

provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. There was delay in depositing provident fund as applicable to Company under the Employees Provident Fund and Misc. Provisions Act, 1952 due to shortage of Funds.
2. There was delay in depositing the amount under Employees' State Insurance Act, 1948 due to shortage of Funds.
3. As per the information provided to us no record has been maintained for half yearly / annual returns under Factories act, 1948 and Payment of Bonus Act, 1965.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, 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.

All the decision is carried through majority there was no decision is carried through the dissenting members.

I 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.

I further report that during the audit period there was no instance of

- (i) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations.

Place: Chandigarh
Date : May 21, 2018

R.P.S. KHURANA
Company Secretary
ACS No.12333
CP No. 5013

Annexure I

I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 as notified by Ministry of Corporate Affairs with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein.
- b) Closure of the Register of Members.
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies.
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies.
- e) Notice of Board meetings and Committee meetings of Directors.
- f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation.
- g) The 28TH Annual General Meeting held on 18th September 2017.
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings.
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required.
- j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors.
- k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors.

- l) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares.
- m) Borrowings and registration, modification and satisfaction of charges wherever applicable.
- n) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under.
- o) Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act.
- p) Generally, all other applicable provisions of the Act and the Rules made under the Act.

Place: Chandigarh
Date : May 21, 2018

R.P.S. KHURANA
Company Secretary
ACS No.12333
CP No. 5013

Annexure II

I report that the Company has, in my opinion, followings observations:-

1. There was delay in depositing provident fund as applicable to Company under the Employees Provident Fund and Misc. Provisions Act, 1952 due to shortage of Funds.
2. There was delay in depositing the amount under Employees' State Insurance Act, 1948 due to shortage of Funds.
3. As per the information provided to us no record has been maintained for half yearly / annual returns under Factories act, 1948 and Payment of Bonus Act, 1965.

Place: Chandigarh
Date : May 21, 2018

R.P.S. KHURANA
Company Secretary
ACS No.12333
CP No. 5013

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that Corporate Governance is the driving force that governs and steers the Company towards achieving its goal ensuring transparency, accountability, responsibility and integrity. The Company believes in abiding by the Code of Corporate Governance so as to be a responsible corporate citizen and to serve the best interests of all stakeholders and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant material information in an easily understood manner and by being fair to all stakeholders and by ensuring that the Company's activities are managed by a professionally competent Board of Directors. The Company has over the years followed the best practices of Corporate Governance by adhering to the practices laid by the Management and the principles and directions laid down by the Securities Exchange Board of India or other regulatory framework, issued from time to time. The Company has also followed the implementation of schedule of Corporate Governance Code as mentioned in erstwhile Clause 49 of the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Directors are pleased to report the same as under:

BOARD OF DIRECTORS

The present strength of the Board is six directors. The Board comprises of the optimum combination of executive and non-executive directors. Three Directors including the Managing Director are Whole Time Directors (Executive Directors). There are three Non-Executive Independent Directors including the Chairman and a Woman Director.

The elaborate composition of the Board including the number of directorships & Committee Positions held by each of the director is given hereunder:

Sl. No	Name of Director	Category	No. of Board Meeting(s) attended	Attendance at Previous AGM held on September 18, 2017	No. of Outside Directorship(s) held (**)		No. of Membership(s)/ Chairmanship(s) in other Committees (***)	
					As Director	As Chairman	As Chairman	As Member
1.	Mr.R.K.Bhandari (DIN 00354242)	Non-Executive & Independent	6	NO	3	1	1	1
2.	Mr.R.C.Mahajan (DIN 00038661)	Managing Director	8	YES	2	-	-	-
3.	Mr.Amit Mahajan (DIN 00038593)	Whole-time Director	8	YES	4	-	-	2
4.	Mr.Amit Mahajan (DIN 00038827)	Whole-time Director	8	YES	1	-	-	1
5.	Mr.M.M. Puri (DIN 01711466)	Non-Executive & Independent	6	NO	1	-	1	1
6.	Mrs.Seema Mahajan (DIN 06978146)	Non-Executive & Independent	6	YES	1	-	1	1

* Including this entity.

