As on March 31, 2019, there were 4,890 permanent employees on the rolls of your Company.

CAUTIONARY STATEMENT

There are certain Statements which have been made in the Management Discussion and Analysis Report describing the estimates, expectations or predictions, may be read as 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed or implied. The important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government Policies, Governing Laws, Tax regimes, global economic developments and other factors such as litigation and labour negotiations.

BUSINESS RESPONSIBILITY REPORT (BRR)

In compliance with the provisions of Regulation 34(2)(f) of the Listing Regulations read with the SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015, your Company has prepared a BRR in the prescribed format for the financial year ended March 31, 2019 describing initiatives undertaken by it from an environmental, social and governance perspective, which is annexed to the Board's Report and marked as Annexure VII. The BRR has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/bataindia/a-29_s-181_c-42/investor-relations.html.

CORPORATE GOVERNANCE

In compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V to the said Regulations, the Corporate Governance Report of your Company for the financial year ended March 31, 2019 and a Certificate received from M/s. B S R & Co., LLP, Chartered Accountants, the Auditors, on compliance with the provisions of Corporate Governance requirements as prescribed under the Listing Regulations, are annexed and forms part of this Annual Report.

ACKNOWLEDGEMENTS

Your Board is grateful for the continuous patronage of our valued customers and remains committed to serving their needs by delivering more style and comfort at every step. Our Board acknowledges and appreciates the relentless efforts by employees, workmen and staff including the Management headed by the Executive Directors who have all worked together as a team in achieving a commendable business performance year on year.

Your Board is also indebted to the unstinted support and trust reposed by you, our shareholders and are also thankful to the Bata Shoe Organization (BSO) for their ongoing support and guidance.

Your Board greatfully acknowledges the support and cooperation it receives from all its suppliers, vendors and dealers as well as the regulatory authorities of the Central and State Governments in India.

Your Board wishes to place on record its deep appreciation of the Independent Directors and the Non-Executive Directors of the Company for their great contribution by way of strategic guidance, sharing of knowledge, experience and wisdom, which helps your Company to take the right decisions in achieving its business goals.

For and on behalf of the Board of Directors

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurugram
Date : May 24, 2019

DIVIDEND DISTRIBUTION POLICY

1. OBJECTIVE

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI notification dated July 8, 2016, and in accordance with the requirements of the Companies Act, 2013 and Rules thereof, the Board of Directors of Bata India Limited ('the Company') at its Meeting held on November 25, 2016 has adopted the Dividend Distribution Policy.

2. BACKGROUND

The Company was incorporated as Bata Shoe Company Limited on December 23, 1931 under the Indian Companies Act, 1913 with its Registered Office in Kolkata, West Bengal. The name was subsequently changed to Bata India Limited on April 23, 1973. Bata India Limited has been declaring dividend since 1973, except in the years 1974, 1992, 1994-1997 and 2002-2006. The Company recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/or retaining or plough back of its profits.

3. EFFECTIVE DATE

The Policy shall be effective from December 1, 2016.

4. DEFINITIONS

a) "Act" means the Companies Act, 2013, and any statutory modification thereof.

b) "Company" means Bata India Limited.

c) "Board of Directors" or "Board", means the collective body of the directors of the Company.

d) "dividend" includes any interim dividend.

e) "financial year", means April 1 to March 31 every year.

f) "free reserves" means such reserves which, as per the latest audited balance sheet of the Company, are available for distribution as dividend:

Provided that-

(i) any amount representing unrealised gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or

(ii) any change in carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value,

shall not be treated as free reserves;

g) "IEPF" means Investor Education and Protection Fund set up by the Government of India.

h) "MCA" means Ministry of Corporate Affairs.

5. THE REGULATORY FRAMEWORK

The recommendation, declaration and payment of dividend by the Company is subject to the provisions of Sections 123 and 134(3)(k) of the Companies Act, 2013 read with Companies (Declaration and Payment of Dividend) Rules, 2014 and Regulations 12, 29, 42, and 43 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. GENERAL POLICY OF THE COMPANY AS REGARDS DIVIDEND

a) The Board shall determine the payment of dividend in a particular financial year after taking into consideration the following factors:

   i. Financial performance of the Company, including the Net Profit earned during the current and previous years and also the accumulated profit (loss) of the earlier years.

   ii. Statutory requirements including the Taxation Laws and other applicable Securities Laws.

iii. The level of its liquid assets.

iv. Past Dividend trends of the Company.

v. Replacement of capital assets, expansion, diversification and modernization projects involving substantial capital expenditure.

vi. Required expenditure in R & D.

vii. Expectations of shareholders, who generally invest with the hope of getting a constant return.

viii. Obligations to Creditors, if any.

b) The Company may transfer any amount to General Reserve before the declaration of dividend in any financial year as may be decided by the Board. The Company may consider capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares, irrespective of declaration of dividend.

c) In the event of inadequacy of profits, the Board may decide not to declare dividends for that financial year or declare dividend out of free reserves, subject to the compliance of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d) The Company presently has only one class of shares (Equity shares). Hence, parameters which are required to be adopted for various classes of shares do not apply to the Company.

e) The Company shall disclose the Dividend Distribution Policy in its Annual Report and shall also post it on the website of the Company. If the Company proposes to declare dividend on the basis of parameters in addition to those mentioned in the policy, it shall disclose such changes alongwith the rationale for the same in its Annual Report and on its website.

f) Appropriate Dividend Distribution Tax shall be paid before the dividend is distributed amongst the shareholders.

7. MANNER OF DIVIDEND PAYOUT

a) **In case of final dividends**

i. The Board shall recommend dividend to the shareholders, which shall be paid subject to approval of the shareholders at Annual General Meetings of the Company.

ii. Dividends shall be paid only out of current profits or past profits after providing for depreciation and setting off losses, if any.

iii. The amount of the dividend shall be deposited in a scheduled bank in separate account within 5 days from the declaration of dividend.

iv. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable law.

b) **In case of interim dividend**

i. Interim dividend, if any, shall be declared by the Board.

ii. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.

iii. In case no final dividend is declared at the Annual General Meeting, interim-dividend will be considered as the final dividend of the Company.

c) **Payment mode**

Dividend shall be paid by cheque or warrant or in any electronic mode to the shareholders entitled to the payment of the dividend. The Dividend shall be delivered to the shareholders through ordinary post/Registered post/Speed post/courier.

8. UNPAID/UNCLAIMED DIVIDEND

a) Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to receive such dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in any scheduled bank to be called as Unpaid Equity Dividend Account.

b) Any person claiming to be entitled to any money transferred to the Unpaid Dividend Account of the company may apply to the Company for payment of the money claimed.

c) Any money transferred to the Unpaid Equity Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

d) The Company shall inform at the latest available address, the shareholder concerned regarding transfer of shares to IEPF, three months before the due date of transfer of shares and also simultaneously publish a notice in the leading newspaper in English and regional language having wide circulation and on their website giving details of such shareholders and shares due for transfer.

e) Statement of amount of dividend credited to the IEPF, Statement of unclaimed and unpaid amounts due to be credited in coming years, Statement of shares transferred to the IEPF and Statement of shares and unclaimed and unpaid dividend not transferred to IEPF due to specific order of Statutory Authority, shall be filed with MCA in prescribed form.

9. CONCLUSION

The Company shall endeavour to maintain a consistency in dividend payout, every year. The Company may also declare special dividend as and when there are exceptional gains by the Company. The Board shall finalize the rate of such special dividend. The focus of the Company is to declare a Policy on distribution of dividend so that the investor may know as to when and how much dividend they may expect.

10. AMENDMENT

The Dividend Distribution Policy is subject to modification by the Board from time to time, to be in the line with the best industrial practices and to ensure conformity with the subsequent amendments in the Act, Rules, Regulations and Notifications issued by various Statutory Authorities, from time to time.

Annexure I

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on March 31, 2019

[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	December 23, 1931
Name of the Company	Bata India Limited
Category / Sub-Category of the Company	Public Company-Limited by Shares
Address of the Registered Office and contact details	27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal Telephone: (033) 2301 4400 Fax: (033) 2289 5748 E-mail: corporate.relations@bata.com
Whether Listed Company	Yes
Name, address and contact details of the Registrar and Transfer Agent	M/s. R & D Infotech Private Limited 7A, Beltala Road, 1st Floor, Kolkata - 700026, West Bengal Telephone: (033) 2419 2641 / 2642 Fax: (033) 2419 2642 E-mail: bata@rdinfotech.net / info@rdinfotech.net

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Footwear & Accessories - Retail	47713	89.85
2.	Footwear - Non Retail	46413	10.15

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	Bata (BN) B.V. Europaplein 1, 5684 ZC Best, P.O. Box 990, 1000 AZ, Amsterdam, The Netherlands	Company Registration No. 33038028	Holding	52.96	2(46)
2.	Bata Properties Limited 6A, S. N. Banerjee Road, Kolkata - 700013, West Bengal	U70101WB1987PLC042839	Subsidiary	100	2(87)
3.	Coastal Commercial & Exim Limited 16A, Shakespeare Sarani Kolkata - 700071, West Bengal	U51311WB1991PLC053364	Wholly-owned Subsidiary of Bata Properties Limited, as referred in Sl. No. 2 above	-	2(87)
4.	Way Finders Brands Limited 204, Rashbehari Avenue, Kolkata - 700029, West Bengal	U51909WB2014PLC204637	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 year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(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	68065514	0	68065514	52.96	68065514	0	68065514	52.96	0.00
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):	**68065514**	**0**	**68065514**	**52.96**	**68065514**	**0**	**68065514**	**52.96**	**0.00**
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**68065514**	**0**	**68065514**	**52.96**	**68065514**	**0**	**68065514**	**52.96**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	22491559	600	22492159	17.50	21631176	800	21631976	16.83	-0.67
b) Banks / FI	494588	1680	496268	0.38	315643	1180	316823	0.25	-0.13
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	9790775	300	9791075	7.62	5795951	300	5796251	4.51	-3.11
g) FIIs	7951267	100	7951367	6.19	14312818	0	14312818	11.13	4.94
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	**40728189**	**2680**	**40730869**	**31.69**	**42055588**	**2280**	**42057868**	**32.72**	**1.03**
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	3425719	10436	3436155	2.67	2359855	8400	2368255	1.84	-0.83
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	12783793	1515551	14299344	11.12	12981978	1197203	14179181	11.03	-0.09
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1295634	0	1295634	1.01	998699	0	998699	0.78	-0.23
c) Others									
Non Resident Individuals	452234	7686	459920	0.36	592453	6486	598939	0.47	0.11
Directors and Relatives	10156	0	10156	0.01	10156	0	10156	0.01	0.00
IEPF Authority	229948	0	229948	0.18	248928	0	248928	0.19	0.01
Sub-total (B)(2):	**18197484**	**1533673**	**19731157**	**15.35**	**17192069**	**1212089**	**18404158**	**14.32**	**-1.03**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**58925673**	**1536353**	**60462026**	**47.04**	**59247657**	**1214369**	**60462026**	**47.04**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**126991187**	**1536353**	**128527540**	**100.00**	**127313171**	**1214369**	**128527540**	**100.00**	**0.00**

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		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	
1.	BATA (BN) B.V.	68065514	52.96	0.00	68065514	52.96	0.00	0.00
	Total	**68065514**	**52.96**	**0.00**	**68065514**	**52.96**	**0.00**	**0.00**

iii) Change in Promoters' Shareholding:

There was no change in shareholding of Promoter during the financial year ended March 31, 2019.

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

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	**KOTAK FUNDS - INDIA MIDCAP FUND**					
	At the beginning of the year		**3013172**	**2.34**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	22-Jun-18	Sell	(96000)	-0.07	2917172	2.27
	06-Jul-18	Sell	(5000)	0.00	2912172	2.27
	24-Aug-18	Buy	5762	0.00	2917934	2.27
	12-Oct-18	Buy	8777	0.01	2926711	2.28
	21-Dec-18	Sell	(26711)	-0.02	2900000	2.26
	28-Dec-18	Sell	(45000)	-0.04	2855000	2.22
	01-Mar-19	Sell	(9541)	-0.01	2845459	2.21
	08-Mar-19	Sell	(15459)	-0.01	2830000	2.20
	15-Mar-19	Sell	(5705)	0.00	2824295	2.20
	At the end of the year				**2824295**	**2.20**
2	**LIFE INSURANCE CORPORATION OF INDIA**					
	At the beginning of the year		**5983966**	**4.66**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	11-May-18	Sell	(385021)	-0.30	5598945	4.36
	18-May-18	Sell	(362798)	-0.28	5236147	4.07
	25-May-18	Sell	(327005)	-0.25	4909142	3.82
	01-Jun-18	Sell	(304176)	-0.24	4604966	3.58
	08-Jun-18	Sell	(335520)	-0.26	4269446	3.32
	15-Jun-18	Sell	(478888)	-0.37	3790558	2.95
	22-Jun-18	Sell	(206592)	-0.16	3583966	2.79
	06-Jul-18	Sell	(377584)	-0.29	3206382	2.49
	13-Jul-18	Sell	(406677)	-0.32	2799705	2.18
	20-Jul-18	Sell	(352085)	-0.27	2447620	1.90
	03-Aug-18	Sell	(63654)	-0.05	2383966	1.85
	At the end of the year				**2383966**	**1.85**

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3	**KOTAK STANDARD MULTICAP FUND**					
	At the beginning of the year		**1800000**	**1.40**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	24-Aug-18	Sell	(36300)	-0.03	1763700	1.37
	31-Aug-18	Buy	36300	0.03	1800000	1.40
	15-Feb-19	Sell	(119900)	-0.09	1680100	1.31
	22-Feb-19	Sell	(66000)	-0.05	1614100	1.26
	01-Mar-19	Buy	185900	0.14	1800000	1.40
	08-Mar-19	Sell	(69850)	-0.05	1730150	1.35
	15-Mar-19	Buy	69850	0.05	1800000	1.40
	22-Mar-19	Sell	(341550)	-0.27	1458450	1.13
	29-Mar-19	Buy	191400	0.15	1649850	1.28
	At the end of the year				**1649850**	**1.28**
4	**FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA EQUITY FUND**					
	At the beginning of the year		**2000000**	**1.56**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	13-Apr-18	Sell	(10936)	-0.01	1989064	1.55
	20-Apr-18	Sell	(2554)	0.00	1986510	1.55
	27-Apr-18	Sell	(86510)	-0.07	1900000	1.48
	10-Aug-18	Sell	(50000)	-0.04	1850000	1.44
	17-Aug-18	Sell	(150000)	-0.12	1700000	1.32
	24-Aug-18	Sell	(100000)	-0.08	1600000	1.24
	31-Aug-18	Sell	(100000)	-0.08	1500000	1.17
	09-Nov-18	Sell	(100000)	-0.08	1400000	1.09
	At the end of the year				**1400000**	**1.09**

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
5	**IDFC MULTI CAP FUND**					
	At the beginning of the year		**1561455**	**1.21**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	11-May-18	Buy	10000	0.01	1571455	1.22
	18-May-18	Buy	25000	0.02	1596455	1.24
	25-May-18	Buy	15000	0.01	1611455	1.25
	08-Jun-18	Buy	15000	0.01	1626455	1.27
	15-Jun-18	Buy	15000	0.01	1641455	1.28
	20-Jul-18	Buy	26281	0.02	1667736	1.30
	27-Jul-18	Buy	100000	0.08	1767736	1.38
	07-Sep-18	Sell	(75000)	-0.06	1692736	1.32
	21-Sep-18	Sell	(56816)	-0.04	1635920	1.27
	28-Sep-18	Sell	(23349)	-0.02	1612571	1.25
	05-Oct-18	Sell	(57418)	-0.04	1555153	1.21
	12-Oct-18	Buy	20000	0.02	1575153	1.23
	19-Oct-18	Buy	100000	0.08	1675153	1.30
	26-Oct-18	Buy	35900	0.03	1711053	1.33
	02-Nov-18	Sell	(8924)	-0.01	1702129	1.32
	16-Nov-18	Sell	(14630)	-0.01	1687499	1.31
	07-Dec-18	Sell	(5000)	0.00	1682499	1.31
	21-Dec-18	Sell	(20000)	-0.02	1662499	1.29
	28-Dec-18	Sell	(35000)	-0.03	1627499	1.27
	18-Jan-19	Sell	(100000)	-0.08	1527499	1.19
	08-Feb-19	Buy	10000	0.01	1537499	1.20
	15-Feb-19	Sell	(10000)	-0.01	1527499	1.19
	01-Mar-19	Sell	(120000)	-0.09	1407499	1.10
	08-Mar-19	Sell	(50000)	-0.04	1357499	1.06
	29-Mar-19	Sell	(25000)	-0.02	1332499	1.04
	At the end of the year				**1332499**	**1.04**

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6	**AMERICAN CENTURY WORLD MUTUAL FUNDS INC - EMERGING MARKETS FUND**					
	At the beginning of the year		**N.A.**	**N.A.**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	17-Aug-18	Buy	368552	0.29	368552	0.29
	24-Aug-18	Buy	195404	0.15	563956	0.44
	31-Aug-18	Buy	335399	0.26	899355	0.70
	28-Dec-18	Buy	225901	0.18	1125256	0.88
	01-Mar-19	Buy	198613	0.15	1323869	1.03
	At the end of the year				**1323869**	**1.03**
7	**ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY HYBRID '95 FUND**					
	At the beginning of the year		**1328500**	**1.03**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	30-Nov-18	Buy	100000	0.08	1428500	1.11
	18-Jan-19	Sell	(65000)	-0.05	1363500	1.06
	22-Mar-19	Sell	(100000)	-0.08	1263500	0.98
	29-Mar-19	Sell	(61000)	-0.05	1202500	0.94
	At the end of the year				**1202500**	**0.94**
8	**BAJAJ HOLDINGS AND INVESTMENT LTD.***					
	At the beginning of the year		**1067022**	**0.83**		
	Date wise increase(+)/decrease(-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				**1067022**	**0.83**

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	**KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.**					
	At the beginning of the year		**1387563**	**1.08**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	06-Apr-18	Sell	(43897)	-0.03	1343666	1.05
	13-Apr-18	Sell	(2931)	0.00	1340735	1.04
	20-Apr-18	Sell	(2740)	0.00	1337995	1.04
	27-Apr-18	Sell	(6883)	-0.01	1331112	1.04
	04-May-18	Sell	(8568)	-0.01	1322544	1.03
	11-May-18	Sell	(9351)	-0.01	1313193	1.02
	18-May-18	Sell	(5119)	0.00	1308074	1.02
	01-Jun-18	Sell	(148)	0.00	1307926	1.02
	22-Jun-18	Buy	76895	0.06	1384821	1.08
	06-Jul-18	Buy	80	0.00	1384901	1.08
	13-Jul-18	Sell	(1)	0.00	1384900	1.08
	27-Jul-18	Buy	164852	0.13	1549752	1.21
	03-Aug-18	Buy	9674	0.01	1559426	1.21
	17-Aug-18	Sell	(14827)	-0.01	1544599	1.20
	24-Aug-18	Sell	(4894)	0.00	1539705	1.20
	31-Aug-18	Sell	(20832)	-0.02	1518873	1.18
	07-Sep-18	Sell	(541)	0.00	1518332	1.18
	14-Sep-18	Sell	(26667)	-0.02	1491665	1.16
	12-Oct-18	Sell	(548)	0.00	1491117	1.16
	26-Oct-18	Sell	(98801)	-0.08	1392316	1.08
	02-Nov-18	Sell	(33409)	-0.03	1358907	1.06
	09-Nov-18	Sell	(4699)	0.00	1354208	1.05
	16-Nov-18	Sell	(4159)	0.00	1350049	1.05
	07-Dec-18	Sell	(81652)	-0.06	1268397	0.99
	14-Dec-18	Sell	(13895)	-0.01	1254502	0.98
	21-Dec-18	Sell	(6869)	-0.01	1247633	0.97
	28-Dec-18	Sell	(125549)	-0.10	1122084	0.87
	11-Jan-19	Buy	171	0.00	1122255	0.87
	08-Feb-19	Sell	(5664)	0.00	1116591	0.87
	15-Feb-19	Sell	(21023)	-0.02	1095568	0.85
	22-Feb-19	Sell	(21036)	-0.02	1074532	0.84
	01-Mar-19	Sell	(37948)	-0.03	1036584	0.81
	15-Mar-19	Sell	(5499)	0.00	1031085	0.80
	29-Mar-19	Sell	(14699)	-0.01	1016386	0.79
	At the end of the year				**1016386**	**0.79**

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10	**ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE MNC FUND**					
	At the beginning of the year		**1011489**	**0.79**		
	Date wise increase(+)/decrease(-) with reasons, during the year :		0	0.00	0	0.00
	At the end of the year				**1011489**	**0.79**
11	**FIL INVESTMENTS (MAURITIUS) LTD**					
	At the beginning of the year		**1979166**	**1.54**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	05-Oct-18	Sell	(242158)	-0.19	1737008	1.35
	16-Nov-18	Sell	(11937)	-0.01	1725071	1.34
	23-Nov-18	Sell	(253867)	-0.20	1471204	1.14
	30-Nov-18	Sell	(297633)	-0.23	1173571	0.91
	01-Mar-19	Sell	(446687)	-0.35	726884	0.57
	Ceased to be part of top ten shareholders of the Company w.e.f. 01.03.2019				**726884**	**0.57**
	At the end of the year				**N.A.**	**N.A.**
12	**KOTAK EMERGING EQUITY SCHEME**					
	At the beginning of the year		**1124269**	**0.87**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	27-Apr-18	Sell	(50000)	-0.04	1074269	0.84
	04-May-18	Sell	(80293)	-0.06	993976	0.77
	29-Jun-18	Sell	(65079)	-0.05	928897	0.72
	13-Jul-18	Sell	(192088)	-0.15	736809	0.57
	20-Jul-18	Sell	(68744)	-0.05	668065	0.52
	27-Jul-18	Sell	(70000)	-0.05	598065	0.47
	03-Aug-18	Sell	(35000)	-0.03	563065	0.44
	17-Aug-18	Sell	(100000)	-0.08	463065	0.36
	02-Nov-18	Sell	(18874)	-0.01	444191	0.35
	14-Dec-18	Sell	(45000)	-0.04	399191	0.31
	28-Dec-18	Sell	(15000)	-0.01	384191	0.30
	08-Feb-19	Sell	(50000)	-0.04	334191	0.26
	15-Feb-19	Sell	(15450)	-0.01	318741	0.25
	Ceased to be part of top ten shareholders of the Company w.e.f. 15.02.2019				**318741**	**0.25**
	At the end of the year				**N.A.**	**N.A.**

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
13	**FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA PRIMA FUND**					
	At the beginning of the year		**1896063**	**1.48**		
	Date wise increase(+)/decrease(-) with reasons, during the year :					
	Date	**Reason**				
	13-Apr-18	Sell	(111861)	-0.09	1784202	1.39
	20-Apr-18	Sell	(1093)	0.00	1783109	1.39
	27-Apr-18	Sell	(37046)	-0.03	1746063	1.36
	22-Jun-18	Sell	(94161)	-0.07	1651902	1.29
	29-Jun-18	Sell	(299642)	-0.23	1352260	1.05
	06-Jul-18	Sell	(171197)	-0.13	1181063	0.92
	13-Jul-18	Sell	(97209)	-0.08	1083854	0.84
	20-Jul-18	Sell	(527320)	-0.41	556534	0.43
	27-Jul-18	Sell	(556534)	-0.43	0	0.00
	Ceased to be part of top ten shareholders of the Company w.e.f. 27.07.2018.				**0**	**0.00**
	At the end of the year				**N.A.**	**N.A.**

Note: *The above information is based on download of beneficial ownership received from the Depositories, indicating change of name, if any, in comparison to beginning of the year.*

** Ceased to be part of top 10 list of shareholders of the Company w.e.f. January 19, 2018 and became part of top 10 shareholders again during the financial year 2018-19.*

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Mr. Uday Khanna, Chairman and Independent Director**				
	At the beginning of the year	**10000**	**0.01**		
	Date wise increase (+) / decrease (-) with reasons, during the year	0	0.00	0	0.00
	At the end of the year			**10000**	**0.01**
2.	**Mr. Sandeep Kataria, Whole-time Director and Chief Executive Officer**				
	At the beginning of the year	**100**	**0.00**		
	Date wise increase (+) / decrease (-) with reasons, during the year	0	0.00	0	0.00
	At the end of the year			**100**	**0.00**
3.	**Mr. Ram Kumar Gupta, Director Finance and Chief Financial Officer**				
	At the beginning of the year	**56**	**0.00**		
	Date wise increase (+) / decrease (-) with reasons, during the year	0	0.00	0	0.00
	At the end of the year			**56**	**0.00**

Other than Mr. Uday Khanna, Mr. Sandeep Kataria and Mr. Ram Kumar Gupta, no other Director and Key Managerial Personnel hold any share in the Company either at the beginning of the financial year, during the financial year or as at the end of the financial year 2018-19.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment relating to Secured Loans, Unsecured Loans and / or Deposits: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director(s) and / or Manager:

(Rs. in Million)

Sl. No.	Particulars of Remuneration	Name of the Managing Director and Whole-time Directors			Total Amount
		Mr. Rajeev Gopalakrishnan, Managing Director	Mr. Sandeep Kataria, Whole-time Director and Chief Executive Officer	Mr. Ram Kumar Gupta, Director Finance and Chief Financial Officer	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961.	48.02	30.61	23.31	101.94
	(b) Value of perquisites under Section 17(2) of the Income-Tax Act, 1961.	0.60	1.36	0.04	2.00
	(c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961.	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	– as % of profit	-	-	-	-
	– Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
Total (A)		**48.62**	**31.97**	**23.35**	**103.94**
Ceiling as per the Act		(10% of Net Profits of the Company calculated under Section 198 of the Companies Act, 2013)			**490.46**

B. Remuneration to other Directors:

(Rs. in Million)

Sl. No.	Particulars of Remuneration	Independent Directors: Name of Directors					Total Amount
		Mr. Uday Khanna	Mr. Akshay Chudasama	Ms. Anjali Bansal	Mr. Ravindra Dhariwal	Mr. Ashok Kumar Barat#	
1.	• Fee for attending Board / Committee Meetings	0.70	0.70	0.45	0.85	0.05	2.75
2.	• Commission	2.65	1.32	1.32	1.32	-	6.61
3.	• Others, please specify	-	-	-	-	-	-
Total (B)		**3.35**	**2.02**	**1.77**	**2.17**	**0.05**	**9.36**
Ceiling as per the Act		(1% of Net Profits of the Company calculated under Section 198 of the Companies Act, 2013)					**49.05**
Total Managerial Remuneration [Total (A) + Total (B)]							**113.30**
Overall ceiling as per the Act		(11% of Net Profits of the Company calculated under Section 198 of the Companies Act, 2013)					**539.51**

 # Appointed as an Additional and Independent Director with effect from December 17, 2018.

Note: *Mr. Alberto Michele Maria Toni and Mr. Shaibal Sinha, Non-Executive Directors of the Company do not accept sitting fees and / or Commission on the Net Profits of the Company. Mr. Toni was appointed as an Additional and Non-Executive Director with effect from February 12, 2019. Mr. Christopher MacDonald Kirk, Non-Executive Director resigned with effect from January 31, 2019.*

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: (Rs. in Million)

Sl. No.	Particulars of Remuneration	Mr. Arunito Ganguly, Assistant Vice President, Company Secretary & Compliance Officer
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	2.32
	(b) Value of perquisites under Section 17(2) of the Income-Tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	– as % of profit	-
	– Others, specify	-
5.	Others, please specify	-
	Total	**2.32**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties / punishments / compounding of offences for breach of any section of the Companies Act, 2013 against the Company, it's Directors or other officers in default, during the financial year ended March 31, 2019.

For and on behalf of the Board of Directors

Uday Khanna
Chairman
DIN: 00079129

Place : Gurugram
Date : May 24, 2019

Annexure II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
BATA INDIA LIMITED
CIN : L19201WB1931PLC007261

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 year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, 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, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 / the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) 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;

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 / the Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(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 to the Footwear Industry in India.

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

(i) Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The revised uniform Listing Agreement entered into by the Company on 18th February, 2016 with BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited.

During the year under review the Company has complied with the applicable provisions of the Acts, 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 year under review.

We further report that

I. 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 year under review were carried out in compliance with the provisions of the Act.

II. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance; 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.

III. During the year under review, all the decisions at the meetings of the Board and Committees thereof, were carried out unanimously as the Minutes of these Meetings did not reveal any dissenting member's view.

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 no specific event having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has taken place during the year under review.

For P. SARAWAGI & ASSOCIATES
Company Secretaries

(P. K. Sarawagi)
Proprietor
Membership No. : FCS-3381
C. P. No. : 4882

Place : Kolkata
Date : May 24, 2019

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
CIN : L19201WB1931PLC007261

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 : May 24, 2019

Annexure III

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of the Board's Report for the financial year ended March 31, 2019

(A) CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy:

a) Installed more power efficient new integrated panel system.

b) Installed translucent sheets & natural air driven turbo fans on roof for working in shop floor with day light & natural ventilation.

c) Installed energy efficient LED lights by replacing high energy consuming lights.

d) Installed Variable Frequency Drive (VFD) in air compressor to save energy.

e) Installed steam recovery system unit to save more power and re-insulation of steam line to prevent heat loss.

f) Reduction of contract demand from electricity board.

g) Installed sensor drive power control system for light and water at washing room.

h) Installed GA90 energy efficient screw conveyor.

ii. The steps taken by the Company for utilizing alternate sources of energy:

Introduction of "Solar Energy" is under evaluation.

iii. The capital investment on energy conservation equipments:

Financial Year	2018-19	2017-18	2016-17
Amount (Rs. in Million)	7.13	5.52	0.55

(B) TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption:

a) Material Development

b) Process Development

c) Product Development

d) Footwear Moulds

e) Waste Utilization

f) Energy Savings

g) Enhancing of Safe Work Environment

h) Cater to Export Specification Requirement

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

1. Developed & introduced aroma scented PVC Sole compound for BBG DIP Sandal / Shoes across Bata India Manufacturing Units to eliminate bad smell of PVC which resulted in value addition of the product.
2. Developed & introduced life natural anti-microbial socks across Bata India Manufacturing Units to protect feet from gram positive & gram-negative bacteria & reduce odour inside shoes.
3. Developed high abrasion resistance rubber sole & molded sole as per TBU guideline for Tennis & bestselling jogger shoes by Bata India Manufacturing Units.
4. Introduced value added power sports shoe with knitted KPU upper, finch & Luke article with phylon sole with ortholite socks by Bata India Manufacturing Units.

5. Developed antistatic rubber out sole for Bi-density safety boot as a special feature by Bata India Manufacturing Units.
6. Introduced Winson topcoat EVA ink binder on screen printed EVA Hawai for better durability & improve aesthetic look by Bata India Manufacturing Units.
7. Developed low density PU Sandal with lighter weight & better physical properties with annual saving of Rs 4.40 Million by Bata India Manufacturing Units.
8. Developed & introduced colour fastness proof lining textile material for Daisy Canvas Shoes by Bata India Manufacturing Units.
9. Developed shoe flex tester which is used for determination of the ability of the full shoe to withstand the effect of flexing stresses produced on the different parts of the shoes.
10. Developed new PU black jersey backing insole cover material from local supplier with same finish to replace PU Jersey backing (beige B160922110) from China as import substitution.
11. Developed 0.85 mm raised back black PU lining material from local supplier and replaced imported 1 mm black raised back PU material from China.
12. Developed single component aroma scented compound instead of mix compound for all BBG articles.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL

a. the details of technology imported;

b. the year of import;

c. whether the technology been fully absorbed; and

d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

iv. Expenditure incurred on Research and Development:

Capital	: Rs. 0.99 Million
Recurring	: Rs. 65.32 Million
Total	: Rs. 66.31 Million

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to export	: Rs. 109.84 Million
Total Foreign exchange used	: Rs. 3,419.92 Million
Total Foreign exchange earned	: Rs. 129.82 Million

For and on behalf of the Board of Directors

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurugram
Date : May 24, 2019

Annexure IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

Corporate Social Responsibility of the Company and its Policy

Your Company works on the belief that organizations should exist to serve a social purpose and enhance the lives of people connected through business. Your Company has a CSR policy in place which aims to ensure that we continue to operate our business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all stakeholders. Your Company plans to take up CSR programme, which benefits the communities in and around the vicinity of its operational presence and over a period of time, resulting in enhancing the quality of life of the people in these areas.

