



RELAXO FOOTWEARS LIMITED

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CIN No: - L74899DL1984PLC019097

E-mail: rfl@relaxofootwear.com Website: www.relaxofootwear.com

Postal Ballot Notice

Dear Member(s),

Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of The Companies (Management and Administration) Rules, 2014

Notice is hereby given pursuant to section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including and statutory modification(s) or re-enactment thereof, for the time being in force) ("the Rules"), Clause 35B of Listing Agreement with Stock Exchanges and all other applicable Laws and Regulations, to the Members of Relaxo Footwears Limited ("the Company") to consider and if thought fit, to pass the resolution set out below by way of e-voting / Postal Ballot.

The Explanatory Statement pertaining to the Resolution setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form for your consideration.

In the event the draft resolution as set out in the notice are assented by the requisite majority by means of e-voting or Postal Ballot (whichever method the Shareholders opts for), they shall be deemed to have been passed as Special Business at an Extraordinary General Meeting. The date of the announcement of result of Postal Ballot shall be considered as the date of passing of the said resolution.

The Board of Directors of the Company ("Board") has appointed Mr. Baldev Singh Kashtwal (FCS No. 3616, C.P. No. 3169), a Practicing Company Secretary as Scrutinizer ("Scrutinizer") for conducting the postal ballot and e-voting process in a fair and transparent manner. Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 1800 Hours (IST) on 20th June, 2015. The Scrutinizer's decision on the validity of Postal Ballot shall be final.

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section 'Voting through electronic means' in this Notice.

The Scrutinizer after completing the scrutiny of the Postal Ballot Forms will submit his report to the Chairman or any Director or Chief Financial Officer on or before 23rd June, 2015. The result of postal ballot (including e-voting) shall be declared on or before 23rd June 2015 at the Company's Corporate Office. In addition to the results being communicated to the BSE Limited and the National Stock Exchange of India Limited, it shall also be displayed at the Company's Registered Office and would also be displayed on the Company's website at www.relaxofootwear.com

Item No -1 - Approval for the Issue of Bonus Shares

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), in accordance with the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI), including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,

2009 (as amended from time to time), the relevant provision of the Memorandum and Articles of Association of the Company and subject to such permissions, sanctions and approvals as may be required in this regard and subject to such terms and modifications as may be specified while granting such approvals, consent of the Members be and is hereby accorded to the Board for capitalization of such sum as may be decided by Board which is standing to the credit of the free reserves of the Company or any other permitted reserve / surplus, as may be considered necessary by the Board for the purpose of issue of Bonus Shares of Rs.1/- (Rupees One) each, credited as fully paid up shares to the holders of the existing equity shares of the Company, whose name appear in the Register of Members maintained by the Company's Registrars and Transfer Agents / List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on the record date (to be determined by the Board) for the purpose, in the proportion of 1 (One) equity share for every 1 (One) existing equity share held by the Members and that the Bonus Shares so issued shall for all purposes be treated as an increase in the paid up - capital of the company held by each such member and not an income."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to make appropriate adjustments on issue of bonus shares as aforesaid, to the outstanding options granted to the employees of the Company under 'RFL Employee Stock Option 2014', of the Company where administered by the Company or through a Trust pursuant to the Securities and Exchange Board of India (Employee Stock Options and Employee Stock Purchase Scheme) Guidelines, 1999 and/or Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and amendments thereto from time to time, such that the exercise price for all outstanding options as on the 'record date' (as determined by the Board) (vested and unvested options, including lapsed and forfeited options available for reissue) shall be proportionately adjusted and the number of options which are available for grant and those already not exercised as on 'record date' (as determined by the Board) shall be appropriately adjusted."

"RESOLVED FURTHER THAT the Bonus Shares so allotted shall rank pari passu in all respects with the fully paid up equity shares of the Company as existing on the 'record date' (as determined by the Board) and shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

"RESOLVED FURTHER THAT the letter of allotment shall be issued to the allottees of the new equity bonus shares and the share certificate(s) in respect of the new equity bonus shares shall be issued and despatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time, except that the new equity bonus shares in dematerialized form will be credited to the demat account of the allottees, who are holding the existing equity shares in electronic form and in case of Members who hold Equity Shares in physical form, the share certificates in respect of the Bonus shares shall be despatched, within such time as prescribed by law and the relevant authorities."

"RESOLVED FURTHER THAT the allotment of the new equity bonus shares to the extent that relate to non-resident members, if any, of the Company; shall be subject to such approval, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 as amended from time to time or rules made thereunder, as may be deemed necessary."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take necessary steps for listing of such shares on Stock Exchanges where the securities of the Company are listed as per the provisions of listing agreements with the respective stock exchange and other applicable guidelines, rules and regulations."

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to take all other steps as may be necessary to give effect to the aforesaid resolution and determine all other terms and conditions of the issue of bonus shares as the Board may in its absolute discretion deem fit."