The non-executive directors do not hold any shares or convertible instruments.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Name of the Director	Designation	Relation inter-se
Mr. Ramesh Kumar Bhandari	Chairman	Independent Director
Mr. Ramesh Chander Mahajan	Managing Director	Being a promoter he is related to other promoters & relative of Mr. Amit Mahajan, Director (Operations)
Mr. Amit Mahajan	Director (Operations)	Being a promoter he is related to other promoters & relative of Mr. RC Mahajan, Managing Director
Mr. Amit Mahajan	Director (Commercial)	Being a promoter he is related to other promoters
Mr. Madan Mohan Puri	Director	Independent Director
Mrs. Seema Mahajan	Director	Independent Director

MEETING OF INDEPENDENT DIRECTORS

During the the year under review, the Independent Directors met on December 14, 2017, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting. The Independent Directors were provided with necessary documents, reports, policies to enable them to familiarize with the Company's procedures and practices. Detailed presentation on the Company's business segments was made at the meeting of the Independent Directors.

BOARD MEETINGS AND ATTENDANCE

During the financial year 2017-18 Board Meetings were held on the following dates –

Date of Meeting	Particulars of Board Meeting	Board Strength	No. of Directors Present
May 30, 2017	184th	6	5
August 10, 2017	185th	6	5
September 14, 2017	186th	6	5
October 18, 2017	187th	6	5
November 30, 2017	188th	6	5
December 14, 2017	189th	6	6
February 2, 2018	190th	6	6
February 14, 2018	191st	6	5

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization Programme imparted to Independent Directors is provided on the website of the Company at <http://www.srfootwears.com/familiarization-programme.html>

BOARD COMMITTEES

The board of directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long term interests are being saved. The board has constituted three committees namely, Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. The board is authorized to constitute additional functional committees, from time to time, depending on the business needs and as per the requirements of the law.

AUDIT COMMITTEE

Composition of Committee

Mr. Ramesh Kumar Bhandari, Chairman	Chairman
Mr. Madan Mohan Puri, Independent Director	Member
Mr. Amit Mahajan, Director (Commercial)	Member

The Committee's composition meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the erstwhile applicable Clause 49 of the Listing Agreement. The Audit Committee of the Company has such powers as are detailed in Section 177 of the Companies Act, 2013 and provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the committee are qualified, experienced and professional having knowledge in industry, finance, project monitoring, company law and other related matters.

Powers of the Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

TERMS OF REFERENCE OF AUDIT COMMITTEE:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
3. Approval for payment to statutory auditors for any services rendered by the statutory auditors
4. Reviewing, with management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) 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
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements

- f) Disclosure of any related party transactions
g) Modified opinion(s) in the draft auditor's report
5. Reviewing, with management, the quarterly financial statements before submission to the board for approval
 6. Reviewing, with 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 a rights issue, making appropriate recommendations to the board to take up steps in this matter
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
 8. Approval or any subsequent modification of transactions of the listed entity with related parties
 9. Scrutiny of inter-corporate loans and investments
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary
 11. Evaluation of internal financial controls and risk management systems
 12. Reviewing, with management, performance of statutory and internal auditors, adequacy of the internal control systems
 13. 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
 14. Discussion with internal auditors of any significant findings and follow up thereon
 15. Reviewing the findings of any internal investigations by the internal auditors into the 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
 16. 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
 17. To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
 18. To review the functioning of the whistle blower mechanism
 19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
 20. Reviewing the following information:
 - a) The Management discussion and Analysis of the financial condition and results of operations
 - b) Statement of significant related party transactions submitted by management
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors
 - d) Internal audit reports relating to internal control weaknesses
 - e) Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee
 - f) Statement of deviations:
 - (i) Quarterly statement of deviation(s) including the report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1)
 - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

MEETING DETAILS:

During the year under review, the Audit Committee met five times on 30th May 2017, 10th August 2017, 14th September 2017, 14th December, 2017 and 2nd February 2018. The attendance at the Audit Committee Meetings is as follows:

NAME OF THE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
MR. R. K. BHANDARI	5	5
MR. M. M. PURI	5	5
MR. AMIT MAHAJAN	5	5

➤ **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises of:

NAME	DESIGNATION
MR. M. M. PURI, INDEPENDENT DIRECTOR	CHAIRMAN
MR. R. K. BHANDARI, CHAIRMAN	MEMBER
MRS. SEEMA MAHAJAN, INDEPENDENT DIRECTOR	MEMBER

The Committee's constitution and terms of reference are in compliance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the erstwhile applicable Clause 49 of the Listing Agreement. The Board of Directors re-constituted the Nomination and Remuneration Committee w.e.f 10th November, 2015.