During the financial year ended March 31, 2019, your Company focused on the following programmes:

Model Schools under Bata Children's Programme (BCP)

We worked with more than 3,000 school children at 6 schools adopted under Bata Children's Programme (BCP) near our factories and Head Office. BCP is a global programme which aims to work for the children from underprivileged backgrounds and is operational in 30 countries wherever Bata is operational. The focus has been to undertake various initiatives at schools to convert them into Model Schools. A holistic programme across these schools is being implemented focusing on infrastructure upgradation, STEM programme by setting up science and computer labs, life skills programme, improving overall health of the children through regular health checkup camps and awareness sessions, sports activities, etc. Especially designed programmes on female adolescent healthcare, health & sanitation, life skills, sports and sessions on female centered issues have been given a priority for the girl child population at the schools. Separate sessions have been held with parents to encourage the education of the girl child and various other issues relevant to the overall development of their children.

Through our concentrated initiatives and extra-curricular activities, there has been an overall development of the children through a period of time. Children have become more regular in attending school. There has been an increase of 12.50 % in the attendance of children attending the Computer Classes. At one school, after Bata's support, the number of children at the school increased from 90 to 214, dropout rate reduced from 38% to 2%, teachers are able to use child friendly teaching learning pedagogy which leads to better learning environment. With implementation of better teaching methodology, nutritious meals and better facilities, the academic performance amongst the children also improved. Through our library programme, 74% of students drastically improved in their reading skills and 67% of the students in their writing skills. As a result of the Science Centres established at the schools along with science workshops, children have improved in their ability to understand scientific concepts and application of the learned concepts; they have become more aware and curious to understand alternative methods of learning. There was also an improvement in knowledge and awareness levels of children on issues of well-being, hygiene, sanitation and substance abuse.

Girl Child Empowerment through Project Nanhi Kali

In association with K. C. Mahindra Education Trust, your Company supported the education of 92 underprivileged girls under project Nanhi Kali. These girls go to Nanhi Kali academic support centres after school hours, where trained tutors engage the girls in concept based learning, focusing on Mathematics and English. Regular assessments and evaluation of these girls' learning levels is an integral part of the project along with efficient tracking of attendance. A school kit is provided to every girl annually, thereby allowing her to attend school with dignity. This kit consists of personal clothing, notebooks, stationery, a school bag, shoes, socks, a raincoat/pullover and feminine hygiene material. The Nanhi Kali team works extensively with parents and communities to sensitize them to become collective guardian of the girls.

Happy Steps Programme

As part of Preventive Healthcare, under the Happy Steps Programme of your Company, we engaged with 11956 school children across Chennai, Bengaluru and Hyderabad to conduct foot care awareness workshops. Through activities, presentations and demonstration, children were made aware on the importance of a healthy feet as the foundation of our body, on how to take care of the feet in our daily lives, foot hygiene, foot exercises, dealing with sports injuries, various foot diseases and how can we prevent them, dealing with diabetic feet, etc. A customized Bata school kit comprising of school socks, polish, laces, brush along with instructions to keep the feet healthy and clean were also distributed amongst children during the workshops.

Stride with Pride

A consumer engagement programme named 'Stride with Pride', was also introduced, wherein customers were encouraged to donate their pair of old footwear across Bata stores at selected cities. For every pair of old footwear received, Bata donated a new pair to a needy child. In order to reduce inequalities faced by socially & economically backward groups, your Company donated about 85,000 pairs of footwear to underprivileged children.

Disaster Relief & Rehabilitation

During Kerala floods, your Company, as part of the disaster relief and rehabilitation initiative, contributed to help the people in need of the hour. Rapid response teams of employees at respective regions were formed who travelled to relief camps, distributed basic essentials and footwear. Around 8,400 pairs of footwear were donated to the affected people in Kerala and at Coorg in Karnataka. Employees came forward to donate their one day's basic salary. Your Company matched the employee donation and contributed around Rs.1.40 Million to Kerala Chief Minister's Distress Relief Fund. In association with partners, your Company held medical camps in the affected regions to provide immediate and basic health services to the affected population and also focus on the prevention of epidemics in the region. With support from Global BCP Foundation, your Company is in the process to renovate 4 schools which got affected during the Kerala floods.

The CSR Policy of your Company elucidates the responsibilities of the Board of Directors and the CSR Committee thereof as well as implementation and monitoring process towards achieving the Company's CSR goals. The CSR Policy of your Company has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/0/pdf/CorporateSocialResponsibilityPolicy.pdf.

CSR Committee

The Board of Directors of your Company has constituted a CSR Committee of Directors in terms of the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 to identify, approve and monitor proper execution and implementation of the CSR Projects and CSR Activities undertaken by the Company.

Composition of CSR Committee

The Composition of the CSR Committee along with the Name and Designation of Directors as Members are detailed below. The Company Secretary acts as the Secretary to the Committee.

Sl. No.	Name of the Director	Designation
1.	Mr. Akshay Chudasama	Independent Director, Chairman of the Committee
2.	Mr. Ravindra Dhariwal	Independent Director, Member
3.	Mr. Rajeev Gopalakrishnan	Managing Director, Member
4.	Mr. Ram Kumar Gupta	Director Finance and Chief Financial Officer, Member

Details of CSR Expenditures

Particulars	Amount (Rs. in Million)	Amount (Rs. in Million)
A. Net Profits of the Company for the:		
• financial year ended March 31, 2016	2,728.24	
• financial year ended March 31, 2017	2,552.44	
• financial year ended March 31, 2018	3,430.17	
B. Aggregate Net Profits of the Company for the last three financial years		8,710.85
C. Average Net Profits of the Company for the last three financial years		2,903.62
D. Prescribed CSR Expenditure (2% of amount stated in Item no. C above)		58.07
E. Details of CSR Expenditure during the financial year :		
• Amount spent		64.24
• Amount unspent		NIL

F. Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR Project /Activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where Projects or Programs was undertaken	Amount Outlay (budget) Project or Programs wise (Rs. in Million)	Amount spent on the Projects or Programs Sub-heads: (1) Direct expenditure on Projects or Programs (2) Overheads (Rs. in Million)	Cumulative Expenditure upto the reporting period (Rs. in Million)	Amount spent: Direct or through implementing agency
1.	Promotion of quality education in the schools: • Infrastructural upgrade • Celebrating Special days and events • Awareness workshops, health check-up camps • Computer classes • Science labs • Sports classes • Girl child education	Promotion of Education	Batanagar, Kolkata, West Bengal; Gurugram, Haryana; Patna, Digha, Bihar	25.84	25.84	25.84	Direct Agencies: NGO - SHARP, NGO - NIIT Foundation, NGO - Katha, NGO - Rishi Chaitanya Trust (Shakti Vidya Nidhi Kosh), NGO - Agastya International Foundation, NGO - Sugam
2.	Conducting employment enhancement vocational skills amongst underprivileged youth	Skill Development	Bengaluru, Karnataka; Coimbatore, Tamil Nadu	0.71	0.71	0.71	Agencies: NGO - Sambhav Foundation, NGO - Centum Foundation
3.	Girl Child Education- Nanhi Kali	Promotion of Education	South West Delhi, South Delhi, West Delhi, New Delhi	0.33	0.33	0.33	NGO - K. C. Mahindra Education Trust
4.	Happy Steps Programme- Foot Care Awareness Workshops and Activities for school children	Preventive Healthcare, Promotion of Education	Chennai, Tamil Nadu; Hyderabad, Telangana; Bengaluru, Karnataka; New Delhi; Kolkata, West Bengal; Patna, Bihar	1.87	1.87	1.87	NGO - SHARP
5.	Stride with Pride campaign- Donation of shoes to the underprivileged children and communities at large	Eradicating poverty & reducing inequalities faced by socially & economically backward groups, Preventive Healthcare	Pune, Maharashtra; Bengaluru,Karnataka; Haryana; New Delhi; Kolkata, West Bengal	32.74	32.74	32.74	Agencies: NGO - Sambhav Foundation, NGO- Concern India Foundation, NGO - SHARP, NGO - Indian Council for Child Welfare (ICCW), NGO - CORD NGO - Railway Children NGO - Sanshil Foundation

Sl. No.	CSR Project /Activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where Projects or Programs was undertaken	Amount Outlay (budget) Project or Programs wise (Rs. in Million)	Amount spent on the Projects or Programs Sub-heads: (1) Direct expenditure on Projects or Programs (2) Overheads (Rs. in Million)	Cumulative Expenditure upto the reporting period (Rs. in Million)	Amount spent: Direct or through implementing agency
6.	Public toilets at metro stations	Promoting preventive healthcare and sanitation	South West Delhi, South Delhi, West Delhi, New Delhi	1.34	1.34	1.34	Agencies: NGO - Sulabh Sanitation Mission Foundation
7.	Promotion of Sports amongst the youth from the community near our area of operations	Community Development	Gurugram, Haryana	0.20	0.20	0.20	Agencies: District Amateur Body Building Federation
8.	Kerala Flood Relief & Rehabilitation	Disaster relief and rehabilitation	Wayanad, Chennganur, Thrissur, Alwaye, Kerala	1.21	1.21	1.21	Agency: SEEDS (Sustainable Environment and Ecological Development Society)
	TOTAL			64.24	64.24	64.24	

Details of Implementing Agencies:

Your Company has partnered with various non-profit organizations in order to leverage upon the collective expertise, to implement CSR programmes.

a) **School Health Annual Report Programme (SHARP) -** Your Company partnered with them on taking up various educational health awareness workshops at schools adopted under BCP. It is registered under the Societies Registration Act, 1860 and it works with an objective of providing healthy and a hygienic environment to Government and private school children and reaches out to the community health interventions as well. SHARP being the premier NGO in the field of school health has been working in the schools, hospitals and the community for the last 15 years and has established itself as the largest School Health NGO in the country.

b) **Sambhav Foundation -** Your Company partnered with them to impart training on retail sales to the underprivileged youth at Bengaluru. It is registered under the Indian Trust Act, 1882 and it works towards skill development of the underprivileged youth in the communities through its NSDC (National Skills Development Corporation) certified implementing partner. It also works on the issues of prevention of disability.

c) **Centum Foundation -** Your Company partnered with them to impart training on retail sales to the youth at Coimbatore. It is registered under the provisions of the Societies Registration Act, 1860 and is engaged in the activities of vocational training and implementing other projects of social importance and committed to build an empowered India by providing skills for employability through Centum WorkSkills India (Centum WSI), NSDC certified implementing partner.

d) **Sulabh Sanitation Mission Foundation (SSMF) -** Your Company partnered with them to build public toilets at metro stations in Delhi. It is registered under the Societies Registration Act, 1860 and has been a pioneer organization to work on providing health & sanitation facilities to the communities.

e) **Delhi Metro Rail Corporation (DMRC) -** Your Company partnered with them to build public toilets at metro stations in Delhi. The Delhi Metro has been instrumental in ushering in a new era in the sphere of mass urban transportation in India. The Delhi Metro Rail Corporation Limited (DMRC) was registered on 3rd May, 1995 under the Companies Act, 1956 with equal equity participation of the Government of the National Capital Territory of Delhi (GNCTD) and the Central Government to implement the dream of construction and operation of a world-class Mass Rapid Transport System (MRTS).

f) **NIIT Foundation -** Your Company partnered with them to implement computer project for the children in the schools. It is registered organisation under the Societies Registration Act, 1860 and is a pioneer in IT Education.

g) **Sugam NGO -** Your Company partnered with them to support a non-formal school for the underprivileged children in a slum area in Gurgaon. Sugam NGO is a non-profit registered under the Societies Registration Act, 1860.

h) **Rishi Chaitanya Trust (Project- Shakti Vidya Nidhi Kosh) -** Your Company partnered with them to support education for the girl child and donation of shoes to underprivileged girls. It is registered under the Indian Trust Act, 1882. The project for which the support has been provided during the year is called Shakti Vidya Nidhi Kosh, which works for empowerment of girl child at a Pan India level by running schools for them, imparting training on various vocational skills, sponsoring marriage of orphan girls, etc.

i) **Agastya International Foundation -** Your Company partnered with them to set up science centres in the schools. It is a registered Trust founded in April 1999 that runs one of the world's largest mobile hands-on science education programme for economically disadvantaged children and Government school teachers. Through all its programmes, Agastya has reached over 10 million children and 2,50,000 teachers in 18 states across India.

j) **Sustainable Environment and Ecological Development Society (SEEDS) -** Your Company collaborated with them to hold medical camps in flood affected areas in Kerala and footwear donation. Your Company is also renovating 4 schools at Kerala with the expertise of SEEDS. The organization is registered under the Societies Registration Act, 1860 and a humanitarian non-profit organization working to make vulnerable communities resilient to disasters. SEEDS is the first and the only NGO in India, working in humanitarian response, to be certified by Geneva based Humanitarian Accountability Partnership (HAP) and is signatory to the Code of Conduct for the International Red Cross and Red Crescent Societies.

k) **Katha -** Your Company partnered with them to set up libraries at schools in order to enhance the reading and writing skills amongst the school children. It is registered under the Societies Registration Act, 1860. An innovative programme to help India's underserved children stay in school and complete their education by making learning fun, training teachers to be more engaging, and transforming schools. In 2013, Katha was awarded the Millennium Alliance Award for innovative programme by USAID and the Government of India.

l) **K. C. Mahindra Education Trust -** Your Company partnered with them to support project Nanhi Kali- education of underprivileged girl child. It is registered under Bombay Public Trusts Act, 1950. It has transformed the destinies of over 3,50,000 underprivileged girls in some of the most deprived rural, tribal and urban poor areas across India. Project Nanhi Kali is jointly managed by K. C. Mahindra Education Trust and Naandi Foundation.

m) **Ingenuity EduLabs LLP -** Your Company partnered with them to conduct creative science workshops across schools. Under the programme, "I Love Science" a unique science education model conceptualized and designed to help children develop interest in science while having fun; the main focus is to allow hands on science experiments for children, using low cost material.

G. Responsibility Statement

On behalf of the CSR Committee, we hereby affirm that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

	RAJEEV GOPALAKRISHNAN	**AKSHAY CHUDASAMA**
Place : Gurugram	**Managing Director**	**Independent Director & Chairman - CSR Committee**
Date : May 24, 2019	DIN: 03438046	DIN: 00010630

Annexure V

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2018-19 along with the percentage increase in Remuneration of each Executive Director and Key Managerial Personnel (KMP) during the financial year 2018-19:

Sl. No.	Name of Director and KMP	Designation	Ratio of remuneration of each Director / KMP to the Median Remuneration of Employees	Percentage increase in Remuneration
1.	Mr. Rajeev Gopalakrishnan#	Managing Director	63.02	2.42%
2.	Mr. Sandeep Kataria#	Whole-time Director and Chief Executive Officer	51.75	1.72%
3.	Mr. Ram Kumar Gupta#	Director Finance and Chief Financial Officer	32.25	15.05%
4.	Mr. Arunito Ganguly*	Assistant Vice President, Company Secretary & Compliance Officer	3.90	0%

* *Mr. Arunito Ganguly was appointed with effect from December 15, 2017 and there was no subsequent increase in his remuneration during the financial year 2018-19.*

\# *Increased remuneration of Mr. Rajeev Gopalakrishnan, Mr. Sandeep Kataria and Mr. Ram Kumar Gupta are effective from January 1, 2018.*

Notes:

a) The Independent Directors of the Company are entitled to sitting fee and commission on Net Profits as per statutory provisions of the Companies Act, 2013 and as per terms approved by the Members of the Company. The details of remuneration of the Independent Directors of the Company have been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the Independent Directors' Remuneration is, therefore, not considered for the purpose above.

b) Percentage increase in remuneration indicates annual total compensation increase, as recommended by the Nomination and Remuneration Committee and duly approved by the Board of Directors of the Company.

c) Employees for the purpose above include all employees excluding employees governed under collective bargaining process.

(ii) The percentage increase in the median remuneration of employees in the financial year 2018-19 was 11.49%.

(iii) There were 4,890 permanent employees on the rolls of the Company as on March 31, 2019.

(iv) Average percentage increase made in the salaries of employees other than the KMP in the previous financial year was 11.38%, whereas the average percentage increase in remuneration of the KMP was 4.56%. The average increase of remuneration every year is an outcome of the Company's market competitiveness as against similar Companies. The increase of remuneration this year is a reflection of the compensation philosophy of the Company and in line with the benchmarking results.

(v) It is hereby affirmed that the remuneration paid to all the Directors, KMP, Senior Managerial Personnel and all other employees of the Company during the financial year ended March 31, 2019, were as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurugram
Date : May 24, 2019

Annexure VI

BATA INDIA LIMITED

Statement of particulars of Employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2019

Top 10 Employees including those Employed throughout the financial year under review and were in receipt of remuneration aggregating not less than Rs. 1,02,00,000 per annum

Sl. No.	Name	Designation	Nature of Employment, whether contractual or otherwise	Qualification	Age (in years)	Date of Appointment	Experience - No. of years including previous employment	Remuneration (Rs. in Million)	Last Employment-Designation
1.	Rajeev Gopalakrishnan	Managing Director	Permanent	B. Tech.- Mechanical Engineering	54	31-01-2011	28	53.22	Bata Bangladesh Ltd. - Managing Director
2.	Sandeep Kataria	Whole-time Director and Chief Executive Officer	Permanent	B. Tech. - Chemical Engineering, PG Diploma in Business Management	49	01-08-2017	28	33.90	Chief Commercial Officer - Vodafone
3.	Ram Kumar Gupta	Director Finance and Chief Financial Officer	Permanent	B. Com.(Hons.), FCA	60	01-07-2015	39	24.92	Bata Shoe Company (Kenya) Ltd. - Director Finance
4.	Matteo Lambert	Chief Collection Manager	Permanent	Bachelor Degree in Literature and Social Studies	47	06-06-2013	20	21.65	ARTSANA - Purchase Manager
5.	Sanjay Kanth	Sr. Vice President -Manufacturing & Sourcing	Permanent	B.A. - Economics, Diploma in Marketing Mgmt, MBA - Operations, MDP	57	02-07-2012	34	17.19	Adidas Technical Services Pvt. Ltd. - Head of Operations
6.	Rossano Fogarin	Head - Product Development	Permanent	Diploma Course in Shoes Designing, Diploma Course in Planning - CAD / CAM	58	22-01-2018	37	14.30	Product development & Technical Manager - PT. Sepatu Bata Tbk.
7.	Anand Narang	Vice President-Marketing & Customer Services	Permanent	B.E. - Electronics & Electrical Engineering, PG. Diploma in Mgmt - Marketing & International Business	46	01-06-2016	25	13.54	Reliance JIO (INDIA)
8.	Kumar Sambhav Verma	Head of Omni Channel - Asia	Permanent	B.Com., PG Diploma in Marketing Management	39	08-03-2010	20	10.04	Home Shops 18 -Senior Manager - Marketing (Category)
9.	Vikas Baijal	Senior Vice President - HR	Permanent	B. Sc., Master of Social Work	51	13-01-2014	29	8.98	Bharat Hotel Ltd - Vice President - HR
10.	Raman Krishnamoorthy	Vice President - IT	Permanent	B.Com., ICWAI	55	25-09-2013	31	8.84	Vesuvius India Ltd. - Regional PM - APAC IT

Employees those Employed for part of the financial year under review and were in receipt of remuneration not less than Rs. 8,50,000 per month.

Sl. No.	Name	Designation	Nature of Employment, whether contractual or otherwise	Qualification	Age (in years)	Date of Appointment / Resignation	Experience – No. of years including previous employment	Remuneration (Rs. in Million)	Last Employment -Designation
1.	Bishwanath Ganguly	Senior Vice President -Brands	Permanent	B. Sc., PG Diploma in Business Management-Marketing, PG Diploma Programme in Garment Manufacturing Technology	46	19-03-2019	19	4.57	Country Manager-Forever New Apparels Pvt. Ltd.

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 employees mentioned above is a relative of any Director of the Company.
3. None of the employees has drawn in excess of remuneration drawn by MD / WTD and holds along with spouse and dependent children not less than 2% of the Equity Shares of the Company as on March 31, 2019.

For and on behalf of the Board of Directors

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurugram
Date : May 24, 2019

Annexure VII

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company:	L19201WB1931PLC007261
2.	Name of the Company:	Bata India Limited
3.	Registered address:	27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal
4.	Website:	www.bata.in
5.	E-mail id:	corporate.relations@bata.com
6.	Financial Year reported:	April 1, 2018 - March 31, 2019
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Footwear & Accessories: NIC Code - 47713 Footwear - Non Retail: NIC Code - 46413
8.	List three key products / services that the Company manufactures / provides (as in balance sheet):	Footwear & Accessories
9.	Total number of locations where business activity is undertaken by the Company:	
a.	Number of International Locations:	None
b.	Number of National Locations:	The Company has 4 operational manufacturing units located at (i) Batanagar, Kolkata, West Bengal, (ii) Bataganj - Patna, Bihar, (iii) Peenaya Industrial Area, Bengaluru, Karnataka (iv) Batashatak, Hosur, Tamil Nadu and also operates through more than 1400 retail stores across cities / towns in India.
10.	Markets served by the Company:	The Company has its retail presence mainly in the Metro cities, A-1 cities, Tier I, Tier II and Tier III cities across India. For non-urban areas, the Company sells its footwear through its network of more than 325 distributors.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid-up Capital:	Rs. 642.64 Million
2.	Total Turnover:	Rs. 29,284.44 Million
3.	Total profit after taxes:	Rs. 3,296.60 Million
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	Rs. 64.24 Million, i.e., 2% of profit after tax
5.	List of activities in which CSR expenditures have been incurred:	The details of CSR activities undertaken by the Company and CSR expenditures incurred thereon during the financial year 2018-19 by the Company have been provided in page no 23 of the Board's Report and also in the 'Annual Report on CSR Activities', annexed to the Board's Report marked as Annexure IV.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company / Companies?	Yes. The Company has three Wholly Owned Subsidiaries (WOSs) as on March 31, 2019, viz., (i) Bata Properties Limited; (ii) Coastal Commercial & Exim Limited; and (iii) Way Finders Brands Limited.
2.	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company?	The operations of these WOSs being insignificant, presently there is no direct participation by these WOSs in the BR initiatives of the parent Company.
3.	Do any other entity / entities (suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30 - 60%, More than 60%]	Yes. The Company actively supports and encourages its suppliers and other stakeholders to participate in the BR initiatives of the Company. The Company ensures prohibition of child labour and forced labour in its workplaces and refrain itself from engaging with such vendors, suppliers and distributors who engage child labour or forced labour in their business operations. At present the Company does not have any established mechanism to ascertain the level of participation of the vendors, suppliers, distributors, etc. in various BR initiatives of the Company. Hence, it is difficult to quantify the percentage of such entities for disclosure purposes.

SECTION D: BR INFORMATION

1.	**Details of Director responsible for BR:**	
(a)	Details of the Director responsible for implementation of the BR policies:	
	1. DIN:	03438046
	2. Name:	Mr. Rajeev Gopalakrishnan
	3. Designation:	Managing Director

(b)	**Details of the BR Head:**	
Sl. No.	**Particulars**	**Details**
1.	DIN:	03438046
2.	Name:	Mr. Rajeev Gopalakrishnan
3.	Designation:	Managing Director
4.	Telephone Number:	(0124) 3990100
5.	E-mail id:	head.brinitiatives@bata.com

2. Principle-wise (as per NVGs) BR policies

(a) Details of compliance (Reply in Y / N)

		Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder's Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Customer Relation
Sl. No.	**Questions**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
1.	Do you have policy/policies for....?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies of the Company generally conform to the principles of the National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA), Government of India.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	The policies which are mandatorily required to be uploaded on the website of the Company have been uploaded on *www.bata.in* and are available at the link https://bata.in/bataindia/a-31_s-181_c-42/investor-relations.html under the "Investor Relations" category.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in- house structure to implement the policy/ policies?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?**	Y	Y	Y	Y	Y	Y	Y	Y	Y

* The Company also takes inputs / support from outside agencies, whenever considered necessary, in preparation and implementation of respective Policies in order to adopt the best industry practices.

** Audit / evaluation of the working of these Policies had been conducted by the Internal Audit Team of the Company.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

Not Applicable.

3. Governance related to BR

a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	The Board of Directors of the Company has constituted a 'Business Responsibility Committee' to access the BR performance on an on-going basis and BR Head updates the committee. A detailed presentation is made before the Board of Directors on an annual basis.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?	This is the third BR Report of the Company for publication. The BR Reports may be viewed on the website of the Company *www.bata.in* and the same is available at the link https://bata.in/bataindia/a-29_s-181_c-42/investorrelations.html. The Company is publishing the BR Report annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESS SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   The Company considers Corporate Governance as an integral part which leads to increase in operational efficiencies and sustained long term value creation for all the stakeholders. The Board of Directors of the Company has adopted a Code of Conduct and Business Ethics (along with Anti-Bribery and Anti-Corruption Directives). The Company has introduced a vigil mechanism system across all its functions and establishments through a Whistle Blower Policy as approved by the Board of Directors of the Company and has uploaded the Whistle Blower Policy on the website of the Company i.e., *www.bata.in*. The Code of Conduct is applicable to the Board of Directors and all employees of the Company and its subsidiaries. An annual affirmation on compliance and adherence to the Code of Conduct and Business Ethics is obtained from the Directors and Senior Managerial Personnel including Functional Heads. The Anti-Bribery and Corruption Directive and the Ethical View Reporting Policy also extends to the Company's business partners, e.g., suppliers, vendors, distributors, contractors, etc.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so**.

   In addition to the introduction of vigil mechanism to enable all stakeholders to freely communicate their grievances, the Company has also implemented its Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and uploaded the same on the website of the Company, *www.bata.in*. The Company has also created an exclusive e-mail id: share.dept@bata.com, to enable the Members / Investors of the Company to communicate their grievances directly.

   The details of investor's complaints received and resolved during the year under review have been provided in the Corporate Governance Report which forms part of this Annual Report.

PRINCIPLE 2: BUSINESS SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFECYCLE

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

   i. The Company is manufacturing Safety Shoes for the end consumers of various organizations where it is sold.

   ii. The Company has also replaced Natural Rubber & Leather with synthetic EVA (Ethylene Vinyl Acetate) in sole making & PU coated PVC in shoe upper making respectively, thereby contributing towards natural resource conservation.

iii. The Company has also introduced usages of recycled waste rubber from tyre Industries for rubber outsole making in collaboration with Austin Rubber, U.S.A.

iv. The Company has also replaced Natural Fossil Fuel by eco-friendly Bio-Mass waste materials for operation of Boiler.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

Consumption per unit of Production*	Current Financial Year 2018-19	Previous Financial Year 2017-18
Electrical Energy (Kwh per pair of Shoes)	0.58	0.56
Thermal Energy (Equivalent kwh per pair of shoes)	0.49	0.48
CO_2 Emission (Kg CO_2 per pair of Shoes) [consider : 0.537 kg CO_2 /1 kwh Grid electricity & 0.268 kg CO_2 / kwh fuel oil]	0.44	0.43

* Consumption per unit has marginally increased during the year under review due to ongoing modernisation / renovation work at the factories.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Although the shoe manufacturing process does not have broad based impact on energy, yet the Company continuously takes appropriate measures to reduce the consumption of thermal, electrical energy and water. The Company has installed modern and efficient machineries across its manufacturing units and has been able to save energy and water. The Company has initiated installation of LED lights, automatic power sensors, continued usage of recycled treated water from sewage treatment plant for sanitation thus resulting in reduction of water consumption. Further, Turbo Ventilators, Steam Recovery System, installation of Capacitors in HT Panel is in the process of implementation alongwith solar energy at Batanagar unit. The Company also continuously encourages its employees to save the natural resources wherever possible.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. The Company has established an internal mechanism for continual improvement process towards sustainable excellence and has taken adequate steps for safe transportation and optimization of logistics, which in turn is improving the Company's manufacturing system, creating a safe work place and offering opportunities to our employees to excel and explore their potential and also mitigating the impact on climate. The use of appropriate mode of transportation is a continuous part of effective supply-chain mechanism and the Company's endeavor to reduce transport related environmental impact is an ongoing process.

Major associates of the Company, who are engaged in supplying of maximum level of raw materials for shoe manufacturing process in all manufacturing units across India, are located nearby to the respective units. This helps the Company to minimize its transportation cost and environmental impact.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. The Company has taken necessary steps to procure goods and services from the local and small producers surrounding its manufacturing units and enhancing their capabilities for a sustainable growth. The Company always prefers to procure goods and services, e.g., Finished Goods Supplies, Security / Housekeeping / loading-unloading operations, etc. from nearby suitable source of supply. The Company has worked out Individual Development Plan of all Units which is being continuously monitored to improve capacity, capability & quality of the products of all local & small producers.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Yes. The Company has introduced the mechanism to recycle its products to reduce waste. Such initiatives of the Company include, the following:

   - The wastes - EVA packing bags are now recycled during EVA mixing process.
   - Rubber / PVC / EVA wastes are recycled during mastication process.
   - Waste water after STP at Company's Bataganj Factory is being used for gardening and road washing purposes.
   - Used / waste oil generated from different machines in manufacturing units are sold only to the agencies approved by the Central Pollution Control Board for recycling and re-using elsewhere in other allied industries.
   - Different scrap materials, e.g., leather cuttings / waste papers / metallic parts, etc. are being sold to the outside agencies for their uses elsewhere in other industries.

PRINCIPLE 3: BUSINESS SHOULD PROMOTE THE WELL BEING OF ALL EMPLOYEES

1. **Please indicate the Total number of employees.**

Sl. No.	Category of Manpower	No. of employees
1.	Managerial staff	1071
2.	Non-managerial staff in manufacturing	2096
3.	Managers + Permanent employees in stores	1723
4.	Contracted and Third Party employees	5406
Total		**10296**

2. **Please indicate the Total number of employees hired on temporary / contractual / casual basis.**

   Out of the above, 5,406 persons were hired on temporary / contractual / casual basis.

3. **Please indicate the Number of permanent women employees.**

   There are 290 permanent women employees.

4. **Please indicate the Number of permanent employees with disabilities.**

   There are 7 permanent employees with disabilities.

5. **Do you have an employee association that is recognized by management.**

   Yes, there are recognized trade unions in the manufacturing units of the Company as recognized by its management. These trade unions are affiliated to various central trade union bodies.

6. **What percentage of your permanent employees are members of this recognized employee association?**

   55.64% of the Company's permanent employees are members of recognized employee associations.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

   During the financial year ended March 31, 2019, there were two cases reported and were dealt satisfactorily towards sexual harassment under the Policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and were dealt satisfactorily. There was no pending complaints as on March 31, 2019.
   The Company did not receive any complaints relating to child labour, forced labour, involuntary labour.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

(a) Permanent Employees: 83%

(b) Permanent Women Employees: 92%

(c) Casual / Temporary / Contractual Employees: 76%

(d) Employees with Disabilities: 0.0006%

PRINCIPLE 4: BUSINESS SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

1. **Has the Company mapped its internal and external stakeholders?**

The Company understands the requirements of its various stakeholders. However, the Company is in the process of formal mapping of its key internal and external stakeholders for a better understanding of their concerns and expectations.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders**.

Once the mapping is finalized, the Company will be able to identify its various categories of stakeholders and include them in the business process accordingly.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The CSR programmes of the Company has been designed in such a manner that it ensures benefits to the poor, needy, underprivileged, deserving and the socio-economic backward communities of the society at large. The Company has been actively associated with the Bata Children's Programme (BCP) initiatives of Bata Shoe Organization (BSO) globally, towards improving the lives of the underprivileged children, especially the girl child.