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

**Place : Delhi
Date : May 9, 2015**

**Sushil Batra
Chief Financial Officer**

Notes :-

1. Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of business specified above is annexed.
2. In terms of Section 110 of the Companies Act, 2013 read with the Rule 22 of the Companies (Management and Administration) Rules, 2014, the items of business as set out in the Notice are sought to be passed by e-voting & Postal Ballot.
3. Mr. Baldev Singh Kashtwal (FCS-3616, CP-3169) a Practicing Company Secretary has been appointed as Scrutinizer for conducting the e-voting & Postal Ballot in accordance with the law in a fair and transparent manner.
4. The Company has engaged Karvy Computershare Private Limited ("Karvy") to offer E-voting facility to all its members to enable them to cast their votes electronically. This notice is being sent to all the members, whose names appear in the Register of Members/Records of Depositories as on the close of working hours on 15th May, 2015 i.e "cut off date". Voting Rights shall be reckoned on the paid up value of the shares registered in the name of the members as on the cut off date. E-voting is optional for members. The Postal Ballot Notice is sent electronically to all the shareholders who have registered their email addresses with the Company/Depositories and to other shareholder by Registered Post/Courier.
5. The Postal Ballot Form together with the self addressed Business Reply Envelope is enclosed for the use of the members. Please read carefully the instructions printed on the enclosed Postal Ballot form before exercising your vote and return the same duly completed signifying your assent/ dissent, in the attached self addressed business reply envelope, so as to reach the Scrutinizer on or before 1800 hours on 20th June, 2015.
6. The shareholders are requested to exercise their voting rights by using the attached original Postal Ballot Form only.
7. Members desiring to exercise their vote by using e-voting facility, should carefully follow the instructions for e-voting printed in this notice. A member can log in any number of times till the votes are casted on all the resolutions or till the end of the Voting Period whichever is earlier.
8. Members have an option to request for physical copy of Postal Ballot Form from Company's Registrar and Transfer Agent viz Karvy Computershare Private Limited ("Karvy"). Request can be sent through an email to evoting@karvy.com. By mentioning their Folio / DP ID and Client ID No.

However, the duly completed Postal Ballot Forms should reach the scrutinizer not later than 1800 hours on 20th June, 2015. Postal Ballot Forms received after this date will be strictly treated as if the reply from the members has not been received.

9. The Scrutinizer will submit the report of the votes polled through e-voting/Postal Ballot, to the Chairman or any Director or Chief Financial Officer. The Chairman will, or in his absence, any Director or Chief Financial Officer will announce the results of voting by Postal Ballot on 23rd June, 2015 and the resolutions if passed will be taken effective on the date of announcement of the results by Chairman or Director or Chief Financial Officer as the case may be. The Scrutinizer's decision on the validity of the votes cast through e-voting/ Postal Ballot shall be final. The results of e-voting / Postal ballot will be displayed at the Registered office, ported on the website of the Company www.relaxof footwear.com and intimated to the Stock Exchange on which the shares of the Company are listed.

EXPLANATORY STATEMENT

(Pursuant to the Provisions of Section 102 of the Companies Act, 2013)

ITEM NO. 1

The members may be aware that the operation of the Company has grown significantly during the last few years, which has generated considerable interest in the Company's Equity Shares in the Market. This coupled with the general positive economic environment, the market price of the Company's shares have also increased significantly. The total Reserves and Surplus of the Company as per the Audited Financial

Statements as at 31st March, 2015 are **Rs. 36181.71 Lacs**. Considering the position of Reserves and Surplus of the Company and in order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ("the Board") at their meeting held on 9th May, 2015 considered it desirable to recommend issue of Bonus Shares in the ratio of 1:1.

The issue of Bonus Shares require appropriate adjustments with respect to all the options under different Employee Stock Option Plans, such that all the options outstanding on a Record Date to be determined by the Board of Directors of the Company, both vested and unvested including lapsed and forfeited options available for reissue, shall be proportionately adjusted.

Such Fully Paid-up Bonus Shares shall be distributed to the members of Company, whose names shall appear on its Register of Members or in the respective beneficiary account with their respective Depository Participants, on the Record Date to be determined by the Board of Directors of your Company for the purpose of issue of Bonus Shares, in the proportion of 1 (One) new equity share for every 1 (One) existing equity share held by them respectively on the record date.

The Bonus Shares so allotted shall rank pari passu in all respects including dividend with the existing equity shares of the Company. The proposed issue of Bonus Shares will be made in accordance with the provisions of Companies Act, 2013 and guidelines issued by the Securities Exchange Board of India from time to time and subject to such approvals, as may be required, from the statutory authorities. Further, it is necessary to authorize the Board of Directors / Committee of the Board to complete all the regulatory formalities prescribed by SEBI, Stock Exchanges on which the shares of the Company are listed and / or any other regulatory or statutory authority in connection with the issue of Bonus Shares.

Therefore, the Board recommends the resolution as set out in Item No 1 as a Special Resolution of the accompanying notice for the approval of the members of the Company.

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

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

Place : Delhi
Date : May 9, 2015

**Sushil Batra
Chief Financial Officer**