TERMS OF REFERENCE OF THE COMMITTEE:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy, relating to, the remuneration of the directors, key managerial personnel and other employees
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors and carry out evaluation of every director's performance
3. Devising a policy on diversity of board of directors
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

RESPONSIBILITIES OF THE COMMITTEE:

1. Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board
2. Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company
3. Recommending to the Board on the selection of individuals nominated for directorship
4. Making recommendations to the Board on the remuneration payable to the Directors / KMPs / Senior officials so appointed / re-appointed
5. Assessing the independence of the Independent directors
6. Such other key issues / matters as may be referred by the Board or as may be necessary in view of the Listing Regulations and provisions of the Companies Act, 2013 and rules framed thereunder
7. To make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of services of an Executive director as an employee of the Company subject to the provisions of the law and their service contract
8. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
9. To devise a policy on Board diversity
10. To develop a succession plan for the Board and to regularly review the plan.

MEETING DETAILS

During the year under review, the Nomination and Remuneration Committee met 2 times on 30th May 2017 and 14th December 2017.

NAME OF THE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
MR. M. M. PURI, Independent Director	2	2
MR. R. K. BHANDARI, Chairman	2	2
MR. AMIT MAHAJAN, Director (Operations)	2	2

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation criteria of Independent directors is laid in the Nomination, Remuneration and evaluation Policy formulated by the Nomination and Remuneration Committee and approved by the Board. The afore-mentioned policy is annexed with the Board's Report.

➤ **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholder's Relationship Committee comprises of:

NAME	DESIGNATION
MRS. SEEMA MAHAJAN, INDEPENDENT DIRECTOR	CHAIRMAN
MR. AMIT MAHAJAN, DIRECTOR (OPERATIONS)	MEMBER
MR. AMIT MAHAJAN, DIRECTOR (COMMERCIAL)	MEMBER

The Committee's constitution and terms of reference are in compliance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the erstwhile applicable Clause 49 of the Listing Agreement.

NAME AND DESIGNATION OF COMPLIANCE OFFICER

Ms. Samandeep Kaur - Company Secretary cum Compliance Officer

DETAILS OF SHAREHOLDERS' COMPLAINTS

No. of shareholders' complaints received so far:	NIL
No. of shareholders' complaints not solved to the satisfaction of shareholders:	NIL
No. of shareholders' complaints pending complaints:	NIL

REMUNERATION OF DIRECTORS

1. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED ENTITY

There were no pecuniary transactions of the non-executive directors of the company vis-à-vis the company.

2. CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

Non-executive directors are only paid sitting fees for attending board or committee meetings, if any.

3. ADDITIONAL DISCLOSURES

- All elements of remuneration package of individual directors summarized under major groups have been provided in MGT-9 annexed with Board's report.
- Details of fixed component and performance linked incentives are nil.
- No service contract has been entered with the respective individuals. However, their appointment is valid for 5 years from the date of appointment. Further, no severance fees is paid to any director.
- No stock options have been issued by the company.

DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

1. REGULATION 17 – BOARD OF DIRECTORS

The Company has an optimum combination of executive and non-executive directors with a woman director on board of the company. 50% of the directors of the company are non-executive independent directors. The Board of Directors met timely and within a gap not exceeding 120 days between any two meetings and reviews all the minimum information as specified in Part A of Schedule II and quarterly compliance reports pertaining to all laws applicable to the company.

All the policies, plans and codes as required under the Listing Regulations or Companies Act, 2013 read with rules framed thereunder or under the SEBI Regulations have been framed and devised by the company and disclosed on the company's website at <http://www.srfootwears.com/policy.html>

No fees or compensation except for sitting fees is payable to the non-executive directors.

The compliance certificate pursuant to Part B of Schedule II has been submitted by the CEO and CFO and same is annexed with the report.

The performance evaluation of independent directors has been done by entire Board of directors excluding the director being evaluated in its 184th Meeting held on 30th May 2017 and in 193rd Board Meeting held on 30th May, 2018.

2. REGULATION 18 – AUDIT COMMITTEE

The company has constituted the audit committee as per the requirements of Companies Act, 2013 and Listing regulations. The details of the committee are also disclosed in the Corporate Governance Report.

3. REGULATION 19 – NOMINATION & REMUNERATION COMMITTEE

The company has constituted the nomination and remuneration committee as per the requirements of Companies Act, 2013 and Listing regulations. The details of the committee are also disclosed in the Corporate Governance Report.