PRINCIPLE 5: BUSINESS SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Yes. The Company's Code of Ethics covers the aspects of Human Rights and is made applicable to all stakeholders including its Suppliers and Contractors by making them to sign the Code of Ethics and Code of Conduct.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

During the year under review, no complaints relating to human rights violation were received by the Company.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures/ Suppliers / Contractors / NGOs / others.**

The Company's Environment, Health & Safety (EHS) Policy extends to cover the Company and all its relevant Stakeholders, viz, Suppliers & Contractors near its operational area.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y / N. If yes, please give hyperlink for webpage etc.**

The Company has taken necessary steps towards reduction of GHGs emission in its manufacturing process and to reduce the concerns relating to the global warming.

3. Does the Company identify and assess potential environmental risks? Y/N

The Company has identified potential environmental risks in its manufacturing units across India through monitoring system. Required necessary steps and safeguarding measures have been taken by the Company to reduce its impact on the environment.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company is conscious and committed to maintain environmental and ecological balances of this planet and makes its conduct subject to environment audit practices. Across all manufacturing units, sewage treatment plants are working effectively and efficiently. Since Batanagar and Bataganj factories are located on the bank of River Ganga, water discharge in the River Ganga meets the norms of the "Clean Ganga" initiatives of the Central Government. At Bataganj unit, "Zero Effluent Discharge" vision is implemented by utilizing treated effluent water for gardening & washrooms. All the factories are complying with stack emission qualities and ambient air qualities. Special thrusts are given on waste management, conservation of energy and water and natural resources.

On Water Conservation initiatives, Rain Water Harvesting Plant was established at our Peenya Industrial Area, Bengaluru, Karnataka factory during the year 2010 and it is working efficiently and effectively towards utilization of rain water. On Energy Conservation initiatives, at Batanagar factory bio-fuel based Briquette fired boiler is running efficiently & effectively by replacing fossil fuel oil fired boiler and also introduced various low energy sensitive equipments by replacing high energy consuming devices. Further, in all factories, the Company has moved to Water Based (WB) adhesives from Petroleum Solvent Based (PSB) adhesives. At Batanagar, asbestos roof are being replaced by metallic sheets in phased manner and same will be done for other manufacturing units also in near future in phases.

6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, emission / waste generated by the Company are within the permissible limits prescribed by CPCB / SPCB.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

The Company did not receive any show cause / legal notice from CPCB / SPCB during the financial year ended March 31, 2019 and no show cause / legal notice related to CPCB / SPCB are pending with the Company as on the end of the financial year.

PRINCIPLE 7: BUSINESS WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company believes that conducting business as a good corporate citizen of the Country enhances brand value and leads to a sustainable growth. The Company is associated with Retailers Association of India (RAI).

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms,

Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the Company has worked with the organization in the following areas:

a. Structural changes in policies to boost growth of the footwear industry.
b. Sustainable practices in disposal of hazardous waste and on different EHS practices.
c. Elimination of unfair labour practices including child labour in the footwear industry.

PRINCIPLE 8: BUSINESS SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

The Company from its very inception, has been involved with charities and a host of philanthropic and social activities. Recognizing communities and employees as the key success factors for business prosperity, the Company remains committed to their development. The CSR initiatives of the Company ensures its commitment to operate in an economically, socially and environmentally sustainable manner, in the best interest of all the stakeholders.

Model Schools - During the financial year ended March 31, 2019, the Company focused on 6 schools, touching over 3,000 children, adopted near its areas of operations under the Company's global programme called Bata Children's Programme (BCP). In its endeavor to develop these schools into model schools in a phase wise manner, it undertook various initiatives related to infrastructure upgradation, STEM programme by setting up science and computer labs, life skills programme, improving overall health of the children through regular health checkup camps and awareness sessions, sports activities, etc. Especially designed programme on female adolescent healthcare, health & sanitation, life skills, sports and sessions on female centered issues have been given a priority for the girl child population at these schools. Separate sessions have been held with the parents to encourage the education of girl child and various other issues relevant to the overall development of their children.

Girl Child Empowerment through Project Nanhi Kali - In association with K. C. Mahindra Education Trust, the Company supported education of 92 underprivileged girls under project Nanhi Kali. These girls go to Nanhi Kali academic support centres after school hours, where trained tutors engage these girls in concept based learning, focusing on Mathematics and English. Regular assessments and evaluation of these girls' learning levels is an integral part of the project along with efficient tracking of attendance. A school kit is provided to every girl annually, thereby allowing her to attend school with dignity. This kit consists of personal clothing, notebooks, stationery, a school bag, shoes, socks, a raincoat/pullover and feminine hygiene material. The team works extensively with parents and communities to sensitize them to become collective guardians of the girls.

Happy Steps Programme for School Children - As part of Preventive Healthcare, under the Happy Steps Programme of your Company, we are engaged with 11956 school children across Chennai, Bengaluru and Hyderabad to conduct foot care awareness workshops. Through activities, presentations and demonstrations, children were made aware on the importance of a healthy feet as the foundation of our body, on how to take care of the feet in our daily lives, foot hygiene, foot exercises, dealing with sports injuries, various foot diseases and how can we prevent them, dealing with diabetic feet, etc. A customized Bata school kit comprising of school socks, polish, laces, brush along with instructions to keep the feet healthy and clean were also distributed amongst the children during the workshops.

Stride with Pride - A consumer engagement programme named 'Stride with Pride', was also introduced, wherein customers were encouraged to donate their pair of old footwear across Bata stores at selected cities. For every pair of old footwear received, Bata donated a new pair to a needy child. The campaign covered 70 schools and 27 Bata stores in couple of cities through which we have received 20,634 old footwear. In order to reduce inequalities faced by socially & economically backward groups and as part of the preventive healthcare, your Company donated more than 85,000 pairs of footwear to the underprivileged children.

Disaster Relief & Rehabilitation - During Kerala floods, the Company, as part of the disaster relief and rehabilitation initiative, contributed generously to help the people in need of the hour. Rapid response teams of employees at respective regions were formed who travelled to relief camps, distributed basic essentials and footwear. Around 8,400 footwear were donated to the affected people in Kerala and at Coorg in Karnataka. Employees came forward to donate their one day's basic salary. The Company matched the employees donation and contributed around Rs.1.40 Million to Kerala Chief Minister's Distress Relief Fund. In association with NGO partners, the Company held medical camps in the affected regions to provide immediate and basic health services to the affected population and also focused on the prevention of epidemics in the region. With support from Global BCP Foundation, the Company is in the process to renovate 4 schools which got affected during Kerala floods.

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?**

The Company's CSR activities are undertaken by an internal dedicated team. The Company partners with Non-Governmental Organizations (NGOs), Government Institutions and well known Corporate Bodies for design and implementation of selected projects.

3. **Have you done any impact assessment of your initiative?**

The Company conducts periodic assessments for its projects under the CSR programmes. This includes baseline assessment and end-line surveys by the end of the project to assess the overall impact of the project. Continuous Monitoring and Evaluation (M & E) of the programmes take place throughout the year, which helps to improve the quality of the project and achieve maximum results to ensure benefits to the stakeholders.

For instance, in our school programmes, through our concentrated initiatives and extra-curricular activities, there has been an overall development of the children over a period of time. Children have become more regular to the school. There has been an increase of 12.50 % in the attendance of children attending the Computer Classes. At one school, after Bata's support, the number of children at the school increased from 90 to 214, dropout rate reduced from 38% to 2%, teachers are able to use child friendly teaching learning pedagogy which leads to better learning environment. With introduction of better teaching methodology, nutritious meals and better facilities, the academic performance amongst the children also improved noticeably.

Through our library programme, 74% of the students drastically improved in their reading skills and 67% of the students in their writing skills. As a result of the Science Centres established at the schools along with science workshops, children have improved in the ability to understand scientific concepts and application of the learned concepts; they have become more aware and curious to understand alternative methods of learning. There was also an improvement in the knowledge and awareness levels of the children on the issues of well-being, hygiene, sanitation, substance abuse, etc.

In the Nanhi Kali programme too, regular assessments and evaluation of the girls' learning levels is an integral part of the project along with efficient tracking of attendance. A school kit is provided to every girl annually, thereby allowing her to attend school with dignity. This kit consists of personal clothing, notebooks, stationery, a school bag, shoes, socks, a raincoat/pullover and feminine hygiene material. The Nanhi Kali team works extensively with parents and communities to sensitize them to become collective guardians of the girls.

4. **What is your Company's direct contribution to community development projects and the details of the projects undertaken:**

During the financial year ended March 31, 2019, the Company has spent a total amount of Rs. 64.24 Million towards various CSR projects as against the allocated budget of Rs. 58.07 Million. The details thereof have been provided in the "Annual Report on CSR Activities" as attached to the Board's Report. A brief summary thereof is as under:

Sl. No.	Focus Area	Amount (Rs. in Million)
1.	Promotion of education in schools	25.84
2.	Nanhi Kali - Girl Child Education	0.33
3.	Happy Steps Programme - Foot care awareness	1.87

Sl. No.	Focus Area	Amount (Rs. in Million)
4.	Stride with Pride campaign	32.74
5.	Promotion of Sports amongst the Youth	0.20
6.	Promotion of preventive healthcare and sanitation	1.34
7.	Promotion of employment enhancement skill development	0.71
8.	Disaster relief and rehabilitation during Kerala floods	1.21
	Total	**64.24**

Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Before initiating a community development project, a comprehensive base line survey is conducted to identify the local needs, stakeholder commitments and it also helps in creating a buy-in from the local communities. The Company believes in participatory approach while planning and implementing the community development initiatives. The Company's CSR projects at several locations are developed in consultation and participation with various stakeholders including the local communities. Each location has an independent programme implementation committee which ensures planning and implementation of projects, periodic reviews and information sharing with stakeholders. The local committees work under the overall guidance and framework defined by the corporate CSR Team of the Company.

PRINCIPLE 9: BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. **What percentage of customer complaints / consumer cases are pending as on the end of financial year.**

   During the year under review, the Company has ensured to address and resolve customer complaints / consumer cases amicably and has further strengthened its Customer Care Team and improvised the complaints redressal processes for speedy resolution of customer complaints. The Company has received 97822 customer / consumer complaints during the year under review and have resolved 97815 complaints amicably during the financial year 2018-19. Remaining 7 (0.01%) complaints lying pending at the end of financial year has since been resolved.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)**

   Considering the nature of product manufactured and sold by the Company, it is not necessary to display additional product information on the product labels.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No.

4. **Did your Company carry out any consumer survey / consumer satisfaction trends**?

   Yes, the Company has introduced a strong Customer Feedback Mechanism to capture the feedback about Customers' Shopping Experience (Net Promoter Score) through its various key retail stores, franchisee stores and e-commerce shopping experience.

REPORT ON CORPORATE GOVERNANCE

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

(1) COMPANY'S PHILOSOPHY

The Company strongly believes that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all the stakeholders. The Company always endeavours to carry its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs. The Company considers it absolutely essential to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country.

(2) BOARD OF DIRECTORS

COMPOSITION AND CATEGORY OF DIRECTORS

The Board of Directors of the Company is duly constituted under the Chairmanship of an Independent Director and comprises of four more Independent Directors, two Non-Executive Directors and three Executive Directors. The Board has an appropriate mix of knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner.

The Board of Directors meet at least once in every quarter and also as and when required. During the financial year ended March 31, 2019, four Board Meetings were held, i.e., on May 22, 2018; July 20, 2018; November 2, 2018 and February 12, 2019. Also, the Board of Directors passed 2 (two) resolutions by circulation, one on December 12, 2018 and on March 31, 2019.

The composition and category of each Director on the Board and their attendance at the Board Meetings and at the last Annual General Meeting (AGM) held on July 20, 2018 together with details of other Directorships and Committee Memberships are given below:

Name of the Director	Category of Director	Attendance at Meetings		Directorship / Committee Membership in Other Companies (including Bata India Limited)		Directorship in other listed entities (Names of the listed entities and the category of directorship)
		No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in Public Limited Companies*	No. of Committee Memberships / Chairpersonship**	
Mr. Uday Khanna	Chairman & Independent Non-Executive Director	4	Yes	5	7 (Chairman of 4)	1. Castrol India Limited- Independent Director 2. Pidilite Industries Limited- Independent Director 3. Pfizer Limited- Independent Director 4. Kotak Mahindra Bank Limited- Independent Director
Mr. Ravindra Dhariwal	Independent Non-Executive Director	4	Yes	5	3	1. Sheela Foam Limited- Independent Director 2. Future Retail Limited- Independent Director

Name of the Director	Category of Director	Attendance at Meetings		Directorship / Committee Membership in Other Companies (including Bata India Limited)		Directorship in other listed entities (Names of the listed entities and the category of directorship)
		No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in Public Limited Companies*	No. of Committee Memberships / Chairpersonship**	
Mr. Akshay Chudasama	Independent Non-Executive Director	4	Yes	5	5 (Chairman of 1)	1. Apollo Tyres Limited- Independent Director 2. Raymond Limited- Independent Director 3. Artemis Global Life Sciences Limited- Independent Director
Ms. Anjali Bansal	Independent Non-Executive Director	3	Yes	8	1	1. GlaxoSmithKline Pharmaceuticals Limited- Independent Director 2. Apollo Tyres Limited- Independent Director 3. The Tata Power Company Limited- Independent Director 4. Voltas Limited- Independent Director
Mr. Ashok Kumar Barat#	Independent Non-Executive Director	1	N.A.	7	7 (Chairman of 3)	1. Cholamandalam Financial Holdings Limited- Independent Director 2. DCB Bank Limited- Independent Director 3. Cholamandalam Investment and Finance Company Limited- Independent Director 4. Birlasoft Limited- Independent Director
Mr. Christopher Kirk$	Non-Executive Director	2	Yes	1	1	-
Mr. Shaibal Sinha	Non-Executive Director	4	Yes	1	1	-
Mr. Alberto Toni@	Non-Executive Director	1	N.A.	1	1	-
Mr. Rajeev Gopalakrishnan	Managing Director (Executive Director)	4	Yes	3	1	-
Mr. Sandeep Kataria	Whole-time Director and Chief Executive Officer (Executive Director)	4	Yes	4	0	-
Mr. Ram Kumar Gupta	Director Finance and Chief Financial Officer (Executive Director)	4	Yes	4	1	-

Notes:

* 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 Regulation 26(1)(b) of the Listing Regulations.

Appointed as an Additional and Independent Director with effect from December 17, 2018.

$ Resigned with effect from January 31, 2019.

@ Appointed as an Additional and Non-Executive Director with effect from February 12, 2019.

In compliance with the requirements of Schedule IV to the Companies Act, 2013 read with Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on May 22, 2018, where all the Independent Directors were present.

There is no inter-se relationship between the Directors of the Company.

APPOINTMENT AND TENURE OF THE DIRECTORS

The Directors of the Company are appointed by the Members at the General Meetings. Generally, the Managing Director and Whole-time Directors (Executive Directors) are appointed for a period of five years. Other than Managing Director and Independent Directors, not less than two-thirds of the total number of Directors are liable to retire by rotation, out of which one-third shall retire at every AGM and if eligible, may seek approval from the Members for their re-appointment.

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Independent Directors of the Company were appointed for a period of five years by the Members of the Company at the General Meetings.

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

As required under Regulation 25(8) of Listing Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations and confirmations received from the Independent Directors, the Board of Directors have confirmed that the Independent Directors of the Company meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 read with rules framed thereunder read with Regulation 16 of the Listing Regulations and that they are independent of the management.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Directors proposed to be appointed / re-appointed has been provided in the Notice convening the 86th AGM.

FAMILIARIZATION PROGRAMME 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 Programme for the Independent Directors has been adopted and implemented.

Once appointed, the Independent Directors undergo Familiarization Programme of the Company. Necessary information and supportive documents in respect of footwear industry, the regulatory environment under which the Company operates and Annual Reports of past financial years are provided to the Independent Directors. The Independent Directors visit the Corporate Office of the Company, manufacturing units, regional offices and also visit Company's Retail outlets and hold one-on-one discussions with Key Functional Heads of the Company to understand various functions which are critical to the 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 all Policies and Code of Conduct and Business Ethics adopted by the Board.

During the year under review, the Company conducted Familiarization Programmes for the Independent Directors of the Company. The details of such Programmes has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://www.bata.in/0/pdf/FamiliarizationProgramme_2018-19.pdf.

CODE OF CONDUCT

The Board of Directors of the Company has adopted a Code of Conduct for the Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads of the Company. The said Code of Conduct of the Company has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/0/pdf/BIL-CodeofConductforDirectors&SMPs.pdf.

SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The Board of directors of the Company comprise of eminent qualified professional members from the diverse fields, who have significant amount of skills / expertise / competencies and thus make valuable contributions to the Board. The collective contribution of the Board of Directors makes an overall impact which reflects in the performance of the Company.

In compliance with the Listing Regulations, the Board of Directors of the Company has identified the list of core skills / expertise / competencies of the Board of Directors in the context of the Company's business and its sector for effective functioning, which are currently available with the Board:

Marketing and Branding	Experience of accomplishing sales, understanding of market & consumers, contemporary marketing strategy, experience of international fashion trends, branding strategies, merchandising strategies and business promotion programmes.
Finance and Accounts	Leadership experience in handling financial management and risk management of large organisations. Experience in manufacturing sector accounting and foreign exchange management.
Merger and Acquisition	Experience in merger and acquisition strategies, negotiation of cross - border deals, ability to analyse future business opportunities and decide business combinations.
Diversified Leadership	Experience in leading well-governed large organisations, with an understanding of complex business and regulatory environment, accountability, strategic planning with future vision, having decision making capabilities and ability for innovation.
Product Knowledge, Business Strategies and Planning	Knowledge of product, understanding of diverse business environment, changing socio-economic conditions and regulatory framework. Experience in developing long-term strategies considering the product lifecycle, to develop business consistently, profitably, competitively and in a sustainable manner.
Regulatory Compliance, Governance and Stakeholders Management	Experience in developing governance practices, protecting and managing all stakeholders' interests in the Company, maintaining management accountability and building long-term effective stakeholder relationships.

(3) AUDIT COMMITTEE

The Board of Directors of the Company has constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 18 of the Listing Regulations. The Audit Committee of the Company meets every quarter, *inter alia*, to review the financial results for the previous quarter before the same are approved at Board Meetings, pursuant to Regulation 33 of the Listing Regulations. The Audit Committee may also meet from time to time, if required.

The Audit Committee has been vested, *inter alia,* with the following powers:

i. To investigate any activity within its terms of reference;
ii. To seek information from any employee;
iii. To obtain outside legal or other professional advice; and
iv. 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 auditors and the fixation of their audit fees.
c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
d. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
e. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
    - Changes, if any, in accounting policies and practices and reasons for the same.
    - Major accounting entries involving estimates based on the exercise of judgment by management.
    - Significant adjustments made in the financial statements arising out of audit findings.
    - Compliance with listing and other legal requirements relating to financial statements.
    - Disclosure of any related party transactions.
    - Modified Opinion(s), if any, in the draft audit report.
f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, if any, and making appropriate recommendations to the Board to take up steps in this matter;
g. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
h. Approval or any subsequent modification of transactions of the Company with related parties;
i. Scrutiny of inter-corporate loans and investments;
j. Valuation of undertakings or assets of the Company, wherever it is necessary;
k. Evaluation of internal financial controls and risk management systems;
l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
n. Discussion with internal auditors any significant findings and follow-up thereon;
o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, if any;
q. To look into the reasons for substantial defaults, if any, in making payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
r. To review the functioning of the Whistle Blower Mechanism;
s. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
t. 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.
u. Reviewing the utilization of loans and / or advances from / investment by the holding company in its subsidiary

exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

In addition, the Audit Committee also mandatorily 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.

Composition of the Committee, Meetings and Attendance

The Audit Committee consists of five Independent Directors and two Non-Executive Directors. The Audit Committee met four times during the financial year ended March 31, 2019, i.e., on May 22, 2018; July 20, 2018; November 2, 2018 and February 12, 2019. Mr. Ravindra Dhariwal, Chairman of the Audit Committee was present at the 85th AGM of the Company held on July 20, 2018. Mr. Dhariwal chaired all the Audit Committee Meetings held during the financial year ended March 31, 2019. Mr. Ashok Kumar Barat, Independent Director was appointed as a Chairman of the Audit Committee at the Board Meeting held on February 12, 2019.

The name and category of Directors as Members and their attendance at the aforesaid Audit Committee Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of Meetings attended
1.	Mr. Ashok Kumar Barat, *Chairman*#	Independent Director	-
2.	Mr. Uday Khanna	Independent Director	4
3.	Mr. Ravindra Dhariwal^	Independent Director	4
4.	Mr. Akshay Chudasama	Independent Director	4
5.	Ms. Anjali Bansal	Independent Director	3
6.	Mr. Christopher Kirk$	Non-Executive Director	2
7.	Mr. Shaibal Sinha	Non-Executive Director	4
8.	Mr. Alberto Toni@	Non-Executive Director	-

Appointed as Chairman of the Committee with effect from February 12, 2019.
^ Ceased to be Chairman of the Committee with effect from February 12, 2019.
$ Ceased to be Member of the Committee with effect from January 31, 2019.
@ Appointed as Member of the Committee with effect from February 12, 2019.

The Executive Directors, the Statutory Auditors, the Chief Internal Auditor and the Head of Finance are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

(4) NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company constituted a Nomination and Remuneration Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 19 of the Listing Regulations.

Terms of Reference

The terms of reference of the Committee includes 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 those who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

Composition of the Committee, Meetings and Attendance

The Nomination and Remuneration Committee consists of four Independent Directors and two Non-Executive Directors. Ms. Anjali Bansal, Independent Director, is the Chairperson of the Committee.

The Nomination and Remuneration Committee met two times during the financial year ended March 31, 2019, i.e., on May 22, 2018 and February 12, 2019. The Company Secretary acts as the Secretary to the Committee.

The name and category of Directors as Members and their attendance at the aforesaid Nomination and Remuneration Committee Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of Meetings attended
1.	Ms. Anjali Bansal, *Chairperson*	Independent Director	2
2.	Mr. Uday Khanna	Independent Director	2
3.	Mr. Ravindra Dhariwal	Independent Director	2
4.	Mr. Akshay Chudasama	Independent Director	2
5.	Mr. Christopher Kirk[$]	Non-Executive Director	-
6.	Mr. Shaibal Sinha	Non-Executive Director	2
7.	Mr. Alberto Toni[@]	Non-Executive Director	-

[$] Ceased to be Member of the Committee with effect from January 31, 2019.
[@] Appointed as Member of the Committee with effect from February 12, 2019.

The Chairperson of the Nomination and Remuneration Committee was present at the 85th AGM of the Company held on July 20, 2018. The Executive Directors and the Head of Human Resource are permanent invitees to the Meetings of the Nomination and Remuneration Committee.

Performance Evaluation of the Board, Committees and Directors

Your Company understands the requirements of an effective Board Evaluation process and accordingly conducts the Performance Evaluation every year in respect of the following:

i. Board of Directors as a whole.
ii. Committees of the Board of Directors.
iii. Individual Directors including the Chairman of the Board of Directors.

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January 2017, your Company has carried out a Performance Evaluation process internally for the Board / Committees of the Board / Individual Directors including the Chairman of the Board of Directors for the financial year ended March 31, 2019. During the year under review, the Company has complied with all the criteria of Evaluation as envisaged in the SEBI Circular on ‘Guidance Note on Board Evaluation’.

The key objectives of conducting the Board Evaluation process were to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company. Similarly the key objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to ascertain if the Directors actively participate in the Board / Committee Meetings and contribute to achieve the common business goals of the Company.

The Directors carry out the aforesaid Performance Evaluation in a confidential manner and provide their feedback on a rating scale of 1 - 5. Duly completed formats were sent to the Chairman of the Board and the Chairman / Chairperson of the respective Committees of the Board for their consideration. The Performance Evaluation feedback of the Chairman was sent to the Chairperson of the Nomination and Remuneration Committee.

This year also, the outcome of such Performance Evaluation exercise was discussed at a separate Meeting of the Independent Directors held on April 22, 2019 and was later tabled at the Nomination and Remuneration Committee Meeting held on May 24, 2019. The Nomination and Remuneration Committee forwarded their recommendation based on such Performance Evaluation Process to the Board of Directors and the same was tabled at the Board Meeting held on May 24, 2019.

After completion of internal evaluation process, the Board of Directors at its Meeting held on May 24, 2019, also discussed the Performance Evaluation of the Board, its Committees and individual directors. The performance evaluation of independent directors of the Company were done by the entire Board of Directors, excluding the independent directors being evaluated and after being satisfied with the outcome, it was noted that the Committees are working effectively. Based on the aforesaid Performance Evaluation process and on the recommendation of the Nomination and Remuneration Committee, your Board of Directors have proposed the re-appointment of Mr. Akshay Chudasama (DIN: 00010630) and Ms. Anjali Bansal (DIN: 00207746) as the Independent Directors of the Company for a second term of five (5) consecutive years at the ensuing AGM for the approval of the Members by way of special resolution(s).

(5) REMUNERATION TO DIRECTORS

Nomination and Remuneration Policy

In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs), Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Directors, KMPs and SMPs, remuneration paid / payable to them, Board diversity etc. The said policy has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://bata.in/0/pdf/Remuneration-Policy_2015.pdf.

Non-Executive Directors

The Board of Directors decides on the remuneration of the Non-Executive Directors in accordance with the provision of the Articles of Association of the Company and with the approval of the Members of the Company. Such remuneration is also in line with the Nomination and Remuneration Policy of the Company and in terms of the specific requirements under the Companies Act, 2013 and of the Listing Regulations.

Non-Executive Non-Independent Directors do not accept sitting fees and / or Commission on Net Profits of the Company. The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the year under review. Except Mr. Uday Khanna, no other Non-Executive Directors hold any share(s) in the Company.

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 is distributed among them after the AGM every year, in such proportion as determined by the Board on the recommendation of the Nomination and Remuneration Committee.

The details of sitting fees and Commission on Net Profits paid to the Independent Directors during the financial year ended March 31, 2019 and the number of Equity Shares held in the Company by the Independent Directors are also mentioned below:

Name of the Director	Sitting Fees paid (Rs. in Million)	Commission paid for the financial year March 31, 2018 (Rs. in Million)	No. of Shares held
Mr. Uday Khanna	0.70	2.65	10000
Mr. Ravindra Dhariwal	0.85	1.32	-
Mr. Akshay Chudasama	0.70	1.32	-
Ms. Anjali Bansal	0.45	1.32	-
Mr. Ashok Kumar Barat#	0.05	-	-

Appointed with effect from December 17, 2018.

Executive Directors

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

(Rs. in Million)

Name of the Director	Salary	Performance Linked Incentive	Perquisites
Mr. Rajeev Gopalakrishnan, *Managing Director*	36.39	14.20	2.63
Mr. Sandeep Kataria *Whole-time Director and Chief Executive Officer*	27.33	5.08	1.49
Mr. Ram Kumar Gupta *Director Finance and Chief Financial Officer*	20.73	4.02	0.17

Performance Linked Incentive is determined by the Nomination and Remuneration Committee of the Board based on the overall business performance of the Company. As the liabilities for Gratuity and Leave Encashment are provided on actuarial basis by the Company as a whole, these amounts pertaining to the Directors are not included above. Remuneration and perquisites of the Executive Directors as detailed above, also include retirement benefits and 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. These 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(s) 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 any Stock Options Scheme for its Directors or employees.

(6) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors of the Company constituted a Stakeholders Relationship Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 20 of the Listing Regulations.

The Stakeholders Relationship Committee consists of two Executive Directors and an Independent Director. Mr. Uday Khanna, an Independent Director, is the Chairman of the Committee.

The Committee met three times during the financial year ended March 31, 2019, i.e., on May 22, 2018; November 2, 2018 and February 12, 2019. The Company Secretary acts as the Secretary to the Committee.

The name and category of Directors as Members and their attendance at the Stakeholders Relationship Committee Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of Meetings attended
1.	Mr. Uday Khanna, *Chairman*	Independent Director	3
2.	Mr. Rajeev Gopalakrishnan	Executive Director	3
3.	Mr. Ram Kumar Gupta	Executive Director	3

The Chairman of the Stakeholders Relationship Committee was present at the 85th AGM of the Company held on July 20, 2018. Mr. Arunito Ganguly, Company Secretary is the Compliance Officer of the Company.

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive 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 actions 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 complaints were lying unresolved as on March 31, 2019 under 'SCORES'.

It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2019 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc., received upto March 31, 2019 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares of the Company through National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL).

Nature of complaints received and resolved during the financial year ended March 31, 2019:

Sl. No.	Subject matter of Complaints	Complaints pending as on April 1, 2018	Complaints Received during the financial year ended March 31, 2019	Complaints Redressed upto March 31, 2019	Complaints pending as on March 31, 2019
1.	Non-receipt of Dividend	1	4	4	1
2.	Transfer / Transmission of Shares	0	2	2	0
3.	Dematerialization / Re - materialization of Shares	0	1	1	0
4.	Others	0	7	7	0
TOTAL		**1**	**14**	**14**	**1**

It is also confirmed that one (1) investor complaint lying pending as on March 31, 2019 as indicated above have since been resolved.

(7) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board in terms of the requirements of Section 135 of the Companies Act, 2013 and Rules framed thereunder. The CSR Committee consists of two Independent Directors and two Executive Directors. Mr. Akshay Chudasama, an Independent Director, is the Chairman of the Committee.

The CSR Committee met three times during the financial year ended March 31, 2019, i.e., on May 22, 2018; November 2, 2018 and February 12, 2019. The Company Secretary acts as the Secretary to the Committee.

The name and category of Directors as Members and their attendance at the CSR Committee Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of Meetings attended
1.	Mr. Akshay Chudasama, *Chairman*	Independent Director	3
2.	Mr. Ravindra Dhariwal	Independent Director	3
3.	Mr. Rajeev Gopalakrishnan	Executive Director	3
4.	Mr. Ram Kumar Gupta	Executive Director	3

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 Head of Human Resource is in place to implement, monitor and report CSR activities undertaken by the Company from time to time.

(8) RISK MANAGEMENT COMMITTEE

The Board of Directors constituted a Risk Management Committee where majority of Members of the Committee consists of Members of the Board of Directors including one Independent Director. Mr. Rajeev Gopalakrishnan, Managing Director is the Chairman of the Risk Management Committee. In addition to the Directors, some of the Key Senior Management Personnel are also Members of this Committee.

Based on the recommendation of the Audit Committee, the Board of Directors has adopted a Risk Management Policy of the Company. In terms of the Risk Management Policy, Risk Inventory Reports prepared by the Management Committee are circulated to the Directors of the Company in order to keep them informed about the risk assessment and risk mitigation processes. The Risk Inventory Report is presented to the Audit Committee Meetings for review on quarterly basis. Based on recommendations and advice of the Committee, necessary action is taken to mitigate potential risks of the Company. The Risk Management Committee makes assessment of the potential risks and concern for the Company as well as suggests the best course of action to mitigate and avoid such risks.

The Committee met two times during the financial year ended March 31, 2019, i.e., on May 22, 2018 and November 2, 2018. The Company Secretary acts as the Secretary to the Committee.

The name and category of Directors as Members along with other Members and their attendance at the Risk Management Committee Meetings are detailed below:

Sl. No.	Name of the Member	Category	No. of Meetings attended
1.	Mr. Rajeev Gopalakrishnan, *Chairman*	Executive Director	2
2.	Mr. Ravindra Dhariwal	Independent Director	2
3.	Mr. Sandeep Kataria	Executive Director	2
4.	Mr. Ram Kumar Gupta	Executive Director	2
5.	Mr. Christopher Kirk[$]	Non-Executive Director	1
6.	Mr. Alberto Toni[@]	Non-Executive Director	-
7.	Mr. Sanjay Kanth	Senior Vice President - Manufacturing & Sourcing	1
8.	Mr. Vikas Baijal	Senior Vice President - Human Resource	2
9.	Mr. Vinod Kumar Mangla	Chief Internal Auditor	2

[$] Ceased to be Member of the Committee with effect from January 31, 2019.
[@] Appointed as Member of the Committee with effect from February 12, 2019.

(9) GENERAL BODY MEETINGS

(a) The last three AGMs were held as under:

Financial Year ended	Day & Date	Time	Venue
March 31, 2018	Friday, July 20, 2018	10:00 a.m.	'Kalamandir', 48, Shakespeare Sarani, Kolkata - 700017
March 31, 2017	Tuesday, July 18, 2017	10:00 a.m.	
March 31, 2016	Thursday, August 4, 2016	10:00 a.m.	

(b) Details of Special Resolutions passed in the previous three AGMs:

Date of AGM	Details of the Special Resolutions passed
July 20, 2018	To appoint Mr. Sandeep Kataria (DIN: 05183714) as the Whole-time Director and Chief Executive Officer of the Company and fixation of his remuneration.
July 18, 2017	No Special Resolution was passed at the 84th AGM of the Company.
August 4, 2016	(i) Re-appointment of Mr. Rajeev Gopalakrishnan as the Managing Director of the Company for a period of five consecutive years with effect from February 23, 2016 and fixation of his remuneration.
	(ii) Appointment of Mr. Ram Kumar Gupta, as a Whole-time Director of the Company designated as Director Finance and Chief Financial Officer of the Company for a period of five consecutive years with effect from August 19, 2015 and fixation of his remuneration.

(c) No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2019.

(d) No Resolution was passed during the financial year ended March 31, 2019 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder.

(e) The Company does not propose to conduct any Special Resolution through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder on or before the forthcoming AGM.

(10) MEANS OF COMMUNICATION

Financial Results: Prior intimation of the Board Meeting to consider and approve Unaudited / Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at *www.bata.in*. The aforesaid Financial Results are immediately intimated to the Stock Exchanges, after the same are approved at the Board Meeting. The Annual Audited Financial Statements are sent to every Member of the Company in the prescribed manner. In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and The Calcutta Stock Exchange Limited (CSE) viz., BSE Listing Centre, NSE Electronic Application Processing System (NEAPS) and Compliance uploader on CSE's website, respectively.

Newspapers: The Financial Results of the Company are published in widely circulated daily Newspapers, *viz*., "The Economic Times" (English) and in the "Ei Samay" (Bengali).

Website: The website of the Company *www.bata.in* contains a dedicated section "Investor Relations" which contains details / information of interest to various stakeholders, including Financial Results, Shareholding Pattern, Press Releases, Company Policies, etc. The Members / Investors can view the details of electronic filings done by the Company on the respective websites of BSE and NSE i.e., www. bseindia.com and www.nseindia.com.

Press / News Releases: Official Press Releases including Press Release on Financial Results of the Company are sent to the Stock Exchanges and the same are simultaneously hosted on the website of the Company.

Presentations to institutional investors / analysts: All price sensitive information is promptly intimated to the Stock Exchanges before releasing to the media, other stakeholders and uploading on Company's website.

(11) RELATED PARTY TRANSACTIONS

Prior approval of the Audit Committee is obtained for all Related Party Transactions of the Company. During the financial year ended March 31, 2019, 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 Transactions Policy pursuant to the requirements of Section 188 of the Companies Act, 2013 and Rules framed thereunder and Regulation 23 of the Listing Regulations. The said Related Party Transactions Policy has been uploaded on the website of the Company at *www.bata.in* and is available at the link https://www.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 financial year ended March 31, 2019 (both standalone and consolidated basis) as included in this Annual Report.

(12) SUBSIDIARY COMPANIES

The Company has three wholly owned subsidiaries *viz.,* Bata Properties Limited, Coastal Commercial & Exim Limited and Way Finders Brands Limited. None of these subsidiaries are 'Material Subsidiaries' within the meaning of Regulation 16(c) of the Listing Regulations.

The Audit Committee of the Company reviews the financial statements of these unlisted subsidiaries at periodic intervals. The Minutes of the Board Meetings of these unlisted subsidiaries are placed at the Board Meeting of the Company on quarterly basis. All significant transactions and arrangements, if any, entered into by the unlisted subsidiaries are periodically reported to the Board of Directors. These unlisted subsidiaries have not made any investment during the year under review. The Board of Directors of the Company shall, if required, formulate a policy for determining 'Material Subsidiary' as and when considered appropriate in the future.

(13) GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting

The 86th Annual General Meeting (AGM) of the Company will be held at 'KALAMANDIR', 48, Shakespeare Sarani, Kolkata - 700017 on Friday, August 2, 2019 at 10:00 a.m.

(b) Financial Year

The Financial Year of the Company is from 1st April to 31st March.

Financial Calendar [Current Financial Year 2019-20]	Tentative Dates
First Quarter Financial Results (June 30, 2019)	By mid-August 2019
Second Quarter Financial Results (September 30, 2019)	By mid-November 2019
Third Quarter Financial Results (December 31, 2019)	By mid-February 2020
Fourth Quarter & Annual Audited Financial Results of the current Financial Year (March 31, 2020)	By end of May 2020

(c) **Book Closure:** Wednesday, July 24, 2019 to Friday, August 2, 2019 (both days inclusive).

(d) **Dividend Payment Date:** Dividend for the financial year ended March 31, 2019, if approved, at the AGM, shall be paid from Wednesday, August 14, 2019 onwards.

(e) Listing of Equity Shares on the Stock Exchanges with Stock Code: The Equity Shares of the Company are listed on the following Stock Exchanges:

i) **The Calcutta Stock Exchange Limited (CSE)**
7, Lyons Range, Kolkata - 700001
[CSE Scrip Code: 10000003]

ii) **BSE Limited (BSE)**
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
[BSE Security Code: 500043]

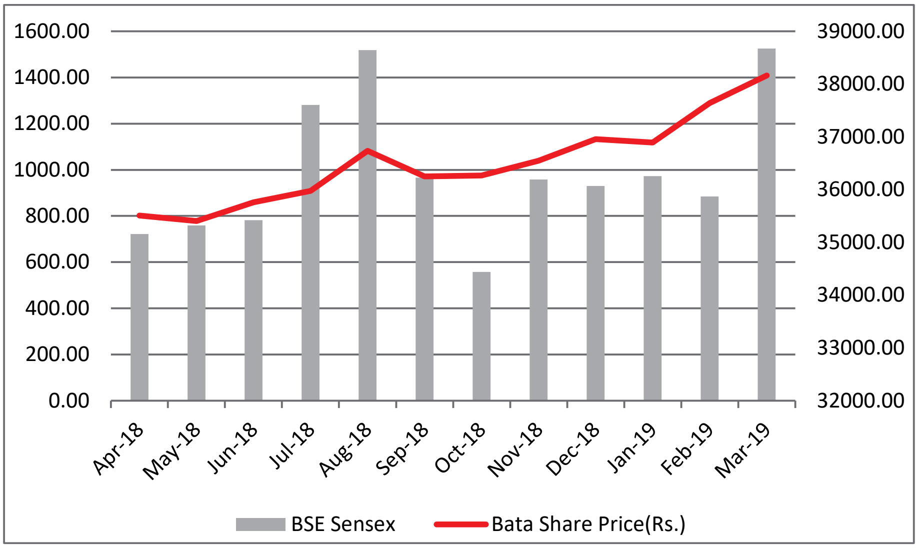
iii) **National Stock Exchange of India Limited (NSE)**
Exchange Plaza,
Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (E), Mumbai - 400051
[NSE Symbol: BATAINDIA]

The annual listing fees for the financial years 2018-19 and 2019-20 have been paid to all these Stock Exchanges.

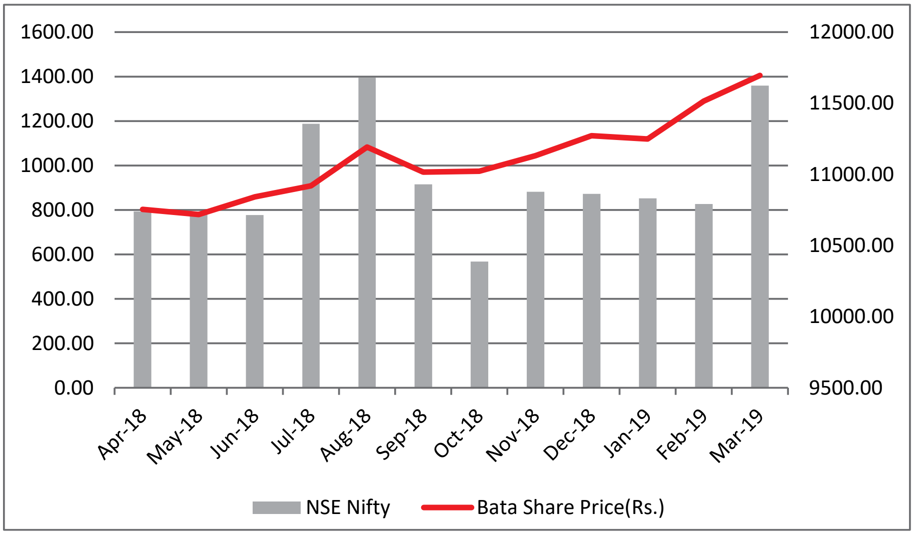
(f) Stock Market Performance

Month & Year	B S E			N S E		
	High (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
April 2018	815.45	732.05	934884	816.70	731.35	16095112
May 2018	807.55	735.50	884901	807.00	735.30	16031953
June 2018	862.65	740.00	1385189	864.60	739.20	25400464
July 2018	932.00	813.05	1786143	931.50	813.10	28419121
Aug 2018	1116.00	908.05	1564141	1115.70	907.10	25293504
Sept 2018	1097.45	933.35	825373	1098.50	930.50	17175375
Oct 2018	989.00	833.50	1393192	983.00	833.10	25410639
Nov 2018	1045.00	943.75	1147033	1049.90	943.65	21173902
Dec 2018	1145.80	1006.95	1265228	1144.90	1000.55	20668974
Jan 2019	1177.00	1081.05	713921	1177.75	1080.75	13260966
Feb 2019	1328.90	1117.10	1505400	1329.90	1115.65	27540869
Mar 2019	1425.65	1271.90	1056549	1427.15	1271.25	17261817

Note: During the financial year ended March 31, 2019, there was no trading in the equity shares of the Company at CSE.



Bata India Limited Share Price vs BSE Sensex



Bata India Limited Share Price vs NSE Nifty

(g) **Registrar and Share Transfer Agent (RTA):** The Company has engaged the services of M/s. R & D Infotech Private Limited, 7A, Beltala Road, 1st Floor, Kolkata - 700026 w.e.f. January 1, 2007, for processing the transfers, transmission, sub-division, consolidation, splitting of shares, etc. and to process the Members' requests for dematerialization and / or re-materialization of shares.

(h) **Share Transfer System:** The Board has delegated the powers of share operations to a Committee comprising of Mr. Ram Kumar Gupta, Director Finance and Chief Financial Officer, Mr. Arunito Ganguly, Assistant Vice President, Company Secretary & Compliance Officer and Mr. Jyotirmoy Banerjee, Investor Relations Manager. The Committee generally meets once in a week to approve, *inter alia*, the requests for transfer and transmission of shares. There are no pending transfer of shares as on March 31, 2019.

Documents and Share Certificates lodged by the Members / Investors are verified and entered in relevant Registers by the RTA in consultation with the Company.

In compliance with the provisions of Regulation 40(9) of the Listing Regulations, a Practicing Company Secretary conducts Audit of the Share Operations System of the Company maintained at the office of the RTA. The Company endeavours to implement the suggestions / recommendations of the Auditors to the extent possible.

(i) **Member's / Investor's Complaints:** The Company and the RTA attend to the Member's / Investor's Complaints within the minimum possible time not exceeding 7 days to 15 days and steps have been taken to resolve the same within the statutory time limit except in disputed cases or cases involving legal issues, etc.

A Practicing Company Secretary conducts quarterly audit of the records maintained by the Company/ RTA and submits quarterly Audit Report to the Company. The said audit report is placed before the Board of Directors of the Company at the next Board Meeting.

The Company has received certificates from the Stock Exchanges (NSE / BSE / CSE) confirming that there were no pending complaints as on March 31, 2019 in the records of the Stock Exchanges.

(j) **Dematerialization of Shares and Liquidity:** Since the equity shares of the Company are compulsorily traded in dematerialized mode, the members are advised to hold their shares in dematerialized mode with any Depository Participants (DPs) registered with NSDL and / or CDSL. Requests for dematerialization of shares should be sent directly by the DPs concerned to the RTA, M/s. R & D Infotech Private Limited at 7A, Beltala Road, 1st Floor, Kolkata - 700026 for further processing. In case of 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, the said DRF will be rejected / cancelled. This is being done to ensure that no demat requests remain pending with the RTA beyond a period of 21 days from submission of DRF. Members / Investors should, therefore, ensure that their DPs do not delay in sending the DRF and relevant Share Certificates to the RTA immediately after generating the DRN. The International Securities Identification Number (ISIN) assigned to the Equity Shares of the Company under the Depository System is INE176A01028 and the Shares of the Company are frequently traded at the BSE and NSE.

As on March 31, 2019, 99.05% of the total paid-up share capital of the Company representing 127313171 Equity Shares is held in dematerialized mode. The balance 0.95% paid-up share capital representing 1214369 Equity Shares is 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 entire Promoters' shareholding representing 52.96% of the paid-up share capital is held in dematerialized mode.

During the financial year ended March 31, 2019, total 1191 requests for dematerialization of 306981 equity shares of the Company (0.24% of the paid-up equity share capital) were received and processed successfully.

(k) Distribution of Shareholding as on March 31, 2019

Range of Shares	No. of Shareholders	No. of Shares
1 - 5000	122532	14400264
5001 - 10000	147	1075498
10001 - 50000	135	3085291
50001 - 100000	51	3638972
100001 and Above	91	106327515
Total	**122956**	**128527540**

(l) Shareholding Pattern as on March 31, 2019

Sl. No.	Category	No. of Shareholders	No. of Shares	% of Paid-up Share Capital
1.	**Promoter Shareholding**			
(i)	Indian Promoter	-	-	-
(ii)	Foreign Promoter	1	68065514	52.96
Total Promoters Shareholding (A)		**1**	**68065514**	**52.96**
2.	**Public Shareholdings**			
(i)	Resident Individual	118922	15177880	11.80
(ii)	Domestic Companies	1476	2368255	1.84
(iii)	N.R.I.	2216	598939	0.47
(iv)	Mutual Fund	103	21631476	16.83
(v)	Financial Institutions / Banks	29	317323	0.25
(vi)	Insurance Companies	23	5796251	4.51
(vii)	F.I.I.	182	14312818	11.14
(viii)	Directors	3	10156	0.01
(ix)	IEPF Authority	1	248928	0.19
Total Public Shareholding (B)		**122955**	**60462026**	**47.04**
Total (A)+(B)		**122956**	**128527540**	**100.00**

(m) Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity: The Company does not have any outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments as on March 31, 2019.

(n) Factory Locations: The Company's factories are located at the following places:

- Batanagar, Kolkata, West Bengal.
- Bataganj, Patna, Bihar.
- Peenya Industrial Area, Bengaluru, Karnataka.
- Batashatak, Hosur, Tamil Nadu.

(o) Credit Rating

During the financial year ended March 31, 2019, ICRA Limited (ICRA) has reaffirmed the Credit Rating of '[ICRA] AA+' (pronounced as ICRA double A plus) for the Non-Fund Based Facilities of the Company. The outlook on the Long Term Rating is 'Stable'.

(p) Address for Correspondence

(i) **BATA INDIA LIMITED**

Registered Office
27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal

Telephone No.	:	(033) 2301 4400
Fax No.	:	(033) 2289 5748
E-mail id	:	corporate.relations@bata.com

Contact Persons

Mr. Arunito Ganguly	:	Assistant Vice President, Company Secretary & Compliance Officer
E-mail Id	:	arunito.ganguly@bata.com
Mr. Jyotirmoy Banerjee	:	Investor Relations Manager (Designated Nodal Officer for IEPF)
E-mail id	:	share.dept@bata.com

(ii) **REGISTRAR AND SHARE TRANSFER AGENT (RTA)**

M/s. R & D Infotech Private Limited
Unit: Bata India Limited
7A, Beltala Road, 1st Floor, Kolkata - 700026, West Bengal

Telephone Nos.	:	(033) 2419 2641 / 2642
Fax No.	:	(033) 2419 2642
E-mail id	:	bata@rdinfotech.net / info@rdinfotech.net
Contact Person	:	Mr. Ratan Kumar Mishra, Director

(14) OTHER DISCLOSURES

No Non - Compliance during last three years

There has been no instance of non-compliances by the Company on any matter related to capital markets during the last three years. No penalty / stricture have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on such matters.

Vigil Mechanism

The Company has established an effective Vigil Mechanism System and a Vigil Mechanism Committee under the Chairmanship of the Audit Committee Chairman is also in place. The Board of Directors has amended the existing Whistle Blower Policy and adopted the revised Whistle Blower Policy, effective from April 1, 2019. No person has been denied access to the Audit Committee.

Details of Mandatory and Non-Mandatory Corporate Governance Requirements

The Quarterly / Yearly 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 frame and the same are also uploaded on the Company's website at *www.bata.in*. The Company has complied with all the mandatory requirements to the extent applicable to the Company.

Certificate from Practicing Company Secretary

A certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, has been received from Mr. Pawan Kumar Sarawagi of M/s. P. Sarawagi & Associates, Company Secretaries.

Details of utilization of funds raised

No funds were raised by the Company through preferential allotment or qualified institutions placement.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any commodity price risk exposure hedged through commodity derivatives.

During the financial year ended March 31, 2019, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against imports. The details of financial risk management is disclosed in Note No. 39 to the Notes to the Financial Statements for the financial year ended March 31, 2019.

Disclosure in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder

In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the number of complaints received during the financial year 2018-19 along with their status of redressal as on financial year ended March 31, 2019 are as under:

No. of complaints filed during the financial year 2018-19	2
No. of complaints disposed of during the financial year 2018-19	2
No. of complaints pending redressal as on March 31, 2019	NIL

Payment made to the Statutory Auditors

During the financial year ended March 31, 2019, the total fees paid by the Company to M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), the Statutory Auditors, on a consolidated basis towards the services availed by the Company aggregates to Rs. 7.18 Million.

Discretionary Corporate Governance Requirements

In terms of Regulation 27(1) of the Listing Regulations read with Schedule II to the said Regulations, the disclosure on account of the extent to which the discretionary requirements as specified in Part E of Schedule II are given below:

(a) The Chairman does not maintain any office at the expense of the Company;

(b) In view of publication of the Financial Results of the Company in newspapers having wide circulation and disseminating the same on the website of the Company as well as on the website of the Stock Exchanges, the Company does not consider it prudent to circulate the half-yearly results separately to the Shareholders;

(c) The Company's Financial Statements have been accompanied with unmodified audit opinion - both on quarterly and yearly basis and also both on standalone and consolidated basis;

(d) The Chairman, Managing Director and Chief Executive Officer (CEO) of the Company are three different individuals; and

(e) The Chief Internal Auditor of the Company reports directly to the Audit Committee and is a permanent invitee to all the Audit Committee Meetings. In addition, he is also a Member of the Risk Management Committee of the Company.

(15) ANNUAL DECLARATION BY THE CHIEF EXECUTIVE OFFICER (CEO)

I do hereby declare that pursuant to Schedule V(D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2019.

Sandeep Kataria
Chief Executive Officer (CEO)
DIN: 05183714

(16) CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The following certificate was placed at the Board Meeting held on May 24, 2019.

We, Sandeep Kataria, Whole-time Director and Chief Executive Officer (CEO) and Ram Kumar Gupta, Director Finance and Chief Financial Officer (CFO) of Bata India Limited, to the best of our knowledge and belief certify that:

A. We have reviewed financial statements for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2019 which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.

D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee that:
   (i) there has not been any significant changes in internal control over financial reporting during the financial year ended March 31, 2019;
   (ii) there has not been significant changes in accounting policies during the financial year ended March 31, 2019, except to the extent, if any, disclosed in the notes to the financial statements; and
   (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal control system over financial reporting.

	Sandeep Kataria	**Ram Kumar Gupta**
Place : Gurugram	**Whole-time Director and CEO**	**Director Finance and CFO**
Date : May 24, 2019	DIN: 05183714	DIN: 01125065

(17) CORPORATE GOVERNANCE COMPLIANCE

The Company has duly complied with the requirements laid down in the provisions of the Listing Regulations for the purpose of ensuring Corporate Governance. A certificate to this effect obtained from M/s. B S R & Co. LLP, Chartered Accountants, the Auditors of the Company, has been attached to this Annual Report.

For and on behalf of the Board of Directors

UDAY KHANNA
Chairman
DIN: 00079129

Place : Gurugram
Date : May 24, 2019

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members of Bata India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 2 April 2019 read with addendum to this engagement letter dated 29 April 2019.
2. This certificate contains details of compliance of conditions of Corporate Governance by Bata India Limited ('the Company') for the year ended 31 March 2019 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchange.

Management's Responsibility

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2019.
5. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

Restriction on Use

9. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W- 100022

Adhir Kapoor
Partner
Membership No.: 098297
ICAI UDIN Number: 19098297AAAAAN7175

Place : Gurugram
Date : 24 May, 2019

FINANCIAL HIGHLIGHTS FROM 2009 TO 2018-19

(Rs. In millions)

	2009	2010	2011	2012
PROFIT & APPROPRIATIONS				
Sales & Other Income	11,210.11	12,923.42	16,959.91	19,017.06
Profit before Depreciation, Tax & Prior Period Items	1,281.87	1,755.08	3,605.04	3,033.39
Depreciation	279.23	325.10	411.01	513.75
Profit before Tax & Prior Period Items	1,002.63	1,429.97	3,194.03	2,519.64
Taxation	330.36	476.45	935.64	803.61
Profit after Tax & Prior Period Items	672.27	953.52	2,258.39	1,716.03
Prior Period Items	-	-	-	-
Net Profit	672.27	953.52	2,258.39	1,716.03
Dividend & Dividend Distribution Tax	225.56	299.00	447.14	448.13
Retained Earnings	446.72	654.52	1,811.25	1,267.90
ASSETS EMPLOYED				
Fixed Assets - Gross	3,754.87	4,178.77	5,084.40	5,793.97
- Net	1,309.17	1,534.39	2,270.66	2,594.66
Investments	172.48	172.48	48.51	48.51
Net Current Assets	2,096.40	2,413.23	3,423.89	3,482.26
Other Non Current Assets (Includes DTA & Long term loans & advances)	-	-	-	1,438.97
	3,578.06	**4,120.11**	**5,743.05**	**7,564.40**
FINANCED BY				
Equity Shares	642.64	642.64	642.64	642.64
Reserves	2,684.93	3,339.73	5,100.42	6,360.66
Shareholder's Funds	3,327.57	3,982.37	5,743.05	7,003.30
Loan Funds	250.49	137.74	-	-
Non-current liabilities	-	-	-	561.10
	3,578.06	**4,120.11**	**5,743.05**	**7,564.40**

** All figures are as per Ind AS*

(Rs. In millions)

2013	Fifteen months ended 31.03.2015	2015-16*	2016-17*	2017-18*	2018-19*
21,297.54	27,808.31	24,753.15	25,438.87	26,871.62	29,969.87
3,418.21	4,079.01	3,754.50	2,985.81	4,004.34	5,422.81
591.97	792.34	788.01	650.05	604.21	640.16
2,826.24	3,286.68	2,966.49	2,335.75	3,400.14	4,782.65
918.81	974.96	790.54	748.28	1,164.36	1,486.05
1,907.43	2,311.72	2,175.95	1,587.48	2,235.78	3,296.60
-	-	-	-	-	-
1,907.43	2,311.72	2,175.95	1,587.48	2,235.78	3,296.60
491.68	488.70	502.75	541.42	541.42	619.79
1,415.75	1,823.02	1,673.20	1,046.06	1,694.36	2,676.81
6,252.34	7,436.45	3,987.87	4,338.22	4,997.50	5,844.07
2,699.42	3,548.56	3,211.50	2,957.86	3,065.76	3,318.19
48.51	49.51	49.51	49.51	49.51	49.51
4,590.48	4,961.96	7,424.54	8,562.30	9,873.62	12,078.83
1,864.35	2,639.02	2,564.01	2,722.84	2,857.57	3,043.98
9,202.76	**11,199.05**	**13,249.56**	**14,292.53**	**15,846.46**	**18,490.51**
642.64	642.64	642.64	642.64	642.64	642.64
7,767.37	9,578.81	11,578.21	12,610.17	14,144.50	16,822.69
8,410.01	10,221.45	12,220.85	13,252.81	14,787.14	17,465.33
-	-	-	-	-	-
792.75	977.60	1,028.71	1,039.71	1,059.32	1,025.17
9,202.76	**11,199.05**	**13,249.56**	**14,292.53**	**15,846.46**	**18,490.50**

SIGNIFICANT RATIOS FROM 2009 TO 2018-19
(Rs. In millions)

				2009	2010
MEASURES OF INVESTMENTS					
Return on Equity		Profit after Tax / Shareholders' Funds	(%)	20.20	23.94
Earnings per Share****		Net Profit / No. of Shares	(Rs.)	5.23	7.42
Dividend Cover			(times)	3.49	3.71
Dividend			(%)	30.00	40.00
Book Value of an Equity Share****		Shareholders' Funds / No. of Shares	(Rs.)	25.89	30.98
MEASURES OF PERFORMANCE					
Profitability	a)	Profit before Tax / Sales	(%)	9.01	11.20
	b)	Profit after Tax / Sales	(%)	6.04	7.47
Capital Turnover		Sales / Total Funds	(times)	3.11	3.10
Stock Turnover		Sales / Stocks	(times)	4.01	4.27
Working Capital Turnover		Sales / Net Current Assets	(times)	5.31	5.29
MEASURES OF FINANCIAL STATUS					
Debt Equity Ratio		Loan Funds / Shareholders' Funds	(times)	0.08:1	0.03:1
Current Ratio		Current Assets / Current Liabilities	(times)	1.72:1	1.53:1
Fixed Assets to Shareholders' Funds		Net Fixed Assets / Shareholders' Funds	(times)	0.39:1	0.39:1

* Without Considering Prior Period Items
** Without considering Gains from Surplus Property Development
***All ratios are calculated as per IND AS
****Calculated based on Equity Shares of Rs. 5/- each, as sub-divided w.e.f. October 8, 2015.

(Rs. In millions)

2011	2012	2013	Fifteen months ended 31.03.2015	2015-16***	2016-17***	2017-18***	2018-19***
24.74**	24.50	22.68	19.37**	14.29**	11.98	15.12	18.88
11.06**	13.35	14.84	15.40**	13.59**	12.35	17.40	25.65
3.68**	4.45	4.57	4.74**	3.88**	3.53	4.35	4.10
60.00	60.00	65.00	65.00	70.00	70.00	80.00	125.00
44.69	54.49	65.43	79.53	95.08	103.11	115.05	135.89
13.42**	13.46	13.47	10.79**	10.36**	9.35	12.90	16.33
9.08**	9.17	9.09	7.23**	7.13**	6.36	8.48	11.26
2.73	2.67	2.50	2.68	2.00	1.88	1.78	1.68
4.00	4.05	3.60	3.88	3.61	3.54	3.46	3.49
4.57	5.38	4.57	5.52	3.30	2.92	2.67	2.42
-	-	-	-	-	-	-	-
2.00:1	1.93:1	1.99:1	1.96:1	2.83:1	2.74:1	2.76:1	2.92:1
0.40:1	0.37:1	0.32:1	0.35:1	0.26:1	0.22:1	0.21:1	0.19:1

INDEPENDENT AUDITOR'S REPORT

To the Members of Bata India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Bata India Limited ("the Company"), which comprises the standalone balance sheet as at 31 March 2019 and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019 and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Description of Key Audit Matter-

Completeness, existence and accuracy of Revenue Recognition **See note 18 to the standalone financial statements**	
Key audit matters	**How the matter was addressed in our audit**
The Company's major part of revenue relates to retail sales which comprises of high volumes of individually small transactions recorded in the books through journals. Revenue from the sale of goods is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. Since revenue comprises of high volumes of individually small transactions, the process of summarizing and recording sales revenue is critical with regard to the completeness, existance and accuracy of retail sales revenue.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: A) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to the recognition of revenue, including those related to the reconciliation of sales records to cash / credit card / online receipts, preparation, posting and approval of manual journal entries relating to revenue recognition. B) Testing the accuracy of retail revenue recorded during the year by examining that the sale of goods transactions are in agreement with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank remittances, on sample basis. C) Testing whether the sales have been recorded in the correct period by selecting samples of reconciliation between sales transactions and cash / credit card / online and agreeing those reconciliations through supporting documentation. D) Performing on a test basis cash counts at selected stores and examining whether the cash balances are in agreement with the cash receipts reported in the daily collection report. E) Obtaining reconciliation of retail sales as per books of account with the sales as per Indirect tax records and inquire about reasons for differences, if any. F) Performing an analysis of the manual journal entries passed during the year.

Existence and Valuation of Inventories See note 8 to the standalone financial statements	
Key audit matters	**How the matter was addressed in our audit**
The Company's major part of inventory comprises finished goods which are geographically spread across multiple locations such as retail stores, depots and factories. These inventories are counted by the Company on a cyclical basis and accordingly provision for obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period. The Company manufactures and sells goods which may be subject to changing consumer demands and fashion trends. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment include management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell. Based on above, existence and valuation of inventories has been identified as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: A) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Company, identification of obsolete and slow moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values. B) Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket; C) Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2018 during the current year to assess the historical accuracy of management's inventory provisioning process; D) Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end. E) Attending cyclical inventory counts at selected stores, factories, retail distribution centers and wholesale distribution centres twice during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Adhir Kapoor
Partner
Membership No.: 098297

Place : Gurugram
Date : 24 May 2019

Annexure A referred in the Independent Auditor's Report to the Members of Bata India Limited on the standalone Ind AS financial statements for the year ended 31 March 2019

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified by the management in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. Pursuant to the aforesaid programme, a portion of the fixed assets has been physically verified by the management during the year. As informed to us, no material discrepancies were observed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties included in the fixed assets are held in the name of the Company.

(ii) According to the information and explanations given to us, the inventories (excluding stocks with third parties and goods-in-transit) have been physically verified by the management during the year. For goods in transit in respect of sale and purchase of material, all material is substantially delivered or received until the date of issuance of this report. In respect of inventories lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. Further, as informed, the discrepancies noticed on verification between the physical inventory and the book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. Further, in respect of the loans given and investments made by the Company, requirements of Section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) According to the information and explanations given to us, the Company has not accepted any deposits covered under Section 73 to 76 of the Act. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Goods and Service Tax ('GST'), Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year. As explained to us, the Company did not have any dues on account of Sales tax, Service tax, Duty of excise, Value Added Tax and Cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, GST, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and GST which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:-

Name of the Statue	Nature of dues	Amount of demand (in INR millions)	Period to which the amount relates	Forum where dispute is pending
Various state sales tax Acts	Revenue recovery against non-payment of demand in assessment.	6.7	1994-1995 1998-1999 2000-2001	STAT, Kerala
Central Excise Act,1944	Duty demanded for sale of footwear at domestic tariff area which final hearing before commissioner concluded and order is pending.	3.35	1997-99	Commissioner of Central, Excise, Chennai

Name of the Statue	Nature of dues	Amount of demand (in INR millions)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act,1944	Disallowing abatement @ 40% on MRP for institutional sales. Sale of Industrial Boots and Mine Safety Boots.	9.0	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.	21.5	July 2004 to Jan 2008	CESTAT-Kolkata
Finance Act, 1994	Disallowance of service tax input credit on input service availed for outward transportation.	4.3	2006-2010	Commissioner of Central Excise, Kolkata
Customs Act,1942	Wrong availment of concessional rate of customs duty etc., against which the hearing has not been finalised as yet.	81.24	1998-2003	CESTAT- Kolkata

* Amount as per demand orders including interest and penalty, wherever indicated in the order.