4. REGULATION 20 - STAKEHOLDERS' RELATIONSHIP COMMITTEE

The company has constituted the Stakeholders' Relationship committee as per the requirements of Companies Act, 2013 and Listing regulations. The details of the committee are also disclosed in the Corporate Governance Report.

5. REGULATION 21 – RISK MANAGEMENT COMMITTEE

The constitution of risk management committee is not applicable to the company as per the listing regulations. The company has in place the risk management policy which is reviewed and monitored by the Board of directors from time to time.

6. REGULATION 22 – VIGIL MECHANISM

The company has devised and implemented a vigil mechanism policy / whistle blower policy as required under the Companies Act, 2013 and Listing Regulations. The details of the same are also disclosed on the company's website at http://www.srfootwears.com/uploads/8/3/9/7/8397024/8397024/whistle_blower_policyvigil_mechanism.pdf

7. REGULATION 23 – RELATED PARTY TRANSACTIONS

The company has formulated the policy on materiality of related party transactions and on dealing with related party transactions. The same is also disclosed on the website of the company at http://www.srfootwears.com/uploads/8/3/9/7/8397024/related_transaction_policy.pdf. Further, the company has obtained requisite board, audit and shareholders' approval for the related party transactions as stipulated by the law.

8. REGULATION 24 – CORPORATE GOVERNANCE REQUIREMENTS W.R.T. SUBSIDIARY OF THE LISTED ENTITY

The provisions of this regulation are not applicable to the company as company does not have any subsidiary.

9. REGULATION 25 – OBLIGATIONS W.R.T. INDEPENDENT DIRECTORS

The independent directors have been appointed by the company in the 25th and 26th AGM for a tenure of 5 years. Further, the details of meeting of independent directors and familiarisation programme imparted to them are disclosed in the corporate governance report.

10. REGULATION 26 – OBLIGATIONS W.R.T. DIRECTORS AND SENIOR MANAGEMENT

Disclosures pursuant to Regulation 26 have been received by the company from the directors and senior management as applicable and the same has been taken on record by the Board in its 192nd Meeting held on 27th April 2018.

11. REGULATION 27 – OTHER CORPORATE GOVERNANCE REQUIREMENTS

The company has submitted the quarterly compliance report on corporate governance to the Bombay stock exchange within 15 days from the end of quarter from time to time.

12. REGULATION 46(2) – WEBSITE

The company has complied with all the provisions of Regulation 46(2) and the same is available at <http://www.srfootwears.com/>.

GENERAL BODY MEETINGS

Date	Particulars	Time	Location	Special Resolution passed
18.09.2017	28 th Annual General Meeting for the Financial Year 2016-17	09.00 A. M.	E-217, Ind. Area, Phase 8-B, Mohali	Yes
29.09.2016	27 th Annual General Meeting for the Financial Year 2015-16	09.00 A. M.	F-110, Ind. Area, Phase VII, Mohali	Yes
30.09.2015	26 th Annual General Meeting for the Financial Year 2014-15	11.00 A. M.	F-110, Ind. Area, Phase VII, Mohali	Yes

Postal Ballots passed during the year 2017-18: Two postal Ballots were conducted during the Financial year 2017-18 as per the provisions laid down under Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder and applicable provisions of the Secretarial Standard 2.

1. Postal Ballot conducted in December 2017-January 2018: Three Special Resolutions were passed as under:

1. Alteration of Objects Clause in the Memorandum of Association of the Company
2. Rectification of errors in item no. 4 of Notice dated 10th August, 2017 calling Annual General Meeting of the Shareholders of the Company on 18th September, 2017 and its ratification by the Shareholders.
3. Rectification of errors in item no. 5 of Notice dated 10th August, 2017 calling Annual General Meeting of the Shareholders of the Company on 18th September, 2017 and its ratification by the Shareholders.