(viii) According to the information and explanations given to us, the Company has neither taken any loans from financial institutions or banks or government nor issued any debentures, therefore, the provision of clause (viii) of the Order is not applicable.

(ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standard.

(xiv) According to information and explanations given to us, and on the basis of our examination of the records of the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Adhir Kapoor
Partner
Membership No.: 098297

Place : Gurugram
Date : 24 May 2019

Annexure B to the Independent Auditor's report on the standalone financial statements of Bata India Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Bata India Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Adhir Kapoor
Partner
Membership No.: 098297

Place : Gurugram
Date : 24 May 2019

BALANCE SHEET AS AT 31 MARCH 2019

(Amount in INR million)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4a	3,107.83	2,929.10
Capital work-in-progress	4c	172.51	121.19
Intangible assets	4b	37.85	15.47
Financial assets			
Investments	5a	49.51	49.51
Loans	5b	1,086.22	993.07
Deferred tax assets (net)	6	1,097.81	1,053.93
Other non-current tax assets	7a	522.44	466.33
Other non-current assets	7b	337.51	344.24
		6,411.68	**5,972.84**
Current assets			
Inventories	8	8,390.89	7,621.14
Financial assets			
Trade receivables	9	652.96	886.31
Cash and cash equivalents	10	585.53	543.60
Bank Balances other than those included in cash and cash equivalents	11	7,804.42	5,341.29
Loans	5b	37.57	37.67
Other financial assets	5c	441.13	331.90
Other current assets	7b	462.17	713.91
		18,374.67	**15,475.82**
Total assets		**24,786.35**	**21,448.66**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	642.64	642.64
Other equity	13	16,822.69	14,144.50
		17,465.33	**14,787.14**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Trade payables			
- Micro enterprises and small enterprises	14	-	-
- Other than micro enterprises and small enterprises	14	1,002.40	1,037.42
Provisions	17b	22.77	21.90
		1,025.17	**1,059.32**
Current liabilities			
Financial liabilities			
Trade payables			
- Micro enterprises and small enterprises	14	161.71	37.96
- Other than micro enterprises and small enterprises	14	4,994.79	4,754.35
Other financial liabilities	15	417.04	353.86
Other current liabilities	16	209.00	173.60
Provisions	17b	156.67	103.19
Current tax liabilities (net)	17a	356.64	179.24
		6,295.85	**5,602.20**
Total equity and liabilities		**24,786.35**	**21,448.66**
Significant accounting policies	2		
The accompanying notes are an integral part of these financial statements			

As per our report of even date

For and on behalf of the Board of Directors of Bata India Limited

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Uday Khanna
Chairman
DIN: 00079129

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Adhir Kapoor
Partner
Membership no.: 098297

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

Place: Gurugram
Date: 24 May 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
REVENUE			
Revenue from operations	18	29,284.44	26,363.18
Other income	19	685.43	508.44
Total revenue		**29,969.87**	**26,871.62**
EXPENSES			
Cost of raw materials and components consumed	20a	2,807.22	2,695.23
Purchase of stock-in-trade	20b	10,861.27	9,842.28
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(825.23)	(578.95)
Excise duty		-	70.47
Employee benefits expense	22	3,310.83	2,953.78
Finance costs	23	35.46	41.98
Depreciation and amortization expense	24	640.16	604.21
Other expenses	25	8,357.51	7,842.48
Total expenses		**25,187.22**	**23,471.48**
Profit before tax		**4,782.65**	**3,400.14**
Tax expense:			
Current tax	6	1,729.24	1,213.95
Deferred tax credit	6	(43.88)	(49.59)
Tax reversal for earlier years	6	(199.31)	-
Profit for the year		**3,296.60**	**2,235.78**
Other comprehensive income			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans	26	2.11	(244.73)
Income tax effect	26	(0.73)	84.70
Other comprehensive income for the year, net of income tax		**1.38**	**(160.03)**
Total comprehensive income for the year, net of income tax		**3,297.98**	**2,075.75**
Earnings per equity share (nominal value per share INR 5 (previous year INR 5))			
(1) Basic (INR)	28	25.65	17.40
(2) Diluted (INR)	28	25.65	17.40
Significant accounting policies	2		
The accompanying notes are an integral part of these financial statements			

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Adhir Kapoor
Partner
Membership no.: 098297

Place: Gurugram
Date: 24 May 2019

For and on behalf of the Board of Directors of Bata India Limited

Uday Khanna
Chairman
DIN: 00079129

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

(a) Equity share capital

	No. of shares	Amount
Equity shares of INR 5 each issued, subscribed and fully paid		
At 31 March 2017	128,527,540	642.64
Issue of share capital	-	-
At 31 March 2018	128,527,540	642.64
Issue of share capital	-	-
At 31 March 2019	**128,527,540**	**642.64**

(b) Other equity

For the year ended 31 March 2019:

	Attributable to owners of the Company			Total Other equity
	Reserves and Surplus			
	Securities premium* (Note 13a)	General reserve** (Note 13b)	Retained earnings (Note 13c)	
As at 31 March 2018	**501.36**	**1,498.83**	**12,144.31**	**14,144.50**
Profit for the year	-	-	3,296.60	3,296.60
Other comprehensive income, net of tax (Note 26)	-	-	1.38	1.38
Total comprehensive income	**501.36**	**1,498.83**	**15,442.29**	**17,442.48**
Dividends (Note 27)	-	-	(514.11)	(514.11)
Dividend distribution tax (Note 27)	-	-	(105.68)	(105.68)
As At 31 March 2019	**501.36**	**1,498.83**	**14,822.50**	**16,822.69**

For the year ended 31 March 2018:

	Attributable to owners of the Company			Total Other equity
	Reserves and Surplus			
	Securities premium* (Note 13a)	General reserve** (Note 13b)	Retained earnings (Note 13c)	
As at 31 March 2017	**501.36**	**1,498.83**	**10,609.98**	**12,610.17**
Profit for the year	-	-	2,235.78	2,235.78
Other comprehensive income (Note 26)	-	-	(160.03)	(160.03)
Total comprehensive income	**501.36**	**1,498.83**	**12,685.73**	**14,685.92**
Dividends (Note 27)	-	-	(449.85)	(449.85)
Dividend distribution tax (Note 27)	-	-	(91.57)	(91.57)
As at 31 March 2018	**501.36**	**1,498.83**	**12,144.31**	**14,144.50**

*Securities premium is used to record the premium received on issue of shares. It is to be utilised in accordance with the provisions of the Companies Act, 2013.

** General reserve is available for payment of dividend to the shareholders as per provisions of the Companies Act, 2013.

The accompanying notes are an integral part of these financial statements

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Adhir Kapoor
Partner
Membership no.: 098297

Place: Gurugram
Date: 24 May 2019

For and on behalf of the Board of Directors of Bata India Limited

Uday Khanna
Chairman
DIN: 00079129

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

		Notes	As at 31 March 2019	As at 31 March 2018
A	**Cash flow from operating activities**			
1	**Profit before tax**		4,782.65	3,400.14
2	**Adjustments to reconcile profit before tax to net cash flows:**			
	Depreciation of property, plant & equipment	24	633.67	600.45
	Amortisation of intangible assets	24	6.49	3.76
	Straightlining on lease rental		(11.48)	18.64
	Loss on sale and disposal of property, plant and equipment (net)	25	20.53	16.70
	Allowance for doubtful debt, loans, advances	25	11.38	30.03
	Finance expense (including fair value change in financial instruments)	23	35.46	41.98
	Finance income (including fair value change in financial instruments)	19	(668.18)	(498.23)
	Provisions for litigations		-	10.10
3	**Operating profit before working capital changes (1+2)**		**4,810.52**	**3,623.57**
4	**Movements in Working Capital:**			
	Decrease/(Increase) in trade & other receivables		233.45	(227.45)
	Decrease /(Increase) in inventories		(769.75)	(566.75)
	Increase/(Decrease) in trade and Other Payables		364.19	720.15
	Increase/(Decrease) in short term provisions		55.58	(208.00)
	Decrease/(Increase) in other current assets		251.74	(447.51)
	Decrease/(Increase) in other current financial assets		5.59	(69.32)
	Increase/(Decrease) in other current liabilities		35.40	(129.24)
	Increase/(Decrease) in other financial liabilities		(52.34)	(62.90)
	Change in Working Capital		**123.86**	**(991.02)**
5	**Changes in non current assets and liabilities**			
	Decrease/(Increase) in loans & advances		(63.42)	34.36
	Increase/(Decrease) in trade payables & Provisions		(22.66)	0.97
	Decrease/(Increase) in other non-current assets		6.96	40.92
	Changes in non current assets and liabilities		**(79.12)**	**76.25**
6	**Cash Generated From Operations (3+4+5)**		**4,855.26**	**2,708.80**
7	**Less : Taxes paid (net of tax refund)**		**(1,409.35)**	**(1,151.86)**
8	**Net cash flow from operating activities (6-7)**		**3,445.91**	**1,556.94**
B	**Cash flow from investing activities:**			
	Purchase of property, plant and equipment		(820.30)	(778.83)
	Proceeds from sale of property, plant and equipment		(1.39)	24.79
	Repayments/(Investments) in bank deposits (having original maturity of more than three months)		(2,460.94)	(748.30)
	Loan received back from subsidiary (net)		16.39	23.64
	Interest received (finance income)		495.84	404.81
	Net cash flow used in Investing Activities:		**(2,770.40)**	**(1,073.89)**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

		Notes	As at 31 March 2019	As at 31 March 2018
C	**Net cash flow from financing activities:**			
	Dividend paid to equity shareholders	27	(511.92)	(448.99)
	Dividend distribution tax	27	(105.68)	(91.57)
	Interest paid		(13.79)	(15.02)
	Net cash used in financing activities:		**(631.39)**	**(555.58)**
D	**Net change in cash & cash equivalents (A+B+C)**		**44.12**	**(72.53)**
E - 1	Cash & cash equivalents as at end of the year		601.45	557.33
E - 2	Cash & cash equivalents as at the beginning of year		557.33	629.86
	NET CHANGE IN CASH & CASH EQUIVALENTS (E 1- E 2)		**44.12**	**(72.53)**

	As at 31 March 2019	As at 31 March 2018
Components of cash and cash equivalents		
Cash on hand	98.63	103.24
With banks		
- on current accounts	486.90	440.36
- unpaid dividend accounts*	15.92	13.73
Total cash and cash equivalents	**601.45**	**557.33**

*The Company can utilize these balances only towards settlement of the respective unpaid dividend.

Significant accounting policies 2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Adhir Kapoor
Partner
Membership no.: 098297

Place: Gurugram
Date: 24 May 2019

For and on behalf of the Board of Directors of Bata India Limited

Uday Khanna
Chairman
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Managing Director
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Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

1. Corporate information

Bata India Limited is primarily engaged in the business of manufacturing and trading of footwear and accessories through its retail and wholesale network.

Bata India Limited is a public company domiciled in India. Its shares are listed on three stock exchanges in India. The registered office of the company is located at 27B, Camac Street, Ist floor, Kolkata - 700016.

2. Significant Accounting Policies

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act 2013 (the Act and other relevant provisions of the Act).

The financial statements are authorised for issue by Company's board of directors on May 24, 2019.

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities

Items	Measurement Basis
Net defined benefit (asset)/liability	Fair Value of plan assets less present value of defined benefit obligations
Derivatives	Fair Value

The financial statements are presented in INR and all values are rounded to the nearest Million (INR 000,000).

2.2 Summary of significant accounting policies

a. Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- ► Expected to be realised or intended to be sold or consumed in normal operating cycle
- ► Held primarily for the purpose of trading
- ► Expected to be realised within twelve months after the reporting period, or
- ► Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ► Expected to be settled in normal operating cycle
- ► Held primarily for the purpose of trading
- ► Due to be settled within twelve months after the reporting period, or
- ► There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle.

b. Cash dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

c. Fair Value Measurements

The Company measures financial instruments, such as forward contracts at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

d. Property, plant & equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment.

Property, plant & equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment.

The present value of the expected cost for decommissioning of an asset after its use is included in the cost of the respective asset, if the recognition criteria for a provision are met.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Depreciation on Property, plant & equipment

i. Lease hold improvements (LHI) & furniture & fixtures at stores are amortised on straight line basis over the period of lease or useful life (not exceeding 9 years), whichever is lower.

ii. Depreciation on other Property, plant & equipment is provided on written down value method at the rates based on the estimated useful life of the assets as described below:

Category of Property, plant & equipment	Useful Lives
Buildings - Factory Buildings - Other than Factory Buildings - Fences, Wells, Tube wells	 30 years 10 years - 60 Years 5 years
Plant & equipments - Moulds - Data processing equipment - Servers - Other Plant and Machinery	 8 years 3 Years 6 Years 5 Years - 15 Years
Furniture & Fittings - Others	 10 years
Vehicles	8 years
Office equipments	10 Years

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

iii. Depreciation on Property, plant & equipment added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

f. Intangible Assets

Intangible assets acquired separately are recorded at cost at the time of initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets (Computer Software) with finite lives are amortised over the useful economic life (not exceeding five years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

g. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

► Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

► Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of fixed manufacturing overheads based on the normal operating capacity. Cost is determined on a weighted average basis.

► Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average 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.

h. Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. Refer note 2.2 (h) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended 31 March 2018, for the revenue recognition policy as per Ind AS 18. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Ind AS 115 five step model is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:

• Step 1: Identify the contract with the customer

• Step 2: Identify the performance obligations in the contract

• Step 3: Determine the transaction price

• Step 4: Allocate the transaction price to the performance obligations

• Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.
- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.
- Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from related party is recognised based on transaction price which is at arm's length.

Use of significant judgments in revenue recognition :-

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgments to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent

that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company provides normal warranty expense provisions for manufacturing defects for 3 months on all its products sold, in line with the industry practice. The Company does not provide any extended warranties to its customers.

The Company operates a loyalty points programme "The Bata Club", which allows customers to accumulate points when they purchase products in the Company's retail stores. The points can be redeemed against consideration payable for subsequent purchases. Hence, consideration is allocated between the products sold and the points issued. For the allocation of consideration to points issues, fair value of the points issued is determined by applying a statistical analysis (based on data available) of points redemption history of the customers. The fair value of the points issued is deferred based on actuarial valuation and recognised as revenue when the points are redeemed.

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income".

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

i. Foreign Currency Transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

j. Government grants:

Export benefits 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.

k. Retirement and Other Employee Benefits

i) Retirement benefit in the form of pension costs is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the pension fund. The Company recognizes contribution payable to the pension fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

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 confirm to the interest rate declared by the government for the Employees Provident Fund. The Company has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end.

iii) The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

► The date of the plan amendment or curtailment, and

► The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

► Net interest expense or income

iv) Compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an actuary, at each 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.

v) 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.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company is lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. A lease which is not a finance lease is classified as Operating lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either (a) another systematic basis is more representative of the time pattern of the user’s benefit even if the payments to the lessors are not on that basis, or (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

m. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate and when circumstances indicate that the carrying value may be impaired.

o. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on actuarial valuation. The initial estimate of warranty-related costs is revised annually.

p. Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a Contingent liability but discloses its existence in the financial statements.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, short-term deposits and unpaid dividend account, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company.

Financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in five categories:

► Debt Instrument at amortised cost

► Debt instruments at fair value through other comprehensive income (FVTOCI)

► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

► Investments in equities of subsidiaries at cost

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, Security deposits & other receivables.

Debt instrument at FVTOCI

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Company has not designated any debt instrument as at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investments in equities of subsidiaries

Investments in equities of subsidiaries are carried at cost in separate financial statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass- through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are carried at amortised cost or at Fair value through OCI except equity investment which is carried at fair value through OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the company has assessed the risk of default by the customer and expects the credit loss to be insignificant. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

The balance sheet presentation for various financial instruments is described below:

► Financial assets measured as at amortised cost. ECL is presented as an allowance, i.e., as an integral part of measurement of those assets in the balance sheet. The allowance reduces the net carrying amount until the asset meets write-off criteria.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as:

- financial liabilities at fair value through profit or loss,
- financial liabilities measured at amortised cost,
- loans and borrowings and payables,
- derivatives designated as hedging instruments in an effective hedge relationship.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include:

- financial liabilities held for trading
- financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, if and only if, the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities measured at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate. Interest expense is recognised in statement of profit and loss.

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. The Company has not reclassified any financial asset during the current year or previous year.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when and only when there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is unfavourable.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in highly probable forecast transactions and firm commitments, the ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the accounting policies and the reported amounts of income, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

(ii) Operating lease commitments - Company as lessee

The Company has taken various 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. The Company based on an evaluation of the terms and conditions of the agreements assessed that the escalations are as per the mutually agreed terms and are not structured to increase necessarily in line with expected general inflation and hence operating lease payments are continued to be recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(iii) Revenue recognition

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b.1 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment defined benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 30.

b.2 Revenue recognition – Loyalty programme

The Company estimates the fair value of points awarded under the Loyalty programme " The Bata Club", by applying statistical techniques. Inputs to the model include making assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. As points issued under the programme expire on expiry of specified period in accordance with the programme, such estimates are subject to significant uncertainty.

For details on warranty valuation refer note 2.2 (h).

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which will be effective from April 1, 2019:

i) Ind AS - 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases and related interpretation. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees and requires a lessee to recognize assets and liabilities for all leases with a lease term of more than 12 months, unless the underlying asset is of low value. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, as per modified retrospective approach, with the cumulative effect of applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

On that date, the Company will recognize a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will choose not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

With effect from April 01, 2019, the Company will recognize new assets and liabilities for its new operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization charge for the right-to-use asset, and b) interest accrued on lease liability. Previously, the Company recognized operating lease expense on a straight-line basis over the term of the lease, and recognized assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognized.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard, including the alignment with its group accounting policies.

(ii) Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any impact of the amendment on the financial statements.

iii) Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any impact on its financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
(Amount in INR million)

Property, plant and equipment and capital work in progress

4a

Property, plant and equipment	Freehold land	Buildings	Lease hold improvements	Plant and equipment**	Furniture and fixtures	Vehicles	Office equipments	Total
Cost or deemed cost (gross carrying amount)								
As at 31 March 2017	240.84	1,094.59	688.91	587.76	1,382.04	17.71	6.78	4,018.63
Additions	-	174.65	248.61	197.32	241.76	11.34	51.62	925.30
Disposals	-	-	(27.71)	(14.01)	(51.84)	(0.76)	(0.01)	(94.33)
As at 31 March 2018	**240.84**	**1,269.24**	**909.81**	**771.07**	**1,571.96**	**28.29**	**58.39**	**4,849.60**
Additions	0.01	105.58	251.21	163.31	303.23	3.39	4.81	831.54
Disposals	(0.00)	(1.41)	(16.01)	(10.93)	(36.79)	(0.00)	(0.02)	(65.16)
As at 31 March 2019	**240.85**	**1,373.41**	**1,145.01**	**923.45**	**1,838.40**	**31.68**	**63.18**	**5,615.98**
Accumulated depreciation								
As at 31 March 2017	-	166.60	220.69	310.92	660.57	11.99	2.10	1,372.88
Depreciation charge for the year	-	57.80	171.16	102.18	257.00	4.74	7.57	600.45
Disposals	-	-	(15.84)	(2.85)	(33.70)	(0.43)	(0.00)	(52.82)
As at 31 March 2018	**-**	**224.40**	**376.01**	**410.25**	**883.87**	**16.30**	**9.67**	**1,920.50**
Depreciation charge for the year	-	78.78	176.50	126.72	234.63	4.16	12.88	633.67
Disposals	-	(1.33)	(10.90)	(5.92)	(27.85)	-	(0.02)	(46.02)
As at 31 March 2019	**-**	**301.85**	**541.61**	**531.05**	**1,090.65**	**20.46**	**22.53**	**2,508.15**
Net book value								
As at 31 March 2019	**240.85**	**1,071.56**	**603.40**	**392.40**	**747.75**	**11.22**	**40.65**	**3,107.83**
As at 31 March 2018	240.84	1,044.84	533.80	360.82	688.09	11.99	48.72	2,929.10

4b

Intangible assets	Computer Software
Cost or deemed cost (gross carrying amount)	
As at 31 March 2017	**21.25**
Addition	5.46
As at 31 March 2018	**26.71**
Addition	28.87
As at 31 March 2019	**55.58**
Accumulated amortisation	
As at 31 March 2017	**7.48**
Amortisation	3.76
As at 31 March 2018	**11.24**
Amortisation	6.49
As at 31 March 2019	**17.73**
Net book value	
As at 31 March 2019	**37.85**
As at 31 March 2018	15.47

4c

Capital work in progress and Intangible assets under development	As at 31 March 2019	As at 31 March 2018
Capital work-in-progress	172.51	121.19

** Additions includes INR 0.99 million (31 March 2018 INR 0.19 million) towards assets located at research and development facilities.

(Amount in INR million)

5. Financial assets

	Non Current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
a. Investments				
Investment in equity instruments of subsidiaries (cost)				
Unquoted:				
4,851,000 (31 March 2018 : 4,851,000) equity shares of INR 10 each fully paid-up in Bata Properties Limited	48.51	48.51	-	-
100,000 (31 March 2018 :100,000) equity shares of INR 10 each fully paid-up in Way Finders Brands Limited	1.00	1.00	-	-
Total Investment in subsidiaries (a)	49.51	49.51	-	-
Investments in Cooperative Societies (Fair value through profit and loss)				
Unquoted:				
250 (31 March 2018 :250) equity shares of INR 10 each fully paid-up in Bata Employees' Co-operative Consumers' Stores Limited, Hathidah*	0.00	0.00	-	-
5 (31 March 2018 :5) equity shares of INR 10 each fully paid-up in Bhadrakali Market Co-operative Society Limited, Nasik*	0.00	0.00	-	-
Total Investment in Cooperative Societies (b)	-	-	-	-
TOTAL (a+b)	**49.51**	**49.51**	**-**	**-**
* Rounded off to INR Nil.				
Aggregate value of unquoted investments	**49.51**	**49.51**	**-**	**-**
b. Loans				
Unsecured, considered good				
Loans and advances				
To related parties	69.19	85.59	5.55	7.68
	69.19	85.59	5.55	7.68
Security deposits	1,017.03	907.48	32.02	29.99
	1,017.03	907.48	32.02	29.99
TOTAL	**1,086.22**	**993.07**	**37.57**	**37.67**
c. Other financial assets				
Interest accrued on deposits	-	-	341.83	215.63
Other receivable (unsecured, considered good)	-	-	96.58	115.35
Other receivable (unsecured, considered doubtful)	-	-	54.33	56.81
Less: loss allowance	-	-	(54.33)	(56.81)
Insurance claim receivable	-	-	2.72	0.92
TOTAL	**-**	**-**	**441.13**	**331.90**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

6. Deferred tax assets (net)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current income tax recognised in statement of profit and loss:		
Current income tax charge	1,729.24	1,213.95
Deferred tax :		
Relating to origination and reversal of temporary difference	(43.88)	(49.59)
Tax reversal for earlier years	(199.31)	-
	1,486.05	**1,164.36**

	As at 31 March 2019	As at 31 March 2018
Deferred tax assets (net)		
Property, plant, equipments and intangible assets: Impact of difference between tax depreciation and depreciation/amortization charged in the financial statement	584.30	543.26
Impact of expenditure charged to the statement of profit and loss in the current/earlier years but allowable for tax purposes on payment basis	458.22	473.13
Provision for doubtful debts and advances	27.33	29.20
Effect of measuring financial instruments at fair value	27.96	8.34
	1,097.81	**1,053.93**

Reconciliation of average effective tax rate

	For the year ended 31 March 2019		For the year ended 31 March 2018	
Profit before tax		4,782.65		3,400.14
Tax using the Company's domestic tax rate	34.94%	1,671.25	34.61%	1,176.72
Effect of non deductible expenses	0.47%	22.45	0.22%	7.47
Effect of deductible expenses at higher rate	-0.25%	(11.93)	-0.30%	(10.09)
Effect of change in income tax rate	0.21%	3.59	-0.83%	(9.74)
Tax reversal for earlier years	-4.17%	(199.31)	0.00%	-
Total	**31.07%**	**1,486.05**	**34.24%**	**1,164.36**
Tax as per statement of profit and loss	**31.07%**	**1,486.05**	**34.24%**	**1,164.36**

Component wise deferred tax recognised in statement of profit and loss	For the year ended 31 March 2019	For the year ended 31 March 2018
Property, plant, equipments and intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged in the financial statements	(41.05)	(78.79)
Impact of expenditure charged to the statement of profit and loss in the current/earlier years but allowable for tax purposes on payment basis	14.91	30.34
Provision for doubtful debts and advances	1.88	(0.24)
Effect of measuring financial instruments at fair value	(19.62)	(0.90)
	(43.88)	**(49.59)**

Income tax recognised in Other Comprehensive Income	For the year ended 31 March 2019	For the year ended 31 March 2018
Re-measurement of defined benefit plans	(0.73)	84.70
	(0.73)	**84.70**

(Amount in INR million)

7. Other assets

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
a. Other non-current assets tax assets				
Advance income tax (net of provision)	522.44	466.33	-	-
	522.44	**466.33**	**-**	**-**
b. Other non-current assets				
Unsecured and considered good				
Capital advances	52.96	52.74	-	-
Supplier advances	-	-	39.85	23.76
Recoverable from statutory authorities	75.69	62.24	267.25	525.80
Prepaid expenses	208.86	229.26	155.07	164.35
	337.51	**344.24**	**462.17**	**713.91**
Unsecured, considered doubtful				
Recoverable from statutory authorities	16.49	19.38	-	-
Less: loss allowance	(16.49)	(19.38)	-	-
	-	**-**	**-**	**-**
Total	**337.51**	**344.24**	**462.17**	**713.91**

8.Inventories

	As at 31 March 2019	As at 31 March 2018
Raw materials and components (including goods in transit INR 0.06 million (31 March 2018: INR 2.46))	182.84	239.04
Work-in-progress	83.32	107.88
Finished goods * (including goods in transit INR 893.79 million (31 March 2018: INR 912.56 million))	8,113.88	7,264.09
Stores and spares	10.85	10.13
Total inventories at the lower of cost and net realisable value	**8,390.89**	**7,621.14**

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

9. Trade receivables

	As at 31 March 2019	As at 31 March 2018
Trade Receivables considered good, Unsecured - Others	642.03	874.00
Trade Receivables credit impaired	7.39	7.39
Less : loss allowance	(7.39)	(7.39)
Trade receivables from related parties - unsecured, considered good (Refer note 36)	10.93	12.31
	652.96	**886.31**

No trade or other receivable are due to from directors or other officers of the company either severally or jointly with any other person, nor from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days. For explanations on the company's credit risk management processes, refer to Note 39.

10. Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
- On current account	486.90	440.36
Cash on hand	98.63	103.24
	585.53	**543.60**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
(Amount in INR million)

11. Bank Balances other than those included in cash and cash equivalents

	Non - current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Unpaid dividend accounts	-	-	15.92	13.73
Deposits with maturity period of 3 to 12 months*	-	-	7,788.50	5,327.56
	-	**-**	**7,804.42**	**5,341.29**

*Includes deposit pledged with banks of INR 13.50 million (31 March 2018 INR 8.16 million).

12. Equity share capital

	As at 31 March 2019	As at 31 March 2018
Authorised share capital		
Equity share capital		
140,000,000 (31 March, 2018: 140,000,000) equity shares of INR 5 each	700.00	700.00
Issued share capital*		
Equity share capital		
128,570,000 (31 March, 2018: 128,570,000) equity shares of INR 5 each	642.85	642.85
Subscribed and fully paid up share capital		
Equity share capital		
128,527,540 (March 31, 2018: 128,527,540) equity shares of INR 5 each	642.64	642.64
TOTAL	**642.64**	**642.64**

***Shares held in abeyance**
42,460 (31 March, 2018: 42,460) equity shares of INR 5 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 year

	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	128,527,540	642.64	128,527,540	642.64
Issued during the year	-	-	-	-
Outstanding at the end of the year	**128,527,540**	**642.64**	**128,527,540**	**642.64**

B. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 5 per share (previous year INR 5 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.

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 if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Shares held by holding company

	As at 31 March 2019	As at 31 March 2018
Out of equity shares issued by the Company, shares held by its holding Company is as follows :		
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company		
68,065,514 (31 March, 2018: 68,065,514) equity shares of INR 5/- each	340.33	340.33
	340.33	**340.33**

(Amount in INR million)

D. Details of shareholders holdings more than 5% shares in Company

Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Equity shares of INR 5 each fully paid				
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company	68,065,514	52.96%	68,065,514	52.96%

13. Other equity

	As at 31 March 2019	As at 31 March 2018
Reserves and Surplus		
a) Securities premium*		
Opening balance	501.36	501.36
Add/(less) : Movement during the year	-	-
Closing balance	**501.36**	**501.36**
(b) General reserve**		
Opening balance	1,498.83	1,498.83
Add: Amount transferred from surplus balance in the statement of profit and loss	-	-
Closing balance	**1,498.83**	**1,498.83**
(c) Retained earnings		
Opening balance	12,144.31	10,609.98
Add: Net profit after tax transferred from statement of profit and loss	3,296.60	2,235.78
Add:- Re-measurement gains/(losses) on defined benefit plans (net of tax)	1.38	(160.03)
Less: Appropriations:		
Final Dividend for 31 March 2018: INR 4 per share (31 March 2017: INR 3.50 per share)	(514.11)	(449.85)
Dividend distribution tax on final dividend	(105.68)	(91.57)
Closing balance	**14,822.50**	**12,144.31**
Total (a+b+c)	**16,822.69**	**14,144.50**

*Securities premium is used to record the premium received on issue of shares. It is to be utilised in accordance with the provisions of the Companies Act, 2013.

** In previous years, the Company appropriated a portion of profits to general reserve as per the provions of the Act. The said reserve is available for payment of dividend to the shareholders as per provisions of the Companies Act, 2013.

14. Trade payables

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Trade payables to micro enterprises and small enterprises (refer note 38)	-	-	161.71	37.96
TOTAL	**-**	**-**	**161.71**	**37.96**
Trade payables to related parties	-	-	63.24	66.34
Trade payables to others*	1,002.40	1,037.42	4,931.55	4,688.01
TOTAL	**1,002.40**	**1,037.42**	**4,994.79**	**4,754.35**

*Includes asset retirement obligation INR 13.02 million (31 March 2018 INR 11.78 million).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

15. Other financial liabilities

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Payable for capital goods	-	-	118.96	27.30
Deposit from agents and franchisees	-	-	282.16	312.83
Unpaid dividend	-	-	15.92	13.73
TOTAL	**-**	**-**	**417.04**	**353.86**

16. Other liabilities

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Advance from customers*	-	-	-	0.24
Statutory dues payable	-	-	148.49	96.46
Unearned revenue	-	-	60.51	76.90
TOTAL	**-**	**-**	**209.00**	**173.60**

*Includes INR Nil (31 March 2018 INR 0.24 million) payable to related party (refer note 36).

17. Provisions

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
a) Current tax liabilities				
Provision for income tax (net of advance tax)	-	-	356.64	179.24
	-	**-**	**356.64**	**179.24**
b) Provisions				
Provision for employee benefits				
Provision for gratuity (refer note 30)	-	-	74.35	32.70
Provision for compensated absences	22.77	21.90	22.11	14.34
Others				
Provision for warranties*	-	-	25.74	21.68
Provision for litigation**	-	-	34.47	34.47
	22.77	**21.90**	**156.67**	**103.19**

***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 March 2019	As at 31 March 2018
Opening balance	21.68	12.45
Arising during the year	109.06	104.44
Utilized during the year	(105.00)	(95.21)
Closing balance	**25.74**	**21.68**

****Provision for litigation**

	As at 31 March 2019	As at 31 March 2018
Opening balance	34.47	11.47
Arising during the year	-	23.00
Utilized during the year	-	-
Closing balance	**34.47**	**34.47**

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.