Details pertaining to voting pattern are as follows:

Date of Postal Ballot Notice	30 th November, 2017
Voting period	18 th December, 2017 till 16 th January, 2018
Date of declaration of Result	18 th January, 2018

Particulars of Resolutions	Type of Resolution	Consolidated votes (e-voting and voting through Postal Ballot forms)				
		No of Votes polled	No of Votes in favour	No of Votes against	% of votes favour	% of votes against
1. Alteration of Objects Clause in the Memorandum of Association of the Company	Special Resolution	2332592	2332389	203	99.99	0.01
2. Rectification of errors in item no. 4 of Notice dated 10th August, 2017 calling Annual General Meeting of the Shareholders of the Company on 18th September, 2017 and its ratification by the Shareholders.	Special Resolution	2332592	2332389	203	99.99	0.01
3. Rectification of errors in item no. 5 of Notice dated 10th August, 2017 calling Annual General Meeting of the Shareholders of the Company on 18th September, 2017 and its ratification by the Shareholders.	Special Resolution	2332592	2332389	203	99.99	0.01

The Company successfully completed the process of obtaining approval of its shareholders for the special resolutions on the items detailed above through the postal ballot. Mr. Ramesh Bhatia, Company Secretary in practice, was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

2. Postal Ballot conducted in February- March 2018: Three Special Resolutions were passed as under:

1. Alteration of Capital Clause in the Memorandum of Association of the

Company. 2. Variation of rights, terms and conditions of the Redeemable Preference Shares and their conversion into 0.01 % Optionally Convertible Preference Shares. 3. Issue Equity Shares of the Company to the Promoter / Promoter Group against the outstanding unsecured loans received by the Company from its promoter / promoter group.

Details pertaining to voting pattern are as follows:

Date of Postal Ballot Notice	2 nd February, 2018
Voting period	9 th February, 2018 till 10 th March, 2018
Date of declaration of Result	12 th March, 2018

Particulars of Resolutions	Type of Resolution	Consolidated votes (e-voting and voting through Postal Ballot forms)				
		No of Votes polled	No of Votes in favour	No of Votes against	% of votes favour	% of votes against
1. Alteration of Capital Clause in the Memorandum of Association of the Company	Special Resolution	1326682	1326679	3	99.999	0.001
2. Variation of rights, terms and conditions of the Redeemable Preference Shares and their conversion into 0.01 % Optionally Convertible Preference Shares	Special Resolution	282155	282152	3	99.999	0.001
3. Issue Equity Shares of the Company to the Promoter / Promoter Group against the outstanding unsecured loans received by the Company from its promoter / promoter group.	Special Resolution	282155	282152	3	99.999	0.001

The Company successfully completed the process of obtaining approval of its shareholders for the special resolutions on the items detailed above through the postal ballot. Mr. Ramesh Bhatia, Company Secretary in practice, was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

No special resolution is proposed to be conducted through postal ballot in the forthcoming AGM.

MEANS OF COMMUNICATION

i) Quarterly Results

The quarterly, half yearly and annual results of the Company are disseminated through the website of Bombay Stock Exchange and published in accordance with the requirements of Listing Agreement and / or Listing Regulations.

ii) Newspapers wherein results normally published

Financial Express – all editions and Rozana Spokesman

iii) Website where displayed

All information and results are also displayed on the Company's website www.srfootwears.com.

iv) Whether it also displays official news releases and presentations made to institutional investors or to the analysts

All the press releases are displayed on the website of the Company i.e. <http://www.srfootwears.com/press-release.html>.

DISCRETIONARY REQUIREMENTS

The company has complied with all the mandatory requirements of Regulation 34 read with Schedule V of SEBI (Listing obligations and disclosure requirements) Regulations, 2015. The status of compliance with the discretionary requirements of Regulation 27 read with Part E of Schedule II is provided below:

a) The Board

The Chairman of the company is a non-executive director but he doesn't hold any office at the company's expense or receives any reimbursement of expenses incurred in performance of his duties.

b) Shareholder Rights

The Company does not send any half yearly declaration of financial

performance including summary of the significant events in last six months to shareholders separately. However, the company publishes the results for the half year end and quarterly results in the newspapers as detailed above and the same are also available at the Company's website at www.srfootwears.com and the BSE's website.

c) Modified opinion(s) in audit report

The Company's financial statements for the financial year ending 31st March 2018 does not contain any audit qualification and thus, unmodified auditor's report has been submitted. A declaration to this effect has also been submitted by the company to the stock exchange duly signed by the Managing Director of the company in compliance with the SEBI circular no. CIR/CFD/CMD/56/2016 dated 27th May 2016.

d) Separate posts of chairperson and chief executive officer

The Chairman of the Board is a non-executive director and his position is separate from that of the Managing Director.

e) Reporting of internal auditor

The internal auditor reports directly to the Audit Committee.