(Amount in INR million)

18. Revenue from operations

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products (including excise duty)***		
Sale of goods*	29,264.03	26,349.04
Total sale of products******	**29,264.03**	**26,349.04**
Other operating revenue		
Others (including export incentives, scrap sales etc.)	20.41	14.14
Total**	**29,284.44**	**26,363.18**

*Sale of goods include excise duty collected from customers of INR Nil (31 March 2018 : INR 70.47 million).

** For Ind AS 115 disclosure refer note 2 and disclosure relating to disaggregation of revenues by geography refer to note 40.

***In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, sales for the period upto June 2017 were reported gross of excise duty and net of value added tax (VAT)/ Sales Tax. Excise duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 18. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. Accordingly, financial statements for the year ended 31 March 2019 and in particular, sales and ratios in percentage of sales, will not comparable with the figures of the previous year.

Changes in unearned revenue are as follows:	As at 31 March 2019
Balance at the beginning of the year	76.90
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(76.90)
Increase in unearned revenue (net) against issuance of points / gift vouchers during the year	60.51
Balance at the end of the year	**60.51**

19. Other income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Finance income		
- Unwinding of financial instruments at amortised cost	46.13	70.12
- Deposits with bank	515.63	367.90
- Others	106.42	60.21
	668.18	498.23
Foreign exchange fluctuation (net)	14.10	6.08
Insurance claim received	3.15	4.13
	685.43	**508.44**

20. Cost of raw material and components consumed

	For the year ended 31 March 2019	For the year ended 31 March 2018
a. Raw material and components consumed		
Inventory at the beginning of the year	239.04	249.25
Add: Purchases	2,751.02	2,685.02
	2,990.06	**2,934.27**
Less: inventory at the end of the year	(182.84)	(239.04)
Cost of raw material and components consumed	**2,807.22**	**2,695.23**
b. Purchase of stock-in-trade		
Purchases	10,861.27	9,842.28
Purchase of stock-in-trade	**10,861.27**	**9,842.28**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
(Amount in INR million)

21.Changes in inventories of finished goods, work in progress and stock-in-trade

	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventories at the end of the year		
Finished goods*	8,113.88	7,264.09
Work-in-progress	83.32	107.88
	8,197.20	7,371.97
Inventories at the beginning of the year		
Finished goods*	7,264.09	6,665.13
Work-in-progress	107.88	127.89
	7,371.97	6,793.02
(Increase)/decrease in inventories	**(825.23)**	**(578.95)**

* Finished goods includes stock in trade, as both are stock together.

22. Employee benefits expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	3,023.32	2,697.07
Contribution to provident and other funds (refer note 30)	154.12	131.67
Gratuity expense (refer note 30)	43.75	25.11
Staff welfare expenses	89.64	99.93
	3,310.83	**2,953.78**

23. Finance costs

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense		
- Unwinding of financial instruments at amortised cost	21.67	14.06
- Others	13.79	27.92
	35.46	**41.98**

24. Depreciation and amortisation expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant and equipment	633.67	600.45
Amortisation of intangible assets	6.49	3.76
	640.16	**604.21**

(Amount in INR million)

25. Other expenses

	For the year ended 31 March 2019	For the year ended 31 March 2018
Consumption of stores and spares	33.05	32.81
Power and fuel	577.10	559.59
Rent (refer note 31)	3,793.39	3,622.30
Bank charges	107.29	106.21
Insurance	68.46	67.97
Repairs and maintenance		
Plant and machinery	48.59	52.84
Buildings	73.21	76.36
Others	35.81	47.66
Corporate social responsibility expenses (Refer note 35)	64.24	71.14
Sales commission	537.40	570.44
Royalty	426.73	379.19
Legal and professional fees	212.55	156.81
Payment to auditor (Refer details below)	7.18	7.37
Freight	626.76	522.51
Rates and taxes	39.93	141.45
Advertising and sales promotion	661.30	399.94
Technical collaboration fee	283.96	255.04
Allowance for doubtful debt, loans, advances	11.38	30.03
Loss on sale and disposal of property, plant and equipment (net)	20.53	16.70
Miscellaneous expenses	728.65	726.12
	8,357.51	**7,842.48**
Payment to auditors		
As auditor:		
Audit fee	3.10	3.10
Tax audit fee	0.50	0.50
Limited review	1.65	1.65
In other capacity:		
Certification & others	0.66	0.25
Reimbursement of expenses*	1.27	1.87
	7.18	**7.37**

*Includes payment made to erstwhile auditor for reimbursement of expenses INR NIL (31 March 2018 INR 1.34 million).

26. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI in equity is shown below:

During the year ended 31 March 2019

	Retained earnings	Total
Re-measurement gains/(losses) on defined benefit plans	1.38	1.38
	1.38	1.38

During the year ended 31 March 2018

	Retained earnings	Total
Re-measurement gains/(losses) on defined benefit plans	(160.03)	(160.03)
	(160.03)	(160.03)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
(Amount in INR million)

27. Distribution made and proposed

	As at 31 March 2019	As at 31 March 2018
Cash dividends on equity shares declared and paid:		
Dividend for the year ended on 31 March 2018: INR 4 per share (31 March 2017: INR 3.50 per share)	514.11	449.85
Dividend distribution tax on final dividend	105.68	91.57
	619.79	**541.42**
Proposed dividends on equity shares*:		
Dividend for the year ended on 31 March 2019: 6.25 INR per share (31 March 2018: INR 4 per share)	803.30	514.11
Dividend distribution tax on proposed dividend	165.12	105.68
	968.42	**619.79**

*Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at year end.

28. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.
Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity holders	3,296.60	2,235.78
	3,296.60	**2,235.78**
	No. of shares	**No. of shares**
Weighted average number of equity shares in calculating basic EPS and diluted EPS	128,527,540	128,527,540
Earnings per equity share in INR		
Computed on the basis of profit for the year		
Basic (INR)	**25.65**	**17.40**
Diluted (INR)	**25.65**	**17.40**

29. Note 22 includes research and development expenses of INR 56.14 million (31 March 2018 INR 46.99 million) and Note 25 includes research and development expenses of INR 9.18 million (31 March 2018 INR 10.75 million).

(Amount in INR million)

30. Employee benefit plans

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 Company's own trust.

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

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Reconciliation of fair value of plan assets and defined benefit obligation:

	As at 31 March 2019	As at 31 March 2018
Fair value of plan assets	664.00	664.62
Defined benefit obligation	738.35	697.32
Net defined benefit (liability)	**(74.35)**	**(32.70)**

Amount recognised in Statement of Profit and Loss:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	41.33	33.43
Net interest expense	2.42	(8.32)
Amount recognised in Statement of Profit and Loss	**43.75**	**25.11**

Amount recognised in Other Comprehensive Income:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial changes arising from changes in financial assumptions	11.93	187.73
Return on plan assets (greater)/less than the discount rate	(3.31)	23.14
Experience adjustments	(10.73)	33.86
Amount recognised in Other Comprehensive Income	**(2.11)**	**244.73**

Changes in the present value of the defined benefit obligation are as follows:

	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation at the beginning of the year	697.32	456.38
Current service cost	41.33	33.43
Interest expense	49.71	30.81
Benefits paid	(51.21)	(44.89)
Actuarial (gain)/ loss on obligations - OCI	1.20	221.59
Defined benefit obligation at the end of the year	**738.35**	**697.32**

Changes in the fair value of plan assets are, as follows:

	As at 31 March 2019	As at 31 March 2018
Fair value of plan assets at the beginning of the year	664.62	453.52
Contribution by employer	0.00	240.00
Benefits paid	(51.21)	(44.89)
Interest Income on plan assets	47.29	39.13
Return on plan assets greater/(lesser) than discount rate - OCI	3.31	(23.14)
Fair value of plan assets at the end of the year	**664.01**	**664.62**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
(Amount in INR million)

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

Gratuity	**As at 31 March 2019**	**As at 31 March 2018**
Investment details	**Funded %**	**Funded %**
	100%	100%
- Insurer	94.36	68.01
- Bank balances	5.64	3.33
- Special deposit scheme	-	28.66

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	As at 31 March 2019	**As at 31 March 2018**
	%	**%**
Discount rate	7.1	7.4
Salary increase		
- Management	7.0	7.0
- Non management	7.0	7.0
Employee turnover		
- Non Management		
20-25	7.0	7.0
25-30 and 55-60	7.0	7.0
30-35 and 50-55	7.0	7.0
35-49	7.0	7.0
- Management		
20-25	7.0	7.0
25-35	7.0	7.0
36-60	7.0	7.0

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.

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Gratuity Plan	**Sensitivity level**		**Impact on DBO**	
	As at 31 March 2019	**As at 31 March 2018**	**As at 31 March 2019**	**As at 31 March 2018**
Assumptions				
Discount rate	1.00%	1.00%	(38.36)	(36.56)
	-1.00%	-1.00%	42.63	40.58
Future salary increases	1.00%	1.00%	41.49	39.82
	-1.00%	-1.00%	(38.21)	(36.66)

The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The table below shows the expected undiscounted cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:-

	As at 31 March 2019	**As at 31 March 2018**
Within the next 12 months (next annual reporting period)	77.99	75.07
Between 2 and 5 years	410.98	382.08
Between 5 and 10 years	515.40	503.34
Total expected payments	**1,004.37**	**960.49**

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (31 March 2018: 6 years).

Expected employer contribution for the period ending 31 March 2020 is INR 75 million.

(Amount in INR million)

b) Contribution to defined contribution plans:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Pension fund	0.10	0.09

c) 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 confirm 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 based on the below provided assumptions, there is no shortfall as at 31 March 2019.

	As at 31 March 2019	As at 31 March 2018
Discount rate	7.35%	7.58%
Expected return on exempt fund	8.41%	8.32%
Rate of return on EPFO managed PF	8.65%	8.55%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate

	For the year ended 31 March 2019	For the year ended 31 March 2018
Contribution to provident and other funds*	136.00	128.42

*Included under employee benefit expense in the head contribution to provident fund and other funds.

The detail of fund and plan asset position as at 31 March, 2019 is given below:

	As at 31 March 2019	As at 31 March 2018
Plan assets at fair value	4,522.40	4,327.75
Present value of the defined benefit obligation	3,896.05	3,677.08
Asset recognized in the balance sheet	NIL	NIL

Information relating to reconciliation from opening balance to closing balance for plan assets and present value of defined benefit obligation, classes of plan assets help, sensitivity analysis for actuarial assumptions, other than disclosed above, including the methods and assumptions used in preparing the analysis, expected contribution for the next year and maturity profile of the defined benefit obligation as required by INDAS - 19 'Employee benefits' is not available with the Company.

31. Contingent liabilities, commitments and leases

A. Contingent liabilities

a) Claims against Company not acknowledged as debts includes:

Nature	As at 31 March 2019	As at 31 March 2018
Excise, customs and service tax cases	125.61	145.65
Sales tax cases	15.80	21.80
Others*	278.97	277.58
Income tax cases	15.51	15.51
Total	**435.89**	**460.54**

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

b) In August 2014, M/s Crocs Limited filed a suit on Bata India limited for trademark infringement. The lower court passed an ex-parte injunction order which was later transferred to Hon'ble Delhi High Court on account of jurisdictional issue. The single bench of Delhi High Court dismissed the injunction application and awarded costs to Bata throughout the proceedings. Against this order, Crocs Limited filed an appeal before the Division Bench, which also stands dismissed.

(Amount in INR million)

c) In February 2019, Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. Accordingly, based on legal advice the Company has made a provision for provident fund contribution from the date of Supreme Court order.

B. Commitments

Estimated amount of contracts remaining to be executed for capital expenditure and not provided for amounted to INR 297.94 million (31 March 2018: INR 312.79 million).

C. 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 payable are charged as ‘Rent’ in Note 25.

Future minimum rentals payable under non-cancellable operating leases as at 31 March 2019 and 31 March 2018 are as follows:

Lease Rentals	As at 31 March 2019	As at 31 March 2018
Within one year	71.71	52.29
After one year but not more than five years	8.13	10.72
More than five years	-	-

32. Financial instruments fair values classification

Set out below, is a comparison by class of the carrying amounts and fair value of the Company’s financial instruments.

	Notes	Carrying value		Fair value	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Financial assets					
Measured at cost					
Investments in subsidiaries		49.51	49.51	-	-
Amortised cost					
Loans					
- Loans and advances to related parties	(b)	74.74	93.27	74.74	93.27
- Security deposits	(b)	1,049.05	937.46	1,049.05	937.46
Financial asset not measured at fair value					
Other financial assets	(a)				
- Interest accrued on deposits		341.83	215.63	-	-
- Insurance claim receivable		2.72	0.92	-	-
- Other receivables		96.58	115.35	-	-
Trade receivable	(a)	652.96	886.31	-	-
Cash and Cash equivalents	(a)	585.53	543.60	-	-
Other bank balances	(a)	7,804.42	5,341.29	-	-
Total		**10,657.34**	**8,183.34**	**1,123.79**	**1,030.73**
Financial liabilities					
Amortised cost					
Trade payables	(a)	1,015.42	1,049.20	-	-
Financial liabilities not measured at fair value					
Trade payables	(a)	5,143.48	5,817.95	-	-
Other financial liabilities	(a)				
- Payable for capital goods		118.96	27.30	-	-
- Deposit from agents and franchisees		282.16	312.83	-	-
- Unpaid dividend		15.92	13.73	-	-
Total		**6,575.94**	**7,221.02**	**-**	**-**

a) The management has not disclosed the fair values for financial instruments because their carrying values are approximate to their fair value largely due to the short-term maturities of these instruments.

b) Fair valuation of non-current financial instruments has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value as the carrying value is based on effective interest rates.

(Amount in INR million)

33. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

The Company is having INR Nil borrowings as on 31 March 2019 (31 March 2018 INR Nil).

34. Derivative instruments and Unhedged foreign currency exposure

Derivative Instruments and Unhedged Foreign Currency Exposure, which are not intended for trading or speculation purpose.

Particulars of unhedged foreign currency exposures are as follows-

Particulars of Unhedged foreign currency exposure	Currency	Amount in Foreign Currency		Amount in Indian Currency	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Trade payables	USD	3,464,964.55@69.17	5,223,192.22@65.64	239.67	342.83
	EURO	-	8,159@80.35	-	0.66
Advance for Import purchases	USD	-	4,441.48@65.64	-	0.29
Trade receivables	USD	242,905.53@69.17	255,421.04@65.64	16.80	16.77
	EURO	-	7,535@80.35	-	0.61
	CHF	44,276@69.72	36,644@68.69	3.09	2.52

35. Details of corporate social responsibility expenditure

As per Section 135 of Companies Act,2013, a Company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR Committee has been formed by the Company as per act. The CSR Committee and Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the act, in pursuant of the CSR policy.

	For the year ended 31 March 2019	For the year ended 31 March 2018
Gross amount required to be spent by the Company during the year:-	58.07	55.80
(i) Construction/ Acquisition of asset	-	-
(ii) For purpose other than (i) above	64.24	71.14
	64.24	**71.14**

36. Related party disclosures

Names of related parties and related party relationship

I. Related parties where control exists

a. Ultimate Holding company	Compass Limited
b. Immediate Holding company	BATA (BN) B.V. The Netherlands
c. Subsidiaries	Bata Properties Limited Coastal Commercial & Exim Limited (a step down subsidiary) Way Finders Brands Limited
d. Other Related Parties*	Bata India Limited Gratuity Fund Bata India Limited Pension Fund Bata India Limited Employees Statutory Provident Fund

*Refer notes 30 for information on transactions with post employment benefit plans mentioned above enterprises controlled by the Company.

(Amount in INR million)

II. Related parties with whom transactions have taken place

a. Key management personnel	Rajeev Gopalakrishnan – Managing Director Ram Kumar Gupta – Director Finance Sandeep Kataria - Whole Time Director & Chief Executive Officer Uday Khanna (Chairman & Independent Director) Ravi Dhariwal (Independent Director) Akshay Chudasama (Independent Director) Anjali Bansal (Independent Director) Ashok Barat (Independent Director) (w.e.f. 17.12.2018)
b. Enterprises in which director is interested	Shardul Amarchand Mangaldas & Co. Delhivery Private Limited
c. Fellow Subsidiaries with whom transactions have taken place during the year and previous period	Bata Shoe (Singapore) Pte. Ltd Global Footwear Services Pte Ltd Bata Malaysia SDN. BHD. The Zimbabwe Bata Shoe Co. Bata Shoe Co. of Ceylon Ltd. China Footwear Services Bata Industrials Europe-Netherland Bata Shoe Co. (Bangladesh) Ltd. International Footwear Investment B.V. Bata Brands S.A. Empresas Commercial S.A. PT. Sepatu BATA Tbk. Power Athletics Ltd.

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

Company Secretary	Mr. Arunito Ganguly (w.e.f. 15.12.2017) Maloy Kumar Gupta (till 31.10.2017)

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of the Transactions	Related Party		For the year ended 31 March 2019	For the year ended 31 March 2018
i. Sale of goods	Empresas Commercial S.A.		1.49	2.26
	Bata Shoe Co. (Bangladesh) Ltd		8.22	32.45
	Bata Shoe Co. of Ceylon Ltd.		16.47	14.71
	The Zimbabwe Bata Shoe Co.		1.00	0.39
		Total	**27.18**	**49.81**
ii Reimbursement of Expenses to	Bata Malaysia SDN. BHD		-	0.52
	Bata Brands S.A.		5.14	3.54
	Bata Shoe (Singapore) Pte Ltd.		0.96	2.22
	Bata Industrials Europe- Netherland		-	0.06
		Total	**6.10**	**6.34**
iii. Reimbursement of Expenses from	International Footwear Investment B.V.		7.82	8.89
	Global Footwear Services Pte Ltd.		0.07	-
	Bata Brands S.A.		13.40	10.78
	China Footwear Services		-	1.33
	PT. Sepatu BATA Tbk.		0.02	-
	Bata Shoe Co. of Ceylon Ltd.		-	0.14
		Total	**21.31**	**21.14**
iv. Technical collaboration fees	Global Footwear Services Pte Ltd.		283.96	246.15
		Total	**283.96**	**246.15**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

Nature of the Transactions	Related Party		For the year ended 31 March 2019	For the year ended 31 March 2018
v. Royalty				
	Bata Brands S.A.		15.17	20.34
		Total	**15.17**	**20.34**
vi. Service Fees	Power Athletics Ltd.		32.90	-
	Bata Industrials Europe-Netherland		2.60	-
		Total	**35.50**	**-**
vii. Legal and professional fees	Shardul Amarchand Mangaldas & Co.		1.98	0.39
		Total	**1.98**	**0.39**
viii. Freight charges	Delhivery Private Limited		9.80	0.94
		Total	**9.80**	**0.94**
ix. Transaction with Subsidiaries				
a. Reimbursement of expenses / advance recoverable from	Bata Properties Limited		0.37	0.05
	Coastal Commercial & Exim Limited		0.67	0.45
	Way Finders Brands Limited		2.55	15.45
		Total	**3.59**	**15.95**
b. Rent expenses	Bata Properties Limited		0.71	0.71
	Coastal Commercial & Exim Limited		0.84	0.84
		Total	**1.55**	**1.55**
c. Loan to subsidiary and interest thereon	Way Finders Brands Limited - Loan given		0.20	0.80
	Way Finders Brands Limited - Loan repaid		21.00	30.78
	Way Finders Brands Limited - interest thereon		5.62	7.24
		Total	**26.82**	**38.82**
x. Transaction with Holding Company				
Dividend paid	BATA (BN) B.V. The Netherlands, Amsterdam		272.26	238.23
		Total	**272.26**	**238.23**

xi. Remuneration to Directors and other key managerial personnel *

Name of the Director/ Other Key Managerial Personnel		For the year ended 31 March 2019	For the year ended 31 March 2018
Rajeev Gopalakrishnan		48.62	44.71
Ram Kumar Gupta		23.35	19.11
Sandeep Kataria (w.e.f. 14.11.2017)		31.97	10.41
Maloy Kumar Gupta (till 31.10.2017)		-	3.31
Arunito Ganguly (w.e.f. 15.12.2017)		2.32	0.71
Uday Khanna (Independent Director)**		3.35	3.50
Ravi Dhariwal (Independent Director)**		2.17	2.57
Akshay Chudasama (Independent Director)**		2.02	2.12
Anjali Bansal (Independent Director)**		1.77	1.92
Ashok Kumar Barat (Independent Director) (w.e.f. 17.12.2018)**		0.05	-
	Total	**115.62**	**88.36**

* As the liabilities for provident fund, gratuity and compensated absences are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.
**As per the section 149(6) of the Companies Act, 2013, Independent Directors are not considered as "Key Managerial Person", however to comply with the disclosure requirements of Ind AS-24 on "Related party transactions" they have been disclosed as "Key Managerial Person".

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

Balances outstanding as at the end of the year:

Nature of the Balance	Related Party		As at 31 March 2019	As at 31 March 2018
i. Trade receivables	Bata Shoe Co. (Bangladesh) Ltd		3.57	8.26
	Bata Shoe Co. of Ceylon Ltd.		6.05	4.05
	Empresas Commercial S.A.		0.33	-
	The Zimbabwe Bata Shoe Co.		0.98	-
		Total	**10.93**	**12.31**
ii Trade payables - Reimbursement of Expenses to	Bata Malaysia SDN. BHD		-	0.05
	Bata Brands S.A.		-	0.66
		Total	**-**	**0.71**
iii. Other Financial assets	Bata Shoe Co. of Ceylon Ltd.		0.13	0.14
	International Footwear Investment B.V.		2.41	4.83
	Bata Brands S.A.		3.07	2.71
		Total	**5.61**	**7.68**
iv. Other liability - Advance from customers	Empresas Commercials S.A.		-	0.24
		Total	**-**	**0.24**
v. Trade payables - Technical collaboration Fees	Global Footwear Services Pte Ltd.		47.21	61.58
		Total	**47.21**	**61.58**
vi. Trade payables - Royalty	Bata Brands S.A.		2.24	3.76
		Total	**2.24**	**3.76**
vii. Trade payables - Service fees	Power Athletics Ltd.		9.17	-
	Bata Industrials Europe-Netherland		2.60	-
		Total	**11.77**	-
viii. Advance Receivable in cash and kind	Coastal Commercial & Exim Limited		0.03	-
	Bata Properties Limited		0.03	-
		Total	**0.06**	-
ix. Trade payables - Legal and professional fees	Shardul Amarchand Mangaldas & Co.		-	0.11
		Total	**-**	**0.11**
x. Trade payables - Freight	Delhivery Private Limited		2.02	0.18
		Total	**2.02**	**0.18**
xi. Loans - related party	Way Finders Brands Limited		69.19	85.59
		Total	**69.19**	**85.59**

(Amount in INR million)

37. Specified Bank Notes (SBNs)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2019.

38. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2019	As at 31 March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year reported in Current Trade Payables		
Principal Amount Unpaid	161.71	37.96
Interest Due	-	-
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
Payment made beyond the Appointed Date	265.38	215.82
Interest Paid beyond the Appointed Date	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
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	-	-

39. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.
The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The primary market risk to the Company is foreign exchange risk. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) primarily with respect to USD and Euro.

The Company uses forward contracts to mitigate foreign exchange related risk exposures. When a forward contract is entered into for the purpose of being a hedge, the Company negotiates the terms of those contracts to match the terms of the hedged exposure. The Company's exposure to unhedged foreign currency risk as at 31 March 2019 and 31 March 2018 has been disclosed in note 34.

For the year ended 31 March 2019, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by (11.14) million/ 11.14 million respectively and Pre tax equity by (11.14) million/ 11.14 million respectively.

For the year ended 31 March 2018, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Company's profit before tax by (16.32) million/ 16.32 million respectively and Pre tax equity by (16.32) million/ 16.32 million respectively.

(Amount in INR million)

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company generally doesn't have collateral.

a) Trade receivables

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several industries and operate in largely independent markets.

b) Loans and other financial assets

With regards to all the financial assets with contractual cashflows other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible. The maximum exposure to credit risk at the reporting date in each class of financial assets is disclosed in note 5, 10 and 11.

C) Liquidity risk

The Company's principal source of liquidity is cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of 31 March 2019, the Company had a working capital of INR 12,078.82 Million including cash and cash equivalents of INR 585.53 Million. As of 31 March 2018, the Company had a working capital of INR 9,873.62 Million including cash and cash equivalents of INR 543.60 Million.

D) Commodity price risk

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The Company manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement. To counter raw material risk, the Company works with variety of leather, PVC and rubber with the objective to moderate raw material cost, enhance application flexibility and increased product functionality and also invests in product development and innovation. To counter finished goods risk, the Company deals with wide range of vendors and manages these risks through inventory management and proactive vendor development practices.

Inventory sensitivity analysis (raw material, work in progress and finished goods)

A reasonably possible change of 5% in prices of inventory at the reporting date, would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		**Equity, net of tax**	
	5% increase	5% decrease	5% increase	5% decrease
31 March 2019				
Inventory (raw material, work in progress, stock in trade and finished goods)	(256.72)	256.72	(169.58)	169.58
31 March 2018				
Inventory (raw material, work in progress, stock in trade and finished goods)	(235.27)	235.27	(156.20)	156.20

(Amount in INR million)

40. Segment reporting

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

Operating Segments

The Company's Managing Director and CEO has been identified as the Chief Operating Decision Maker ('CODM'), since Managing Director and CEO are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget and other key decisions.

Managing Director and CEO reviews the operating results at the Company level to make decisions about the Company's performance. Accordingly, management has identified the business as single operating segment i.e. Footwear & Accessories. Accordingly, there is only one Reportable Segment for the Company which is "Footwear and Accessories", hence no specific disclosures have been made.

a) Revenue and Trade receivables as per geographical markets

Particulars	Revenue		Trade receivables	
	For the year ended 31 March 2019	For the year ended 31 March 2018	As at 31 March 2019	As at 31 March 2018
India	29,174.60	26,237.97	626.77	864.19
Outside India	109.84	125.21	26.19	22.12
Total	**29,284.44**	**26,363.18**	**652.96**	**886.31**

b) The non-current assets of the Company are located in the country of domicile i.e. India. Hence no specific disclosures have been made.

c) There are no customer having revenue greater than 10% of the total revenue of the Company.

As per our report of even date

For and on behalf of the Board of Directors of Bata India Limited

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Uday Khanna
Chairman
DIN: 00079129

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Adhir Kapoor
Partner
Membership no.: 098297

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

Place: Gurugram
Date: 24 May 2019

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries or Associate companies or Joint ventures

Part A: Subsidiaries

(Rs. In Million)

Sl. No.	Particulars	Name of the Subsidiaries		
		Bata Properties Limited	Coastal Commercial & Exim Limited	Way Finders Brands Limited
1.	The date since when subsidiary was acquired	14/08/1987	11/10/1991	26/12/2014
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	-	-	-
3.	Share capital Authorised: Issued & Subscribed:	 100.00 48.51	 1.00 0.50	 1.00 1.00
4.	Reserves and surplus	4.82	1.11	(52.78)
5.	Total assets	53.40	1.69	19.03
6.	Total Liabilities	53.40	1.69	19.03
7.	Investments	0.50	-	-
8.	Turnover	3.05	0.86	26.62
9.	Profit before taxation	2.81	0.25	(8.82)
10.	Provision for taxation	0.72	0.16	-
11.	Profit after taxation	2.08	0.09	(8.82)
12.	Proposed Dividend	-	-	-
13.	Extent of shareholding (in percentage)	100	100	100

Notes: 1. Names of subsidiaries which are yet to commence operations: None

2. Names of subsidiaries which have been liquidated or sold during the year: None

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associates or Joint Ventures	
1.	**Latest audited Balance Sheet Date**	Not Applicable
2.	**Date on which the Associate or Joint Venture was associated or acquired**	
3.	**Shares of Associate or Joint Ventures held by the Company on the year end**	
	No.	
	Amount of Investment in Associates or Joint Venture	
	Extent of Holding (in percentage)	
4.	**Description of how there is significant influence**	
5.	**Reason why the associate/joint venture is not consolidated**	
6.	**Net worth attributable to shareholding as per latest audited Balance Sheet**	
7.	**Profit or Loss for the year**	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

Notes: 1. Names of associates or joint ventures which are yet to commence operations: None

2. Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors

UDAY KHANNA
Chairman
DIN: 00079129

RAJEEV GOPALAKRISHNAN
Managing Director
DIN: 03438046

SANDEEP KATARIA
Whole-time Director & CEO
DIN: 05183714

RAM KUMAR GUPTA
Director Finance & CFO
DIN: 01125065

ARUNITO GANGULY
Company Secretary
Membership No.: FCS 9285

Place: Gurugram
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Bata India Limited
Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Bata India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprises the consolidated balance sheet as at 31 March 2019 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Completeness, existence and accuracy of Revenue Recognition **See note 18 to the consolidated financial statements**	
The key audit matter	**How the matter was addressed in our audit**
The Group's major part of revenue relates to retail sales which comprise of high volumes of individually small transactions recorded in the books through journals. Revenue from the sale of goods is recognised when the Group performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure for evaluation of performance. Since revenue comprise of high volumes of individually small transactions, the process of summarizing and recording sales revenue is critical with regard to the completeness, existence and accuracy of retail sales revenue.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: A) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to the recognition of revenue, including those related to the reconciliation of sales records to cash/ credit card/ online receipts, preparation, posting and approval of manual journal entries relating to revenue recognition. B) Testing the accuracy of retail revenue recorded during the year by examining that the sale of goods transactions are in agreement with the cash/ credit card/ online receipts and deposit of cash amounts recorded in daily cash reports with bank remittances, on sample basis. C) Testing whether the sales have been recorded in the correct period by selecting samples of reconciliation between sales transactions and cash / credit card/ online and agreeing those reconciliations thorough supporting documentation. D) Performing on a test basis cash counts at selected stores and examining whether the cash balances are in agreement with the cash receipts reported in the daily collection report. E) Obtaining reconciliation of retail sales as per books of account with the sales as per Indirect tax records and inquire about reasons for differences, if any. F) Performing an analysis of the manual journal entries passed during the year.

<table>
<tr><th colspan="2">Existence and Valuation of Inventories
See note 8 to the consolidated financial statements</th></tr>
<tr><th>Key audit matters</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>The Group's major part of inventory comprises finished goods which are geographically spread across multiple locations such as retail stores, depots and factories. These inventories are counted by the Group on a cyclical basis and accordingly provision for obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period.

The Group manufactures and sells goods which may be subject to changing consumer demands and fashion trends. Significant degree of judgement is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgement include management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell.

Based on above, existence and valuation of inventories has been identified as a key audit matter.</td><td>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

A) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Group, identification of obsolete and slow moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values.

B) Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket;

C) Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2018 during the current year to assess the historical accuracy of management's inventory provisioning process;

D) Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end.

E) Attending cyclical inventory counts at selected stores, factories, retail distribution centers and wholesale distribution centres twice during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.</td></tr>
</table>

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs. 74.12 million as at 31 March 2019, total revenues of Rs. 30.54 million and net cash flows amounting to Rs. (1.25) million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 31 to the consolidated financial statements.