GENERAL SHAREHOLDER'S INFORMATION

1. ANNUAL GENERAL MEETING

The Twenty Ninth Annual General Meeting of the Company is scheduled to be held on Thursday, the 27th day of September, 2018 at 09.00 A.M. at the Registered Office of the Company at E-217, Industrial Area, Phase-8 B, Mohali, Punjab.

2. FINANCIAL YEAR

The Financial Year for which the Report / Accounts pertain is from 1st April, 2017 to 31st March, 2018.

3. DIVIDEND PAYMENT DATE

No dividend has been recommended by the Company.

4. NAME AND ADDRESS OF THE STOCK EXCHANGE AT WHICH THE LISTED ENTITY'S SECURITIES ARE LISTED

The Bombay Stock Exchange Limited (BSE),
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

5. CONFIRMATION OF PAYMENT OF ANNUAL LISTING FEE

The Annual Listing fee for the financial year 2017-18 has been paid to the Bombay Stock Exchange (BSE).

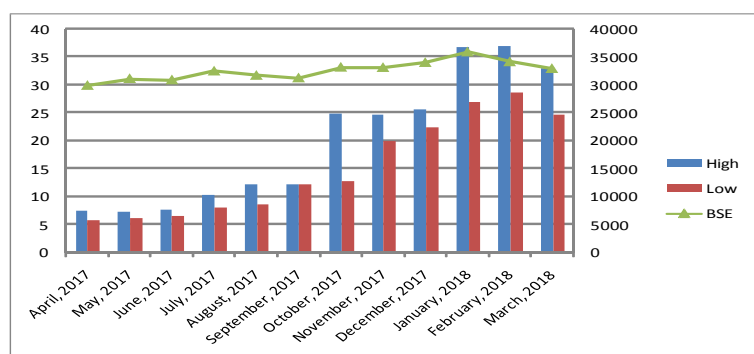
6. STOCK CODE-

Bombay Stock Exchange:
Scrip Code: 513515
Scrip Name: SRIND

7. MARKET PRICE DATA (BSE)

MONTH	HIGH PRICE (₹)	LOW PRICE (₹)
April, 2017	7.63	5.85
May, 2017	7.43	6.16
June, 2017	7.8	6.51
July, 2017	10.42	8.19
August, 2017	12.2	8.76
September, 2017	12.2	12.2
October, 2017	24.88	12.81
November, 2017	24.75	20
December, 2017	25.7	22.45
January, 2018	36.8	26.95
February, 2018	37	28.75
March, 2018	33	24.75

Stock Performance of S. R. Industries Ltd. on BSE vis-à-vis BSE Sensex during the year 2017-18



8. REGISTRAR AND SHARE TRANSFER AGENT (RTA)

M/s Link Intime India Pvt. Ltd.
44, Community Centre, 2nd Floor,
Nariana, New Delhi – 110028
Tel: 011-41410592-94, Fax: 011-41410591
Email: delhi@linkintime.co.in

9. SHARE TRANSFER SYSTEM

The transfer of shares in physical form is done by the Registrar and Share Transfer Agent – M/s Link Intime India Pvt. Ltd. and returned within a period of 15 days from the date of receipt of document complete in all respect. The particulars of movement of shares in dematerialized mode are also placed before the stakeholder's Relationship Committee.

8. DISTRIBUTION OF SHAREHOLDING

SHARE HOLDINGS	NO. OF SHARE HOLDERS	% OF TOTAL	SHARES	% OF TOTAL
1-500	8710	84.96	1709879	12.29
501-1000	720	7.02	640986	4.61
1001-2000	301	2.94	500220	3.59
2001-3000	113	1.1	301502	2.17
3001-4000	63	0.61	230124	1.66
4001-5000	84	0.82	406204	2.92
5001-10000	109	1.06	878810	6.32
Above 10001	152	1.48	9248275	66.46
Total	10252	100	13916000	100

9. DEMATERIALISATION OF SHARES AND LIQUIDITY

The details of paid up capital as on 31st March 2018 is as under:

MODE OF HOLDING	NO. OF SHARES	PERCENTAGE
NSDL	8067301	57.97
CDSL	4100189	29.46
PHYSICAL	1748510	12.57
TOTAL	13916000	100

101001001

The ISIN of the Company is INE329C01011. As on 31st March 2018, 87.43% equity shares were dematerialized in the two depositories – NSDL and CDSL.

12. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

The Company has no outstanding GDR / ADR / Warrants or any convertible instruments as on 31st March, 2018.

13. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

There is no major foreign exchange risk in the company and thus, no hedging activities are undertaken by the company at present.

14. PLANT LOCATIONS

Village Singhan, Tehsil – Haroli, Distt. Una (H. P.)

15. ADDRESS FOR CORRESPONDENCE

S. R. Industries Ltd.
E-217, Industrial Area,
Phase 8-B, Mohali - 160071.

OTHER DISCLOSURES

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

There is no such related party transaction that may have potential conflict with the interests of the listed entity at large.

b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange (s) or the board or any statutory authority, on any matter related to capital markets, during last three years

No major penalty was levied on the company by any statutory authority.

S. R. Industries L i m i t e d

Annual Report 2017-18

c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel was denied access to the Audit Committee

The company has formulated and implemented vigil mechanism / whistle blower policy and the same is also disclosed on the website of the company at http://www.srfootwears.com/uploads/8/3/9/7/8397024/whistle_blower_policyvigil_mechanism.pdf and displayed at the conspicuous place in the company. Further, we hereby affirm that no personnel were denied access to the Audit Committee.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

All the mandatory and non-mandatory requirements have been duly complied with by the company to the extent applicable to the company.

e) Web link where policy for determining 'material' subsidiaries is disclosed

Your company does not have any subsidiary / associate / joint ventures within the meaning of Companies Act, 2013 and Accounting Standards.

f) Web link where policy on dealing with related party transactions

http://www.srfootwears.com/uploads/8/3/9/7/8397024/related_transaction_policy.pdf

g) Disclosure of commodity price risks and commodity hedging activities

At present there is no commodity price risk in the company.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

No physical shares are lying as undelivered / unclaimed.

CEO CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all members of the board of directors and senior management personnel have affirmed the compliance with the code of conduct of board of directors and senior management for the year ending 31st March, 2018.

Place: Mohali

Date: August 14, 2018

For S. R. Industries Ltd

Sd/-

(R. C. Mahajan)

Managing Director

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF S. R. INDUSTRIES LTD

I have examined the compliance of conditions of Corporate Governance by S R Industries Ltd ("the Company"), for the financial year ended 31st March, 2018, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [applicable w.e.f. 1st December, 2015].

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the 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.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations and / or Listing Agreement.

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

Sd/-

Date: August 6, 2018

Place: Chandigarh

Sanjiv Kumar Goel

C. P.: 1248

CEO / CFO CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Board of Directors

S R Industries Ltd

1. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading

(ii) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3. 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. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:

(i) That there are no significant changes in internal control over financial reporting during the year

(ii) That we have adopted new IND-AS for preparation of financial results during the year 2017-18, and

(iii) That there were no instances of significant fraud of which we have become aware.

Sd/-

(R. C. Mahajan)

Managing Director

DIN: 00038661

Sd/-

(Amit Mahajan)

Chief Financial Officer

DIN: 00038593

OVERVIEW

I) INDUSTRY STRUCTURE AND DEVELOPMENTS

Indian footwear industry holds a crucial place in the Indian economy for its potential for employment, especially for weaker sections of the society and for supporting economy through its foreign exchange earnings. This sector has been showing good growth in the past few years due to ready availability of raw materials and manpower. India is the second largest global producer of footwear after China. India's annual footwear consumption is the third largest globally after China and USA and has recorded a healthy growth over the past decade driven by rise in income levels, higher disposable income, growing fashion consciousness and increasing discretionary spending. The same has also led to a change in perception of the footwear industry from a basic need based industry to a fashion style industry. However, the average per capita footwear consumption in India continues to be low in comparison to the global average consumption and developed countries average. This gap coupled with increasing disposable income, rising middle class and changing consumer preferences provide a tremendous opportunity for the Indian footwear market to grow at a rapid pace going forward.

The Indian footwear industry is highly fragmented with almost 15000 small and medium enterprises operating largely in the unorganized segment; and limited presence of organized segment. The competitive intensity is high between the two segments and currently, both are estimated to have an equal share of the overall domestic market in value terms. Though, unorganized segment dominates the market in sales volumes due to its presence majorly in the low cost rubber / plastic footwear. Unorganized sector gains its prominence in the Indian context due to its price – competitive products which are more suitable and attractive to the price conscious Indian consumer. Their products are cheaper due to involvement of cheap household labour, lax