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2019.

   iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

   In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Adhir Kapoor
Partner
Membership No.: 098297

Place : Gurugram
Date : 24 May 2019

Annexure A to the Independent Auditor's report on the consolidated financial statements of Bata India Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Bata India Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Adhir Kapoor
Partner
Membership No.: 098297

Place : Gurugram
Date : 24 May 2019

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2019

(Amount in INR million)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4a	3,127.17	2,948.71
Capital work-in-progress	4c	172.51	121.19
Intangible assets	4b	37.88	15.54
Financial assets			
Investments	5a	-	-
Loans	5b	1,017.36	912.60
Other financial assets	5c	21.82	0.92
Deferred tax assets (net)	6	1,098.50	1,054.80
Other non-current tax assets	7a	523.22	467.11
Other non-current assets	7b	337.51	344.25
		6,335.97	**5,865.12**
Current assets			
Inventories	8	8,393.67	7,651.72
Financial assets			
Trade receivables	9	663.50	893.50
Cash and cash equivalents	10	585.79	545.11
Bank balances other than those included in cash and cash equivalents	11	7,817.36	5,366.80
Loans	5b	37.51	37.67
Other financial assets	5c	441.15	331.90
Other current assets	7b	465.89	722.25
		18,404.87	**15,548.95**
Total assets		**24,740.84**	**21,414.07**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	642.64	642.64
Other equity	13	16,775.80	14,104.27
Total		**17,418.44**	**14,746.92**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Trade payables			
- Micro enterprises and small enterprises	14	-	-
- Other than micro enterprises and small enterprises	14	1,002.40	1,037.42
Provisions	17b	22.77	21.90
		1,025.17	**1,059.32**
Current liabilities			
Financial liabilities			
Trade payables			
- Micro enterprises and small enterprises	14	161.71	37.96
- Other than micro enterprises and small enterprises	14	4,996.07	4,759.89
Other financial liabilities	15	417.04	353.86
Other current liabilities	16	209.10	173.70
Provisions	17b	156.67	103.19
Current tax liabilities (net)	17a	356.64	179.24
		6,297.23	**5,607.84**
Total equity and liabilities		**24,740.84**	**21,414.07**
Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors of Bata India Limited

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Uday Khanna
Chairman
DIN: 00079129

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Adhir Kapoor
Partner
Membership no.: 098297

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

Place: Gurugram
Date: 24 May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
REVENUE			
Revenue from operations	18	29,311.03	26,412.16
Other income	19	682.20	503.27
Total revenue		**29,993.23**	**26,915.43**
EXPENSES			
Cost of raw materials and components consumed	20a	2,807.22	2,695.23
Purchase of stock-in-trade	20b	10,861.27	9,854.70
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(797.43)	(525.95)
Excise duty		-	70.47
Employee benefits expense	22	3,310.83	2,956.10
Finance costs	23	35.46	41.98
Depreciation and amortization expense	24	640.47	604.52
Other expenses	25	8,358.54	7,847.98
Total expenses		**25,216.36**	**23,545.03**
Profit before tax		**4,776.87**	**3,370.40**
Tax expense:			
Current Tax	6	1,730.13	1,214.73
Tax (reversal)/expense for earlier years	6	(199.32)	0.13
Deferred tax credit	6	(43.88)	(49.59)
Profit for the year		**3,289.94**	**2,205.13**
Other Comprehensive Income			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement (losses) on defined benefit plans	26	2.11	(244.73)
Income tax effect	26	(0.73)	84.70
Other comprehensive income for the year, net of income tax		**1.38**	**(160.03)**
Total comprehensive income for the year, net of income tax		**3,291.32**	**2,045.10**
Earnings per equity share (nominal value per share INR 5 (previous year INR 5))			
(1) Basic (INR)	28	25.60	17.16
(2) Diluted (INR)	28	25.60	17.16
Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Adhir Kapoor
Partner
Membership no.: 098297

Place: Gurugram
Date: 24 May 2019

For and on behalf of the Board of Directors of Bata India Limited

Uday Khanna
Chairman
DIN: 00079129

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

(a) Equity share capital

	No. of shares	Amount
Equity shares of INR 5 each issued, subscribed and fully paid		
At 31 March 2017	128,527,540	642.64
Issue of share capital	-	-
At 31 March 2018	128,527,540	642.64
Issue of share capital	-	-
At 31 March 2019	**128,527,540**	**642.64**

(b) Other equity

For the year ended 31 March 2019:

	Attributable to the owners of the company				Total other equity
	Reserves and surplus				
	Securities premium (Note 13a)	General reserve (Note 13b)	Capital reserve* (Note 13d)	Retained earnings (Note 13c)	
As at 1 April 2018	501.36	1,498.84	0.00	12,104.07	**14,104.27**
Profit for the year	-	-	-	3,289.94	**3,289.94**
Other comprehensive income, net of tax (Note 26)	-	-	-	1.38	**1.38**
Total comprehensive income	**501.36**	**1,498.84**	**0.00**	**15,395.39**	**17,395.59**
Dividends (Note 27)	-	-	-	(514.11)	**(514.11)**
Dividend distribution tax (Note 27)	-	-	-	(105.68)	**(105.68)**
At 31 March 2019	**501.36**	**1,498.84**	**0.00**	**14,775.60**	**16,775.80**

For the year ended 31 March 2018:

	Attributable to the owners of the company				Total other equity
	Reserves and surplus				
	Securities premium (Note 13a)	General reserve (Note 13b)	Capital reserve* (Note 13d)	Retained earnings (Note 13c)	
As at 1 April 2017	**501.36**	**1,498.84**	**0.00**	**10,600.39**	**12,600.59**
Profit for the year	-	-	-	2,205.13	2,205.13
Other comprehensive income, net of tax (Note 26)	-	-	-	(160.03)	(160.03)
Total comprehensive income	**501.36**	**1,498.84**	**0.00**	**12,645.49**	**14,645.69**
Dividends (Note 27)	-	-	-	(449.85)	(449.85)
Dividend distribution tax (Note 27)	-	-	-	(91.57)	(91.57)
At 31 March 2018	**501.36**	**1,498.84**	**0.00**	**12,104.07**	**14,104.27**

* Rounded off to INR Nil.

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors of Bata India Limited

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Adhir Kapoor
Partner
Membership no.: 098297

Place: Gurugram
Date: 24 May 2019

Uday Khanna
Chairman
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Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Ram Kumar Gupta
Director Finance
DIN: 01125065

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

		Notes	As at 31 March 2019	As at 31 March 2018
A	**Cash flow from operating activities**			
1	**Profit before tax**		4,776.87	3,370.40
2	**Adjustments to reconcile profit before tax to net cash flows:**			
	Depreciation of property, plant & equipment	24	633.94	600.72
	Amortisation of intangible assets	24	6.53	3.80
	Straightlining on lease rental		(11.48)	18.64
	Loss on sale and disposal of property, plant and equipment (net)	25	20.53	16.70
	Allowance for doubtful debt, loans, advances	25	11.88	31.42
	Finance Expense (including fair value change in financial instruments)	23	35.46	41.98
	Finance Income (including fair value change in financial instruments)	19	(664.95)	(492.96)
	Provisions for Litigation	17b	-	10.10
3	**Operating profit before working capital changes (1+2)**		**4,808.78**	**3,600.80**
4	**Movements in Working Capital:**			
	Decrease/(Increase) in trade & other receivables		230.66	(215.55)
	Decrease /(Increase) in inventories		(741.95)	(513.75)
	Increase/(Decrease) in trade and Other Payables		359.93	713.37
	Increase/(Decrease) in short term provisions		55.58	(208.00)
	Decrease/(Increase) in other current assets		256.36	(449.85)
	Decrease/(Increase) in other current financial assets		3.48	(66.16)
	Increase/(Decrease) in other current liabilities		35.41	(131.36)
	Increase/(Decrease) in other financial liabilities		(52.34)	(62.90)
	Change in Working Capital		**147.13**	**(934.20)**
	Changes in non current assets and liabilities			
	Decrease/(Increase) in loans & advances		(58.63)	34.36
	Increase/(Decrease) in trade payables		(22.66)	0.97
	Decrease/(Increase) in other non-current assets		6.96	40.92
	Decrease/(Increase) in financial assets		(20.78)	13.56
5	**Changes in non current assets and liabilities**		**(95.11)**	**89.81**
6	**Cash generated from operations (3+4+5)**		**4,860.80**	**2,756.41**
7	**Less : Taxes paid (net of tax refund)**		**(1,410.07)**	**(1,153.70)**
8	**Net cash flow from operating activities (6-7)**		**3,450.73**	**1,602.71**
B	**Cash Flow from Investing Activities:**			
	Purchase of Property, plant and equipment		(820.29)	(778.82)
	Proceeds from sale of Property, plant and equipment		(1.39)	24.81
	Repayments/(Investments) in bank deposits (having original maturity of more than three months)		(2,448.37)	(763.38)
	Interest received (finance income)		493.58	398.43
	Net Cash Flow used in Investing Activities:		**(2,776.47)**	**(1,118.96)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

		Notes	As at 31 March 2019	As at 31 March 2018
C	**Net Cash Flow From Financing Activities:**			
	Dividend paid to equity shareholders	27	(511.92)	(448.99)
	Dividend distribution tax	27	(105.68)	(91.57)
	Interest paid		(13.79)	(15.02)
	Net Cash Used in Financing Activities:		**(631.39)**	**(555.58)**
D	**Net Change in cash & cash equivalents**		**42.87**	**(71.83)**
E - 1	Cash & cash equivalents as at end of the year		601.71	558.84
E - 2	Cash & cash equivalents as at the beginning of year		558.84	630.67
	NET CHANGE IN CASH & CASH EQUIVALENTS (E 1- E 2)		**42.87**	**(71.83)**

	As at 31 March 2019	As at 31 March 2018
Cash on hand	98.63	103.24
With banks		
- on deposit with original maturity of upto 3 months	-	-
- on current accounts	487.16	441.87
- unpaid dividend accounts*	15.92	13.73
Total cash and cash equivalents	**601.71**	**558.85**

*The Company can utilize these balances only towards settlement of the respective unpaid dividend.

Significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Adhir Kapoor
Partner
Membership no.: 098297

Place: Gurugram
Date: 24 May 2019

For and on behalf of the Board of Directors of Bata India Limited

Uday Khanna
Chairman
DIN: 00079129

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Managing Director
DIN: 03438046

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Whole-Time Director & CEO
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Ram Kumar Gupta
Director Finance
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1. Corporate information

The consolidated financial statements comprise of financial statements of Bata India Limited (the Company) and its subsidiaries (collectively, "the Group") for the year ended 31 March 2019. Group is primarily engaged in the business of manufacturing and trading of footwear and accessories through its retail and wholesale network.

Bata India Limited is a public company domiciled in India. Its shares are listed on three stock exchanges in India. The registered office of the company is located at 27B Camac Street, 1st Floor, Kolkata - 700 016.

The particulars of subsidiary companies, which are included in consolidation and the parent company's holding therein:-

Name	Country of Incorporation	Percentage of holding as at 31 March 2019	Percentage of holding as at 31 March 2018
Bata Properties Limited	India	100%	100%
Coastal Commercial & Exim Limited	India	100%	100%
Way Finders Brands Limited	India	100%	100%

2. Significant Accounting policies

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013 ('the Act') and other provisions of the Act.

The financial statements are authorised for issue by Company's board of directors on May 24, 2019.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ► Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ► Exposure, or rights, to variable returns from its involvement with the investee, and
- ► The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

► Derecognises the assets (including goodwill) and liabilities of the subsidiary

► Derecognises the carrying amount of any non-controlling interests

► Derecognises the cumulative translation differences recorded in equity

► Recognises the fair value of the consideration received

► Recognises the fair value of any investment retained

► Recognises any surplus or deficit in profit or loss

► Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Basis of Measurements

The financial statements have been prepared on a historical cost or at amortised cost except for the following assets and liabilities

Items	Measurement Basis
Net defined benefit (asset)/liability	Fair Value of plan assets less present value of defined benefit obligations
Derivatives	Fair Value

The financial statements are presented in INR and all values are rounded to the nearest Million (INR 000,000).

2.4 Summary of significant accounting policies

a. Current vs Non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

► Expected to be realised or intended to be sold or consumed in normal operating cycle

► Held primarily for the purpose of trading

► Expected to be realised within twelve months after the reporting period, or

► Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

► Expected to be settled in normal operating cycle

► Held primarily for the purpose of trading

► Due to be settled within twelve months after the reporting period, or

► There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle.

b. Cash dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Interim dividends, if any are recorded as a liability on the date of declaration by the Group's Board of Directors.

c. Fair Value Measurements

The Group measures financial instruments, such as forward contracts at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market is accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes to the consolidated financial statements.

d. Property, plant & equipment

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment.

Property, plant & equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Depreciation on Property, plant & equipment

i. Lease hold improvements (LHI) and furniture & fittings at stores are amortised on straight line basis over the period of lease or useful life (not exceeding 9 years), whichever is lower.

ii. Depreciation on other Property, plant & equipment is provided on written down value method at the rates based on the estimated useful life of the assets as described below:

Category of Property, plant & equipments	Useful Lives
Buildings	
- Factory Buildings	30 years
- Other than Factory Buildings	10 years - 60 Years
- Fences, Wells, Tube wells	5 years
Plant and equipments	
- Moulds	8 years
- Data processing equipments	3 Years
- Servers	6 Years
- Other Plant and Machinery	5 Years - 15 Years
Furniture & fixtures	
- Others	10 years
Vehicles	8 years
Office equipments	10 Years

The Group, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

iii. Depreciation on Property, plant & equipment added/disposed-off during the year is provided on pro-rata basis with respect to date of acquisition/ disposal.

f. Intangible assets

Intangible assets acquired separately are recorded at cost at the time of initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Computer Software with finite lives are amortised over the useful economic life (not exceeding five years) and assessed for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on computer software is recognised in the consolidated statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

g. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

► Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

► Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of fixed manufacturing overheads based on the normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

► Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realizable value in case of finished goods, stock in trade and work in progress is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

h. Revenue Recognition

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. Refer note 2.4(h) – Significant accounting policies – Revenue recognition in the Annual report of the Group for the year ended 31 March 2018, for the revenue recognition policy as per Ind AS 18. The impact of the adoption of the standard on the financial statements of the Group is insignificant.

Ind AS 115 five step model is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:

• Step 1: Identify the contract with the customer

• Step 2: Identify the performance obligations in the contract

• Step 3: Determine the transaction price

• Step 4: Allocate the transaction price to the performance obligations

• Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.
- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.
- Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from related party is recognised based on transaction price which is at arm's length.

Use of significant judgments in revenue recognition :-

- The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgments to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group provides normal warranty expense provisions for manufacturing defects for 3 months on all its products sold, in line with the industry practice. The Group does not provide any extended warranties to its customers.

The Group operates a loyalty points programme "The Bata Club", which allows customers to accumulate points when they purchase products in the Group's retail stores. The points can be redeemed against consideration payable for subsequent purchases. Hence, consideration is allocated between the products sold and the points issued. For the allocation of consideration to points issues, fair value of the points issued is determined by applying a statistical analysis (based on data available) of points redemption history of the customers. The fair value of the points issued is deferred based on actuarial valuation and recognised as revenue when the points are redeemed.

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income".

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

i. Foreign Currency Transactions

The Group's financial statements are presented in INR, which is also the Group's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

j. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. Government grants

An unconditional government grant related to an asset that is measured at fair value less cost to sell is recognised in statement of profit and loss as other income when the grant becomes receivable. Other government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant, they are then recognised in statement of profit and loss as other operating revenue on a systematic basis.

l. Retirement and Other Employee Benefits

i) Retirement benefit in the form of pension costs is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the pension fund. The Group recognizes contribution payable to the pension fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

ii) The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Group 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 confirm to the interest rate declared by the government for the Employees Provident Fund. The Group has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end.

iii) The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising actuarial gains and losses, the effect of asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the retained earnings with a corresponding debit or credit to OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

► The date of the plan amendment or curtailment, and

► The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

► Net interest expense or income

iv) Compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an actuary, at each year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group 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.

v) 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.

m. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group is lessee

The Group classifies the lease at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. A lease which is not a finance lease is classified as Operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either (a) another systematic basis is more representative of the time pattern of the user’s benefit even if the payments to the lessors are not on that basis, or (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

n. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences except for the following:

➢ Tax payable on the future remittance of the past earnings of subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the consolidated statement of profit and loss.

p. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on actuarial valuation. The initial estimate of warranty-related costs is revised annually.

q. Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability in such cases and discloses the same under contingent liability in the financial statements.

r. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, short-term deposits and unpaid dividend accounts, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company.

Financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in five categories:

► Debt Instrument at amortised cost
► Debt instruments at fair value through other comprehensive income (FVTOCI)
► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to non-current trade receivables, non-current Security deposits and non-current other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Group has not designated any debt instrument as at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

► The rights to receive cash flows from the asset have expired, or

► The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are carried at amortised cost or at Fair value through OCI except equity investment which is carried at fair value through OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Group to track changes in credit risk. Based on the past history and track records the Group has assessed the risk of default by the customer and expects the credit loss to be insignificant. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

The balance sheet presentation for various financial instruments is described below:

► Financial assets measured as at amortised cost. ECL is presented as an allowance, i.e., as an integral part of measurement of those assets in the balance sheet. The allowance reduces the net carrying amount until the asset meets write-off criteria.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as:

- financial liabilities at fair value through profit or loss,
- financial liabilities measured at amortised cost,
- loans and borrowings and payables,
- derivatives designated as hedging instruments in an effective hedge relationship.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include:

- financial liabilities held for trading
- financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, if and only if, the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities measured at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate. Interest expense and is recognised in statement of profit and loss.

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. The Group has not reclassified any financial asset during the current year or previous year.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when and only when there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is unfavourable.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

► Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

► Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the consolidated statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the consolidated statement of profit and loss.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in consolidated statement of profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in highly probable forecast transactions and firm commitments, the ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

2.5.Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the accounting policies and the reported amounts of income, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

(ii) Revenue recognition

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

b.1 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment defined benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The underlying bonds are further reviewed for quality.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 30.

b.2 Revenue recognition – Loyalty programme

The Group estimates the fair value of points awarded under the Loyalty programme "The Bata Club", by applying statistical techniques. Inputs to the model include making assumptions about expected redemption rates, the mix of products that will be available for redemption in the future and customer preferences. As points issued under the programme expire on expiry of specified period in accordance with the programme, such estimates are subject to significant uncertainty.

For details on warranty valuation refer note 2.4 (h).

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which will be effective from April 1, 2019:

i) Ind AS - 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases and related interpretation. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees and requires a lessee to recognize assets and liabilities for all leases with a lease term of more than 12 months, unless the underlying asset is of low value. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Group will apply the standard to its leases, as per modified retrospective approach, with the cumulative effect of applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

On that date, the Group will recognize a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Group will choose not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Group will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

With effect from April 01, 2019, the Group will recognize new assets and liabilities for its new operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization charge for the right-to-use asset, and b) interest accrued on lease liability. Previously, the Group recognized operating lease expense on a straightline basis over the term of the lease, and recognized assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognized.

The Group is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard, including the alignment with its global group accounting policies.

ii) Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any impact of the amendment on the financial statements.

iii) Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any impact on its financial statements.

(Amount in INR million)

Property, plant and equipment and capital work in progress

4a

Property, plant and equipment	Freehold land	Buildings	Lease hold improvements	Plant and equipment**	Furniture and fixtures	Vehicles	Office equipments	Total
Cost or deemed cost (gross carrying amount)								
At 31 March 2017	252.32	1,103.02	688.91	587.76	1,382.47	17.71	6.78	4,038.97
Additions	-	174.65	248.61	197.32	241.76	11.34	51.62	925.30
Disposals	-	-	(27.71)	(14.01)	(51.84)	(0.76)	(0.01)	(94.33)
At 31 March 2018	**252.32**	**1,277.67**	**909.81**	**771.07**	**1,572.39**	**28.29**	**58.39**	**4,869.94**
Additions	0.01	105.58	251.21	163.31	303.23	3.39	4.81	831.54
Disposals	(0.00)	(1.41)	(16.01)	(10.93)	(36.79)	(0.00)	(0.02)	(65.16)
At 31 March 2019	**252.33**	**1,381.84**	**1,145.01**	**923.45**	**1,838.83**	**31.68**	**63.18**	**5,636.32**
Accumulated depreciation								
At 31 March 2017	-	166.96	220.70	310.92	660.66	11.99	2.10	1,373.33
Depreciation charge for the year	-	57.98	171.16	102.18	257.09	4.74	7.57	600.72
Disposals	-	-	(15.84)	(2.85)	(33.70)	(0.43)	(0.00)	(52.82)
At 31 March 2018	**-**	**224.94**	**376.02**	**410.25**	**884.05**	**16.30**	**9.67**	**1,921.23**
Depreciation charge for the year	-	78.96	176.50	126.72	234.72	4.16	12.88	633.94
Disposals	-	(1.33)	(10.90)	(5.92)	(27.85)	-	(0.02)	(46.02)
At 31 March 2019	**-**	**302.57**	**541.62**	**531.05**	**1,090.92**	**20.46**	**22.53**	**2,509.15**
Net book value								
At 31 March 2019	**252.33**	**1,079.27**	**603.39**	**392.40**	**747.91**	**11.22**	**40.65**	**3,127.17**
At 31 March 2018	252.32	1,052.73	533.79	360.82	688.34	11.99	48.72	2,948.71

4b

Intangible assets	Computer Software
Cost or deemed cost (gross carrying amount)	
At 31 March 2017	**21.44**
Addition	5.46
At 31 March 2018	**26.90**
Addition	28.87
At 31 March 2019	**55.77**
Accumulated amortization	
At 31 March 2017	**7.56**
Amortization	3.80
At 31 March 2018	**11.36**
Amortization	6.53
At 31 March 2019	**17.89**
Net book Value	
At 31 March 2019	**37.88**
At 31 March 2018	15.54

4c

Capital work in progress and Intangible assets under development	As at 31st March 2019	As at 31st March 2018
Capital work-in-progress	172.51	121.19

**Additions includes INR 0.99 million (31 March 2018 INR 0.19 million) towards assets located at research and development facilities.

(Amount in INR million)

5. Financial assets

	Non Current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
a. Investments				
Investments in Cooperative Societies (Fair value through profit and loss)				
Unquoted:				
250 (31 March 2018: 250) equity shares of INR 10 each fully paid-up in Bata Employees' Co-operative Consumers' Stores Limited, Hathidah *	0.00	0.00	-	-
5 (31 March 2018: 5) equity shares of INR 10 each fully paid-up in Bhadrakali Market Co-operative Society Limited, Nasik*	0.00	0.00	-	-
TOTAL	0.00	0.00	-	-
* Rounded off to INR Nil.				
Aggregate value of unquoted investments	**0.00**	**0.00**	**-**	**-**
b. Loans (at amortised cost)				
Investments in Bonds				
Units in Secured non convertible redeemable REC capital gains tax exemption bond, NIL (31 March 2018 : 500) units of face value of 10,000 each	-	5.00	-	-
	-	5.00	-	-
Unsecured, considered good				
Loans and advances				
To related parties	-	-	5.49	7.68
	-	-	5.49	7.68
Security deposits	1,017.36	907.60	32.02	29.99
	1,017.36	907.60	32.02	29.99
TOTAL	**1,017.36**	**912.60**	**37.51**	**37.67**
c. Other financial assets				
Non-current bank balances (Refer Note 11)	21.42	0.64	-	-
Interest accrued on deposits	0.40	0.28	341.85	216.73
Other receivables (unsecured, considered good)	-	-	96.58	114.25
Other receivables (unsecured, considered doubtful)	-	-	54.33	56.81
Less: Allowance of impairment	-	-	(54.33)	(56.81)
Insurance claim receivable	-	-	2.72	0.92
TOTAL	**21.82**	**0.92**	**441.15**	**331.90**

(Amount in INR million)

6. Deferred tax assets (net)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current income tax recognised in consolidated statement of profit and loss :		
Current income tax charge	1,730.13	1,214.73
Tax (reversal)/expense for earlier years	(199.32)	0.13
Deferred tax :		
Relating to origination and reversal of temporary difference	(43.88)	(49.59)
	1,486.93	**1,165.27**

	As at 31 March 2019	As at 31 March 2018
Deferred tax assets (net)		
Property, plant, equipments and intangible assets: Impact of difference between tax depreciation and depreciation/amortization charged in the financial statements	584.30	543.26
Impact of expenditure charged to the consolidated statement of profit and loss in the current/earlier years but allowable for tax purposes on payment basis	458.22	473.13
Provision for doubtful debts and advances	27.33	29.20
Effect of measuring financial instruments at fair value	27.96	8.34
Mat credit entitlement	0.69	0.87
	1,098.50	**1,054.80**

Reconciliation of average effective tax rate

	For the year ended 31 March 2019		For the year ended 31 March 2018	
Profit before tax		4,776.87		3,370.40
Tax using the Company's domestic tax rate	34.94%	1,669.23	34.61%	1,166.43
Effect of non deductible expenses	0.47%	22.45	0.53%	17.77
Effect of deductible expenses at higher rate	-0.25%	(11.93)	-0.30%	(10.09)
Effect of change in income tax rate	0.34%	5.62	0.84%	(9.75)
Tax (reversal)/expense for earlier years	-4.17%	(199.32)	0.00%	0.13
Tax for Subsidiaries	0.02%	0.89	0.02%	0.78
Total	**31.13%**	**1,486.94**	**34.57%**	**1,165.27**
Tax as per consolidated statement of profit and loss	**31.13%**	**1,486.94**	**34.57%**	**1,165.27**

Component wise deferred tax recognised in consolidated statement of profit and loss	For the year ended 31 March 2019	For the year ended 31 March 2018
Property, plant, equipments and intangible assets: Impact of difference between tax depreciation and depreciation/amortization charged in the financial statements	(41.05)	(78.79)
Impact of expenditure charged to the consolidated statement of profit and loss in the current/earlier years but allowable for tax purposes on payment basis	14.91	30.34
Provision for doubtful debts and advances	1.88	(0.24)
Effect of measuring financial instruments at fair value	(19.62)	(0.90)
	(43.88)	**(49.59)**

Income tax recognised in Other Comprehensive Income	For the year ended 31 March 2019	For the year ended 31 March 2018
Re-measurement of defined benefit plans	(0.73)	84.70
	(0.73)	**84.70**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

7. Other assets

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
a. Other non-current tax assets				
Advance income tax (net of provision)	523.22	467.11	-	-
	523.22	**467.11**	**-**	**-**
b. Other current/ non-current assets				
Unsecured and considered good				
Capital advances	52.96	52.75	-	-
Supplier advances	-	-	39.86	23.76
Recoverable from statutory authorities	75.69	62.24	270.96	534.13
Prepaid expenses	208.86	229.26	155.07	164.36
	337.51	**344.25**	**465.89**	**722.25**
Unsecured, considered doubtful				
Recoverable from statutory authorities	16.49	19.38	-	-
Less: Loss allowance	(16.49)	(19.38)	-	-
	-	-	-	-
Total	**337.51**	**344.25**	**465.89**	**722.25**

8. Inventories

	As at 31 March 2019	As at 31 March 2018
Raw materials and components (including goods in transit INR 0.06 million (31 March 2018: 2.46 million)	182.84	239.04
Work-in-progress	83.32	107.88
Finished goods * (including goods in transit INR 893.73 million (31 March 2018: INR 912.56 million))	8,116.66	7,294.67
Stores and spares	10.85	10.13
Total inventories at the lower of cost and net realisable value	**8,393.67**	**7,651.72**

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

The write down of inventories to net realisable value during the year amounted to INR 6.3 million (31 March 2018 : INR 27.83 million). The write down is included in cost of materials consumed and increase/decrease in inventories.

9. Trade receivables

	Current	
	As at 31 March 2019	As at 31 March 2018
Trade Receivables considered good, Unsecured - Others	652.58	881.19
Trade Receivables credit impaired	11.34	10.84
Less : loss allowance	(11.34)	(10.84)
Trade receivables from related parties - unsecured, considered good (Refer note 36)	10.92	12.31
	663.50	**893.50**

No trade or other receivable are due to from directors or other officers of the company either severally or jointly with any other person, nor from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days. For explanations on the Group's credit risk management processes, refer to Note 40.

10. Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
- On current account	487.16	441.87
- Deposits with original maturity of less than three months	-	-
Cash on hand	98.63	103.24
	585.79	**545.11**

Short term deposits are made for varying periods of between one day and three months, depending upon immediate cash requirements of the Group, and the Group earns interest at the respective short term deposit rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

11. Bank Balances other than those included in cash and cash equivalents

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Unpaid dividend accounts	-	-	15.92	13.73
Deposits with maturity period of 3 to 12 months*	-	-	7,801.44	5,353.07
Deposits with maturity for more than 12 months (refer note 5c)	21.42	0.64	-	-
Less: Amount disclosed under other non-current assets	(21.42)	(0.64)	-	-
	-	-	**7,817.36**	**5,366.80**

*Includes deposit pledged with banks of INR 13.50 million (31 March 2018 INR 8.16 million).

12. Equity share capital

	As at 31 March 2019	As at 31 March 2018
Authorised share capital		
Equity share capital		
140,000,000 (31 March 2018: 140,000,000) equity shares of INR 5 each	700.00	700.00
Issued share capital*		
Equity share capital		
128,570,000 (31 March 2018: 128,570,000) equity shares of INR 5 each	642.85	642.85
Subscribed and fully paid up share capital		
Equity share capital		
128,527,540 (31 March 2018: 128,527,540) equity shares of INR 5 each	642.64	642.64
TOTAL	**642.64**	**642.64**

***Shares held in abeyance**

42,460 (31 March 2018: 42,460) equity shares of INR 5 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 year

	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	128,527,540	642.64	128,527,540	642.64
Issued during the year	-	-	-	-
Outstanding at the end of the year	**128,527,540**	**642.64**	**128,527,540**	**642.64**

B. Rights, preferance and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 5 per share (previous year INR 5 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.

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 if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Shares held by holding company

	As at 31 March 2019	As at 31 March 2018
Out of equity shares issued by the Company, shares held by its holding Company are as follows :		
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company		
68,065,514 (31 March 2018: 68,065,514) equity shares of INR 5/- each	340.33	340.33
	340.33	340.33

D. Details of shareholders holdings more than 5% shares in Company

Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Equity shares of INR 5 each fully paid				
Bata (BN) B.V., Amsterdam, The Netherlands, the holding company	68,065,514	52.96%	68,065,514	52.96%

(Amount in INR million)

13. Other equity

	As at 31 March 2019	As at 31 March 2018
Reserve and Surplus		
a) Security premium*		
Opening balance	501.36	501.36
Add/(less) : Movement during the year	-	-
Closing balance	**501.36**	**501.36**
b) General reserve**		
Opening balance	1,498.84	1,498.84
Add: Amount transferred from surplus balance in the statement of profit and loss	-	-
Closing balance	**1,498.84**	**1,498.84**
c) Retained earnings		
Opening balance	12,104.07	10,600.39
Add: Net profit after tax transferred from statement of profit & loss	3,289.94	2,205.13
Add: Other comprehensive income, net of tax	1.38	(160.03)
Less: Appropriations		
Dividend for 31 March 2018: INR 4 per share (31 March 2017: INR 3.50 per share)	(514.11)	(449.85)
Dividend distribution tax on final dividend	(105.68)	(91.57)
Closing balance	**14,775.60**	**12,104.07**
d) Capital reserve***		
Balance at the opening and at the end of the year	**0.00**	**0.00**
Total (a+b+c+d)	**16,775.80**	**14,104.27**

*Security premium is used to record the premium received on issue of shares. It is to be utilised in accordance with the provisions of the Companies Act, 2013.
** In previous years, the Company appropriated a portion of profits to general reserve as per the provions of the Act. The said reserve is available for payment of dividend to the shareholders as per provisions of the Companies Act, 2013.
***Rounded off to INR Nil.

14. Trade payables

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Trade payables to micro enterprises and small enterprises (refer note 38)	-	-	161.71	37.96
TOTAL	**-**	**-**	**161.71**	**37.96**
Trade payables to related parties	-	-	63.24	66.34
Trade payables to others*	1,002.40	1,037.42	4,932.83	4,693.55
TOTAL	**1,002.40**	**1,037.42**	**4,996.07**	**4,759.89**

*Includes asset retirement obligation INR 13.02 million (31 March 2018 INR 11.78 million).

15. Other Financial Liabilities

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Payable for capital goods	-	-	118.96	27.30
Deposit from agents and franchisees	-	-	282.16	312.83
Unpaid dividend	-	-	15.92	13.73
Total other financial liabilities	**-**	**-**	**417.04**	**353.86**

(Amount in INR million)

16. Other Liabilities

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Advance from customers*	-	-	0.05	0.29
Statutory dues payable	-	-	148.54	96.51
Unearned revenue	-	-	60.51	76.90
Total	**-**	**-**	**209.10**	**173.70**

*Includes NIL (31 March 2018 INR 0.24 million) payable to related to party (refer note 36)

17. Provisions

	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
a) Current tax liabilities				
Provision for income tax (net of advance tax)	-	-	356.64	179.24
	-	**-**	**356.64**	**179.24**
b) Provisions				
Provision for employee benefits				
Provision for gratuity (refer note 30)	-	-	74.35	32.70
Provision for compensated absences	22.77	21.90	22.11	14.34
Others				
Provision for warranties*	-	-	25.74	21.68
Provision for Litigation**	-	-	34.47	34.47
	22.77	**21.90**	**156.67**	**103.19**

***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 March 2019	As at 31 March 2018
Opening balance	21.68	12.45
Arising during the year	109.06	104.44
Utilized during the year	(105.00)	(95.21)
Closing balance	**25.74**	**21.68**

****Provision for Litigation**

	As at 31 March 2019	As at 31 March 2018
Opening balance	34.47	11.47
Arising during the year	-	23.00
Utilized during the year	-	-
Closing balance	**34.47**	**34.47**

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

18. Revenue from operations

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products (including excise duty)***		
Sale of goods*	29,290.62	26,398.02
Total sale of products	**29,290.62**	**26,398.02**
Other operating revenue		
Others (including export incentives, scrap sales etc.)	20.41	14.14
Total**	**29,311.03**	**26,412.16**

*Sale of goods include excise duty collected from customers of INR NIL million (31 March 2018 : INR 70.47 million).

** For Ind AS 115 disclosure refer note 2 and disclosure relating to disaggregation of revenues by geography refer to note 42.

***In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, sales for the period upto June 2017 were reported gross of excise duty and net of value added tax (VAT)/ Sales Tax. Excise duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 18. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. Accordingly, financial statements for the year ended 31 March 2019 and in particular, sales and ratios in percentage of sales, will not be comparable with the figures of the previous year.

Changes in unearned and deferred revenue are as follows:	As at 31 March 2019
Balance at the beginning of the year	76.90
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(76.90)
Increase due to points redeemed during the year, including amounts recognised as revenue during the year	60.51
Balance at the end of the year	**60.51**

19. Other income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Finance income		
- Unwinding of financial instruments at amortised cost	46.13	70.12
- Deposits with bank	517.52	369.58
- Others	101.30	53.26
	664.95	492.96
Foreign exchange fluctuation (net)	14.10	6.18
Insurance claim received	3.15	4.13
	682.20	**503.27**

20. Cost of raw material and components consumed

	For the year ended 31 March 2019	For the year ended 31 March 2018
a. Raw material and components consumed		
Inventory at the beginning of the year	239.04	249.25
Add: Purchases	2,751.02	2,685.02
	2,990.06	**2,934.27**
Less: inventory at the end of the year	(182.84)	(239.04)
Cost of raw material and components consumed	**2,807.22**	**2,695.23**
b. Purchase of stock-in-trade		
Purchases	10,861.27	9,854.70
Purchase of stock-in-trade	**10,861.27**	**9,854.70**

(Amount in INR million)

21. Changes in inventories of finished goods, work in progress and stock-in-trade

	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventories at the end of the year		
Finished goods*	8,116.66	7,294.67
Work-in-progress	83.32	107.88
	8,199.98	7,402.55
Inventories at the beginning of the year		
Finished goods*	7,294.67	6,748.71
Work-in-progress	107.88	127.89
	7,402.55	6,876.60
(Increase)/decrease in inventories	**(797.43)**	**(525.95)**

* Finished goods includes stock in trade, as both are stock together.

22. Employee benefits expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	3,023.32	2,699.39
Contribution to provident and other funds	154.12	131.67
Gratuity expense (refer note 30)	43.75	25.11
Staff welfare expenses	89.64	99.93
	3,310.83	**2,956.10**

23. Finance costs

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense		
- Unwinding of financial instruments at amortised cost	21.67	14.06
- Others	13.79	27.92
	35.46	**41.98**

24. Depreciation and amortization expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant and equipment	633.94	600.72
Amortisation of intangible assets	6.53	3.80
	640.47	**604.52**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

25. Other expenses

	For the year ended 31 March 2019	For the year ended 31 March 2018
Consumption of stores and spares	33.05	32.81
Power and fuel	577.10	559.59
Rent (refer note 31)	3,793.17	3,622.43
Bank charges	107.29	106.21
Insurance	68.46	67.97
Repairs and maintenance		
Plant and machinery	48.59	52.84
Buildings	73.21	76.36
Others	35.81	47.66
Corporate social resposibility expenses (Refer note 35)	64.24	71.14
Sales commission	537.40	570.44
Royalty	426.73	379.19
Legal and professional fees	212.74	156.92
Payment to auditor (Refer details below)	7.32	7.52
Freight	627.02	522.73
Rates and taxes	39.98	141.45
Advertising and sales promotion	661.30	401.46
Technical collaboration fee	283.96	255.04
Allowance for doubtful debt, loans, advances	11.88	31.42
Loss on sale and disposal of property, plant and equipment (net)	20.53	16.70
Miscellaneous expenses	728.76	728.10
	8,358.54	**7,847.98**
Payment to auditors		
As auditor:		
Audit fee	3.23	3.23
Tax audit fee	0.50	0.50
Limited review	1.65	1.65
In other capacity:		
Certification & others	0.66	0.25
Reimbursement of expenses*	1.28	1.89
	7.32	**7.52**

*Includes payment made to erstwhile auditor for reimbursement of expenses INR NIL million (31 March 2018 INR 1.34 million).

26. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI in equity is shown below:

During the year ended 31 March 2019

	Retained earnings	Total
Re-measurement gains/(losses) on defined benefit plans	1.38	1.38
	1.38	1.38

During the year ended 31 March 2018

	Retained earnings	Total
Re-measurement gains/(losses) on defined benefit plans	(160.03)	(160.03)
	(160.03)	(160.03)

27. Distribution made and proposed

	As at 31 March 2019	As at 31 March 2018
Cash dividends on equity shares declared and paid:		
Dividend for the year ended on 31 March 2018: INR 4 per share (31 March 2017: INR 3.50 per share)	514.11	449.85
Dividend distribution tax on final dividend	105.68	91.57
	619.79	**541.42**
Proposed dividends on equity shares*:		
Dividend for the year ended on 31 March 2019: INR 6.25 per share (31 March 2018: INR 4 per share)	803.30	514.11
Dividend distribution tax on proposed dividend	165.10	105.68
	968.40	**619.79**

*Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at year end.

(Amount in INR million)

28. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the parent by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity holders	3,289.94	2,205.13
	3,289.94	**2,205.13**
	No. of shares	**No. of shares**
Weighted average number of equity shares in calculating basic EPS and diluted EPS	128,527,540	128,527,540
Earnings per equity share in INR		
Computed on the basis of profit for the year		
Basic (INR)	**25.60**	17.16
Diluted (INR)	**25.60**	17.16

29. Note 22 includes research and development expenses of INR 56.14 million (31 March 2018 INR 46.99 million) and Note 25 includes research and development expenses of INR 9.18 million (31 March 2018 INR 10.75 million).

30. Employee benefit plans

a) Gratuity and other post-employment benefit plans:

The Parent 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 parent Company's own trust.

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

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Reconciliation of fair value of plan assets and defined benefit obligation:

	As at 31 March 2019	As at 31 March 2018
Fair value of plan assets	664.00	664.62
Defined benefit obligation	738.35	697.32
Net defined benefit (liability)	**(74.35)**	**(32.70)**

Amount recognised in Statement of Profit and Loss:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	41.33	33.43
Net interest expense	2.42	(8.32)
Amount recognised in Statement of Profit and Loss	**43.75**	**25.11**

Amount recognised in Other Comprehensive Income:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial changes arising from changes in financial assumptions	11.93	187.73
Return on plan assets (greater/less than the discount rate)	(3.31)	23.14
Experience adjustments	(10.73)	33.86
Amount recognised in Other Comprehensive Income	**(2.11)**	**244.73**

(Amount in INR million)

Changes in the present value of the defined benefit obligation are as follows:

	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation at the beginning of the year	697.32	456.38
Current service cost	41.33	33.43
Interest expense	49.71	30.81
Benefits paid	(51.21)	(44.89)
Actuarial (gain)/ loss on obligations - OCI	1.20	221.59
Defined benefit obligation at the end of the year	**738.35**	**697.32**

Changes in the fair value of plan assets are, as follows:

	As at 31 March 2019	As at 31 March 2018
Fair value of plan assets at the beginning of the year	664.62	453.52
Contribution by employer	0.00	240.00
Benefits paid	(51.21)	(44.89)
Interest Income on plan assets	47.29	39.13
Return on plan assets greater/(lesser) than discount rate - OCI	3.31	(23.14)
Fair value of plan assets at the end of the year	**664.01**	**664.62**

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

Gratuity	As at 31 March 2019	As at 31 March 2018
Investment Details	**Funded**	**Funded**
	100%	100%
- Insurer	94.36	68.01
- Bank Balances	5.64	3.33
- Special deposit scheme	-	28.66

The principal assumptions used in determining gratuity liability for the Parent Company's plans are shown below:

	As at 31 March 2019	As at 31 March 2018
	%	%
Discount rate	7.1	7.4
Salary increase		
- Management	7.0	7.0
- Non management	7.0	7.0
Employee turnover		
Non Management		
20-24	7.0	7.0
25-29 and 55-60	7.0	7.0
30-34 and 50-54	7.0	7.0
35-49	7.0	7.0
Management		
20-25	7.0	7.0
26-35	7.0	7.0
36 and above	7.0	7.0

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.

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Gratuity Plan	Sensitivity level		Impact on DBO	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Assumptions				
Discount rate	1.00%	1.00%	(38.36)	(36.56)
	-1.00%	-1.00%	42.63	40.58
Future salary increases	1.00%	1.00%	41.49	39.82
	-1.00%	-1.00%	(38.21)	(36.66)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(Amount in INR million)

The table below shows the expected undiscounted cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:-

	As at 31 March 2019	As at 31 March 2018
Within the next 12 months (next annual reporting period)	77.99	75.07
Between 2 and 5 years	410.98	382.08
Between 5 and 10 years	515.40	503.34
Total expected payments	**1,004.37**	**960.49**

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (31 March 2018: 6 years). Expected employer contribution for the period ending 31 March 2020 is INR 75 million.

b) Contribution to defined contribution plans:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Pension fund	0.10	0.09

c) Provident Fund:

The provident fund (where administered by a Trust) is a defined benefit scheme where by the Parent 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 confirm 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 based on the below provided assumptions, there is no shortfall as at 31 March 2019.

	As at 31 March 2019	As at 31 March 2018
Discount rate	7.35%	7.58%
Expected return on exempt fund	8.41%	8.32%
Rate of return on EPFO managed PF	8.65%	8.55%
Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate

	For the year ended 31 March 2019	For the year ended 31 March 2018
Contribution to provident and other funds*	136.00	128.42

*Included under employee benefit expense in the head contribution to provident and other funds.

The detail of fund and plan asset position as at 31 March 2019 is given below:

	As at 31 March 2019	As at 31 March 2018
Plan assets at fair value	4,522.40	4,327.75
Present value of the defined benefit obligation	3,896.05	3,677.08
Asset recognized in the balance sheet	NIL	NIL

Information relating to reconciliation from opening balance to closing balance for plan assets and present value of defined benefit obligation, classes of plan assets help, sensitivity analysis for actuarial assumptions, other than disclosed above, including the methods and assumptions used in preparing the analysis, expected contribution for the next year and maturity profile of the defined benefit obligation as required by INDAS - 19 'Employee benefits' is not available with the Company.

31. Contingent liabilities, commitments and leases

A. Contingent liabilities

a) Claims against group not acknowledged as debts includes:

Nature	As at 31 March 2019	As at 31 March 2018
Excise, customs and service tax cases	125.61	145.65
Sales tax cases	15.80	21.80
Others*	278.97	277.58
Income tax cases	15.51	15.51
Total	**435.89**	**460.54**

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

(Amount in INR million)

b) In August 2014, M/s Crocs Limited filed a suit on Bata India limited for trademark infringement. The lower court passed an ex-parte injunction order which was later transferred to Hon'ble Delhi High Court on account of jurisdictional issue. The single bench of Delhi High Court dismissed the injunction application and awarded costs to Bata throughout the proceedings. Against this order, Crocs Limited filed an appeal before the Division Bench, which also stands dismissed.

c) In February 2019, Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. Accordingly, based on legal advice the Company has made a provision for provident fund contribution from the date of Supreme Court order.

B. Commitments

Estimated amount of contracts remaining to be executed for capital expenditure and not provided for amounted to INR 297.94 million (31 March 2018: INR 312.79 million).

C. Leases

Assets taken on operating lease

a) The Parent 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 payable are charged as 'Rent' in Note 25.

Future minimum rentals payable under non-cancellable operating leases as at 31 March 2019 and 31 March 2018 are as follows:

Lease Rentals	As at 31 March 2019	As at 31 March 2018
Within one year	71.71	52.29
After one year but not more than five years	8.13	10.72
More than five years	-	-

32. Financial instruments and fair values classification

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments.

	Notes	Carrying value		Fair value	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Financial assets					
Amortised cost					
Loans					
- Loans & advances to related parties	(b)	5.49	7.68	5.49	7.68
- Investments in bonds	(b)	-	5.00	-	4.90
- Security deposits	(b)	1,049.38	937.57	1,049.38	937.57
Financial asset not measured at fair value					
Other financial assets					
- Interest accrued on deposits	(a)	342.25	217.01	-	-
- Insurance claim receivable		2.72	0.92	-	-
- Other receivables		96.58	114.25	-	-
Trade receivable	(a)	663.50	893.50	-	-
Cash & cash equivalents	(a)	585.79	545.11	-	-
Other bank balances	(a)	7,838.78	5,367.44	-	-
Total		**10,584.49**	**8,088.48**	**1,054.87**	**950.15**
Financial liabilities					
Amortised cost					
Trade Payables	(a)	1,015.42	1,049.20	-	-
Financial liabilities not measured at fair value					
Trade payables	(a)	5,144.76	4,786.07	-	-
Other financial liabilities	(a)				
- Payable for capital goods		118.96	27.30	-	-
- Deposit from agents and franchisees		282.16	312.83	-	-
- Unpaid dividend		15.92	13.73	-	-
Total		**6,577.22**	**6,189.14**	**-**	**-**

(Amount in INR million)

a) The management has not disclosed the fair values for financial instruments because their carrying values are approximate to their fair value largely due to the short-term maturities of these instruments.

b) Fair valuation of non-current financial instruments has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value as the carrying value is based on effective interest rates.
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of unquoted instruments, is estimated according to Fixed Income Market Valuation Procedure (FIMMDA) by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Fixed Income Market Valuation Procedure (FIMMDA)	Credit Spread	31 March 2019: 0.5% - 1%	31 March 2019: 10% increase (decrease) in the credit spread would result in increase (decrease) in fair value by INR NIL.
		31 March 2018: 0.5% - 1%	31 March 2018: 10% increase (decrease) in the credit spread would result in increase (decrease) in fair value by INR 4 thousand.

33. Capital Management

For the purpose of the Group capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group’s capital management is to maximize the shareholder value.
The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.
The Group is having INR Nil borrowings as on 31 March 2019 (31 March 2018 INR Nil).

34. Derivative instruments and Unhedged foreign currency exposure

Derivative Instruments and Unhedged Foreign Currency Exposure, which are not intended for trading or speculation purpose.

Particulars of unhedged foreign currency exposures are as follows

(INR million)

Particulars of Unhedged foreign currency exposure	Currency	Amount in Foreign Currency		Amount in Indian Currency	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Trade payables	USD	3,464,964.55@69.17	5,223,192.22@65.64	239.67	342.83
	EURO	-	8,159@80.35	-	0.66
Advance for Import purchases	USD	-	72,619.2@65.64	-	5.04
Trade receivables	USD	242,905.53@69.17	255,421.04@65.64	16.80	16.77
	EURO	-	7,535@80.35	-	0.61
	CHF	44,276@69.72	36,644@68.69	3.09	2.52

35. Details of corporate social responsibility expenditure

As per Section 135 of Companies Act,2013, a Company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR Committee has been formed by the Company as per act. The CSR Committee and Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the act, in pursuant of the CSR policy.

(Amount in INR million)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Gross amount required to be spent by the group during the year:-	58.07	55.80
(i) Construction/ Acquisition of asset	-	-
(ii) For purpose other than (i) above*	64.24	71.14
	64.24	**71.14**

*Included in CSR expenditure in Note 25

36. Related party disclosures

Names of related parties and related party relationship

I. Related parties where control exists

a. Ultimate holding company	Compass Limited
b. Immediate Holding company	BATA (BN) B.V. The Netherlands
c. Other Related Parties*	Bata India Limited Gratuity Fund Bata India Limited Pension Fund Bata India Limited Employees Statutory Provident Fund

*Refer notes 30 for information on transactions with post employment benefit plans mentioned above enterprise controlled by the Group.

II. Related parties with whom transactions have taken place

a. Key management personnel	Rajeev Gopalakrishnan – Managing Director Ram Kumar Gupta – Director Finance Sandeep Kataria - Whole Time Director & Chief Executive Officer Uday Khanna (Chairman & Independent Director) Ravi Dhariwal (Independent Director) Akshay Chudasama (Independent Director) Anjali Bansal (Independent Director) Ashok Barat (Independent Director) (w.e.f. 17.12.2018)
b. Enterprises in which director is interested	Shradul Amarchand Mangaldas & Co. Delhivery Private Limited
c. Fellow Subsidiaries with whom transactions have taken place during the year and previous period	Bata Shoe (Singapore) Pte. Ltd Global Footwear Services Pte Ltd Bata Malaysia SDN. BHD. The Zimbabwe Bata Shoe Co. Bata Shoe Co. of Ceylon Ltd. China Footwear Services Bata Industrials Europe-Netherland Bata Shoe Co. (Bangladesh) Ltd. International Footwear Investment B.V. Bata Brands S.A. Empresas Commercial S.A. PT. Sepatu BATA Tbk. Power Athletics Ltd.

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

Company Secretary	Mr. Arunnito Ganguly (w.e.f. 15.12.2017) Mr. Maloy Kumar Gupta upto 31.10.2017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

IV. Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of the Transactions	Related Party		For the year ended 31 March 2019	For the year ended 31 March 2018
i. Sale of goods	Empresas Commercial S.A.		1.49	2.26
	Bata Shoe Co. (Bangladesh) Ltd		8.22	32.45
	Bata Shoe Co. of Ceylon Ltd.		16.47	14.71
	The Zimbabwe Bata Shoe Co.		1.00	0.39
		Total	**27.18**	**49.80**
ii Reimbursement of Expenses to	Bata Malaysia SDN. BHD		-	0.52
	Bata Brands S.A.		5.14	3.54
	Bata Shoe (Singapore) Pte Ltd.		0.96	2.22
	Bata Industrials Europe-Netherland		-	0.06
		Total	**6.10**	**6.34**
iii. Reimbursement of Expenses from	International Footwear Investment B.V.		7.82	8.89
	Global Footwear Services Pte Ltd.		0.07	-
	Bata Brands S.A.		13.40	10.78
	China Footwear Services		-	1.33
	PT. Sepatu BATA Tbk.		0.02	-
	Bata Shoe Co. of Ceylon Ltd.		-	0.14
		Total	**21.31**	**21.14**
iv. Technical collaboration fees	Global Footwear Services Pte Ltd.		283.96	246.15
		Total	**283.96**	**246.15**
v. Royalty	Bata Brands S.A.		15.17	20.34
		Total	**15.17**	**20.34**
vi. Service Fees	Power Athletics Ltd.		32.90	**-**
	Bata Industrials Europe-Netherland		2.60	**-**
		Total	**35.50**	**-**
vii. Legal and professional fees	Shardul Amarchand Mangaldas & Co.		1.98	0.39
		Total	**1.98**	**0.39**
viii. Freight charges	Delhivery Private Limited		9.80	0.94
		Total	**9.80**	**0.94**
ix. Dividend Paid	BATA (BN) B.V. The Netherlands, Amsterdam		272.26	238.23
		Total	**272.26**	**238.23**

x. Remuneration to Directors and other key managerial personnel *

Name of the Director/ Other Key Managerial Personnel		For the year ended 31 March 2019	For the year ended 31 March 2018
Rajeev Gopalakrishnan		48.62	44.71
Ram Kumar Gupta		23.35	19.11
Sandeep Kataria (w.e.f. 14.11.2017)		31.97	10.41
Maloy Kumar Gupta (till 31.10.2017)		-	3.31
Arunito Ganguly (w.e.f. 15.12.2017)		2.32	0.71
Uday Khanna (Independent Director)**		3.35	3.50
Ravi Dhariwal (Independent Director)**		2.17	2.57
Akshay Chudasama (Independent Director)**		2.02	2.12
Anjali Bansal (Independent Director)**		1.77	1.92
Ashok Kumar Barat (Independent Director) (w.e.f. 17.12.2018)**		0.05	-
	Total	**115.62**	**88.36**

* As the liabilities for provident fund, gratuity and compensated absences are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.

**As per the section 149(6) of the Companies Act, 2013, Independent Directors are not considered as "Key Managerial Person", however to comply with the disclosure requirements of Ind AS-24 on "Related party transactions" they have been disclosed as "Key Managerial Person".

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR million)

V. Balances outstanding as at the end of the year:

Nature of the Balance	Related Party		As at 31 March 2019	As at 31 March 2018
i. Trade receivables	Bata Shoe Co. (Bangladesh) Ltd		3.56	8.26
	Bata Shoe Co. of Ceylon Ltd.		6.05	4.05
	Empresas Commercial S.A.		0.33	-
	The Zimbabwe Bata Shoe Co.		0.98	-
		Total	**10.92**	**12.31**
ii Trade payables - Reimbursement of Expenses to	Bata Malaysia SDN. BHD		-	0.05
	Bata Brands S.A.		-	0.66
		Total	**-**	**0.71**
iii. Other Financial assets	Bata Shoe Co. of Ceylon Ltd.		0.13	0.14
	International Footwear Investment B.V.		2.41	4.83
	Bata Brands SA		3.07	2.71
		Total	**5.61**	**7.68**
iv. Other liability - Advance from customers	Empresas Comerciales S.A.		-	0.24
		Total	**-**	**0.24**
v. Trade payables - Technical collaboration Fees	Global Footwear Services Pte Ltd.		47.21	61.58
		Total	**47.21**	**61.58**
vi. Trade payables - Royalty	Bata Brands S.A.		2.24	3.76
		Total	**2.24**	**3.76**
vii. Trade payables - Service fees	Power Athletics Ltd.		9.17	-
	Bata Industrials Europe-Netherland		2.60	-
		Total	**11.77**	**-**
viii. Trade payables - Legal and professional fees	Shardul Amarchand Mangaldas & Co.		-	0.11
		Total	**-**	**0.11**
ix. Trade payables - Freight	Delhivery Private Limited		2.02	0.18
		Total	**2.02**	**0.18**

VI. Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name	Principal Activities	Country of Incorporation	%ge of Equity Interest As at 31 March 2019	%ge of Equity Interest As at 31 March 2018
Bata Properties Limited	Letting of Properties	India	100%	100%
Coastal Commercial & Exim Limited	Letting of Properties	India	100%	100%
Way Finders Brands Limited	Trading of Apparels/footwear under Brand of CAT	India	100%	100%

(Amount in INR million)

37. Specified Bank Notes (SBNs)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2019.

38. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2019	As at 31 March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year reported in Current Trade Payables		
Principal Amount Unpaid	161.71	37.96
Interest Due	-	-
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
Payment made beyond the Appointed Date	265.38	247.89
Interest Paid beyond the Appointed Date	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
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	-	-

39. Mutation of names in respect of the shop premises in favour of subsidiaries - Bata Properties Limited and Coastal & Commercial Exim Limited is pending.

40. Financial risk management objectives and policies

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations . The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risk: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The primary market risk to the Group is foreign exchange risk. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) primarily with respect to USD and Euro.

The Group uses forward contracts to mitigate foreign exchange related risk exposures. When a forward contract is entered into for the purpose of being a hedge, the Group negotiates the terms of those contracts to match the terms of the hedged exposure. The Group's exposure to unhedged foreign currency risk as at 31 March 2019 and 31 March 2018 has been disclosed in note 34.

For the year ended 31 March 2019, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Group's profit before tax by (11.14) million/ 11.14 million respectively and Pre tax equity by (11.14) million/ 11.14 million respectively.

For the year ended 31 March 2018, every 5 percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, would have affected the Group's profit before tax by (16.07) million/ 16.07 million respectively and Pre tax equity by (16.07) million/ 16.07 million respectively.

(Amount in INR million)

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group generally doesn't have collateral.

a) Trade receivables

Customer and vendor credit risk is managed by business through the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are Grouped into homogenous Groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 9. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(b) Loans and other financial assets

With regards to all the financials assets with contractual cash flows other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable have strong capacity to meet the obligations and where the risk of default is negligible. The maximum exposure to credit risk at the reporting date in each class of financial assets is disclosed in note 5,10 and 11.

C) Liquidity risk

The Group's principal source of liquidity is cash and cash equivalents and the cash flow that is generated from operations. The Group has no outstanding bank borrowings. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of March 31, 2019, the Group had a working capital of INR 12107.64 million including cash and cash equivalents of INR 585.79 million. As of 31 March 2018, the Group had a working capital of INR 9941.14 million including cash and cash equivalents of INR 545.11 million.

D) Commodity price risk

The Group is exposed to the risk of price fluctuation of raw material as well as finished goods. The Group manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement. To counter raw material risk, the Group works with variety of leather, PVC and rubber with the objective to moderate raw material cost, enhance application flexibility and increased product functionality and also invests in product development and innovation. To counter finished goods risk, the Group deals with wide range of vendors and manages these risks through inventory management and proactive vendor development practices.

Inventory sensitivity analysis (raw material, work in progress and finished goods)

A reasonably possible change of 5% in prices of inventory at the reporting date, would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity, net of tax	
	5% increase	5% decrease	5% increase	5% decrease
31 March 2019				
Inventory (raw material, work in progress, stock in trade and finished goods)	(256.81)	256.81	(167.07)	167.07
31 March 2018				
Inventory (raw material, work in progress, stock in trade and finished goods)	(236.19)	236.19	(154.45)	154.45

(Amount in INR million)

41. Additional information under general instructions for the preparation of consolidated financial statements of Schedule III to the Companies Act, 2013

Sl. No.	Name of the Entity	Net Assets, i.e. total assets minus liabilities				Share in profit or loss for the year ended			
		As at 31 March 2019		As at 31 March 2018		31 March 2019		31 March 2018	
		As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated profit & loss	Amount	As % of Consolidated profit & loss	Amount
Parent	Bata India Limited	99.98%	17,415.27	99.93%	14,737.11	100.20%	3,296.59	101.39%	2,235.78
Subsidiaries									
1	Bata Properties Limited	0.31%	53.33	0.35%	51.25	0.06%	2.08	0.08%	1.76
2	Coastal Commercial & Exim Limited	0.01%	1.61	0.01%	1.52	0.00%	0.09	0.01%	0.21
3	Way Finders Brands Limited	-0.30%	(51.78)	-0.29%	(42.96)	-0.27%	(8.82)	-1.48%	(32.63)
Total			**17,418.44**		**14,746.92**		**3,289.94**		**2,205.13**

42. Segment reporting

Segment information is presented in respect of the Group's key operating segments. The operating segments are based on the Group's management and internal reporting structure.

Operating Segments

The Group's Managing Director and CEO has been identified as the Chief Operating Decision Maker ('CODM'), since Managing Director and CEO are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget and other key decisions.

Managing director and CEO reviews the operating results at the group level to make decisions about the group's performance. Accordingly, management has identified the business as single operating segment i.e. Footwear & Accessories. Accordingly, there is only one Reportable Segment for the Group which is "Footwear and Accessories", hence no specific disclosures have been made.

a) Revenue and Trade receivables as per geographical markets

Particulars	Revenue		Trade receivables	
	For the year ended 31 March 2019	For the year ended 31 March 2018	As at 31 March 2019	As at 31 March 2018
India	29,201.19	26,286.95	637.31	871.38
Outside India	109.84	125.21	26.19	22.12
Total	**29,311.03**	**26,412.16**	**663.50**	**893.50**

b) The non-current assets of the Group are located in the country of domicile i.e. India. Hence no specific disclosures have been made.
c) There are no customer having revenue greater than 10% of the total revenue of the group.

As per our report of even date

For and on behalf of the Board of Directors of Bata India Limited

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 101248W/W-100022

Uday Khanna
Chairman
DIN: 00079129

Rajeev Gopalakrishnan
Managing Director
DIN: 03438046

Arunito Ganguly
Company Secretary
Membership no.: FCS 9285

Adhir Kapoor
Partner
Membership no.: 098297

Sandeep Kataria
Whole-Time Director & CEO
DIN: 05183714

Ram Kumar Gupta
Director Finance
DIN: 01125065

Place: Gurugram
Date: 24 May 2019

NOTES

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014 and Regulation 44(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

CIN : L19201WB1931PLC007261
Name of the Company : BATA INDIA LIMITED
Registered office : 27B, Camac Street, 1st Floor, Kolkata - 700016, West Bengal
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 Sixth Annual General Meeting of the Company, to be held on Friday, the 2nd day of August, 2019 at 10:00 a.m. at 'Kalamandir', 48, Shakespeare Sarani, Kolkata - 700017, West Bengal 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 Audited Financial Statements of the Company for the financial year ended March 31, 2019 (both Standalone and Consolidated basis), together with the Reports of the Auditors and the Board of Directors thereon.
Resolution 2 (Ordinary Resolution)	To declare a Dividend for the financial year ended March 31, 2019. The Board recommended a Dividend of Rs. 6.25 per Equity Share of Rs. 5/- each, fully paid-up.
Resolution 3 (Ordinary Resolution)	To appoint a Director in place of Mr. Ram Kumar Gupta (DIN: 01125065), who retires by rotation and being eligible, offers himself for re-appointment.
Resolution 4 (Ordinary resolution)	To appoint Mr. Ashok Kumar Barat (DIN: 00492930) as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from December 17, 2018.
Resolution 5 (Ordinary Resolution)	To appoint Mr. Alberto Michele Maria Toni (DIN: 08358691) as a Director of the Company, liable to retire by rotation.
Resolution 6 (Special Resolution)	To re-appoint Mr. Akshaykumar Narendrasinhji Chudasama (DIN: 00010630) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing with effect from August 4, 2019 upto August 3, 2024.
Resolution 7 (Special Resolution)	To re-appoint Ms. Anjali Bansal (DIN: 00207746) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing with effect from August 4, 2019 upto August 3, 2024.

Signed this _____ day of _______________ 2019.

Affix Revenue Stamp

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 and Share Transfer Agent i.e., M/s. R & D Infotech Pvt. Ltd., 7A, Beltala Road, 1st Floor, Kolkata - 700026, West Bengal, not less than 48 hours before the commencement of the Meeting.

(ii) Please mark the envelope "BATA PROXY".

(iii) The Proxyholder may vote either for or against each resolution in the Meeting, provided that he / she or the Member (s) has / have not casted the vote through remote e-voting facility.

BATA
BRAND WORLD

Hush Puppies®

Bata | RED LABEL

Bubble gummers®

NORTH STAR®

marie claire®

Scholl®

Bata® COMFIT

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ambassador by Bata

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(CIN: L19201WB1931PLC007261)

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Registered Office: 27B, Camac Street, 1st Floor, Kolkata – 700016, West Bengal
Telephone: (033) 23014400 | E-mail: corporate.relations@bata.com | Website: www.bata.in