

January 29, 2022

BSE Ltd. Corporate Relationship Department 1st Floor New Trading Rotunda Building, P J Towers Dalal Street Fort, Mumbai-400001 Scrip Code – 530517	National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051 Scrip Code – RELAXO
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Sub: Investor Presentation on Un-Audited Financial Results for the quarter and nine months ended on December 31, 2021

Dear Sir,

Please find enclosed Investor Presentation on Un-Audited Financial Results of the company for the quarter and nine months ended on December 31, 2021.

The same is for your information and record.

Thanking You,
Yours Sincerely,

For **Relaxo Footwears Limited**,


Vikas Kumar Tak
Company Secretary and Compliance Officer
Membership No.: FCS 6618

Encl. as above

RELAXO FOOTWEARS LIMITED

Registered Office: Aggarwal City Square, Plot No. 10, Manglam Place,
District Centre, Sector-3, Rohini, Delhi-110085. Phones: 46800 600, 46800 700
Fax: 46800 692 E-mail: rfl@relaxofootwear.com
CIN L74899DL1984PLC019097



**INVESTORS
PRESENTATION**
DECEMBER 2021

January, 2022

COMMITTED TO PROVIDE
BEST-IN-CLASS FOOTWEAR

Safe Harbor

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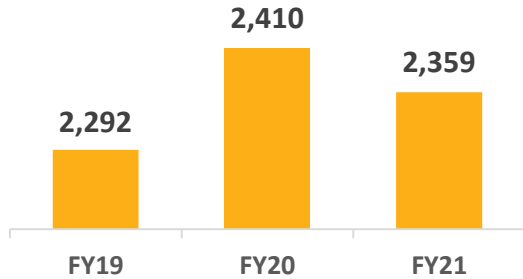
Performance at a Glance

Financial Highlights – Profit and Loss

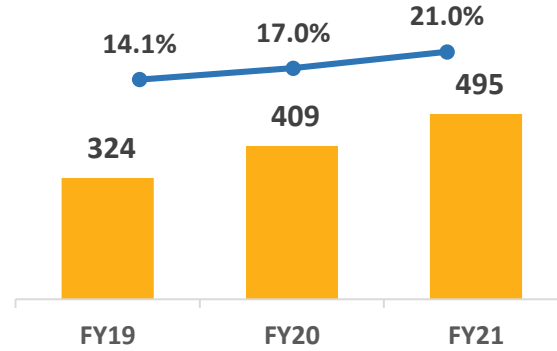
(₹ in Cr.)

Annual

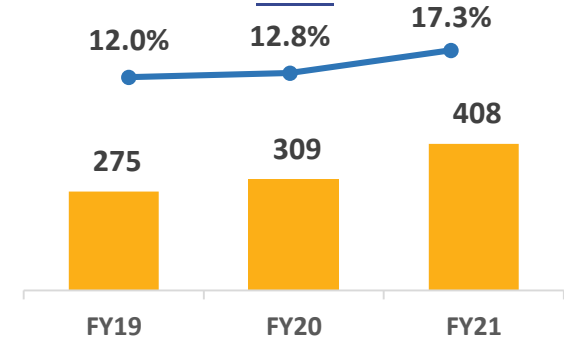
Revenue



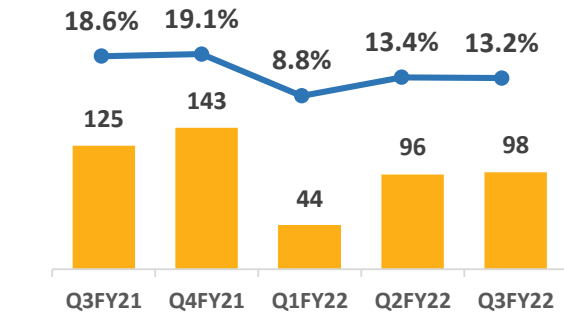
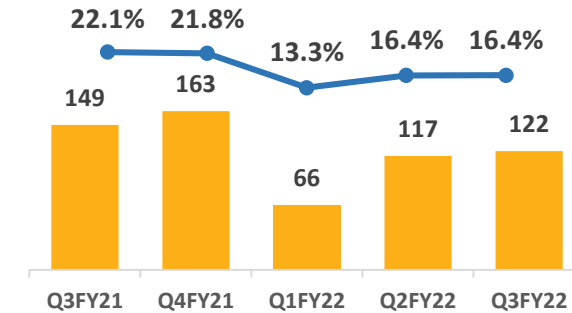
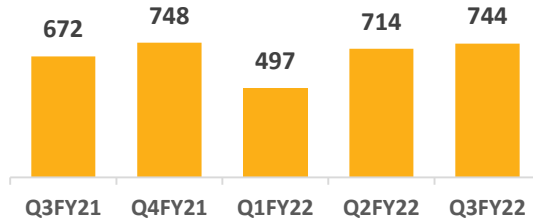
EBITDA



EBIT



Quarterly

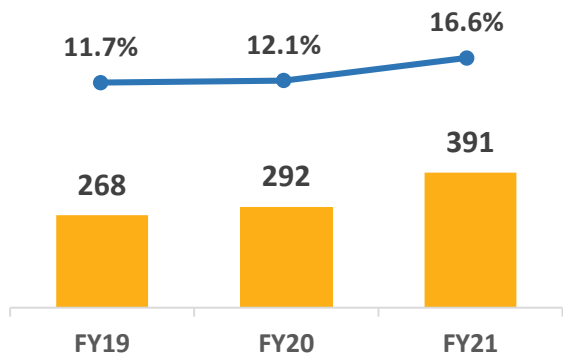


Financial Highlights – Profit and Loss

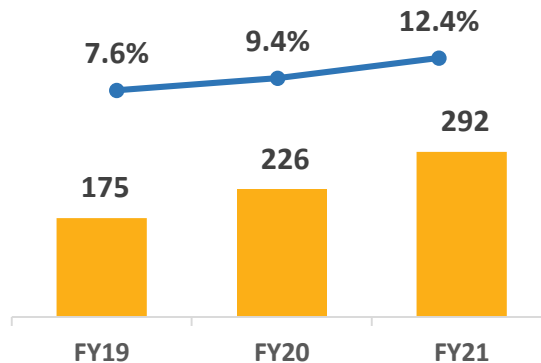
(₹ in Cr.)

Annual

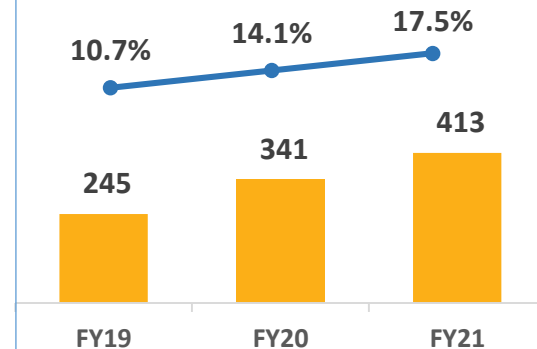
PBT



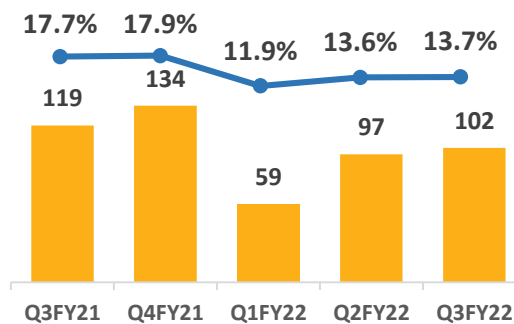
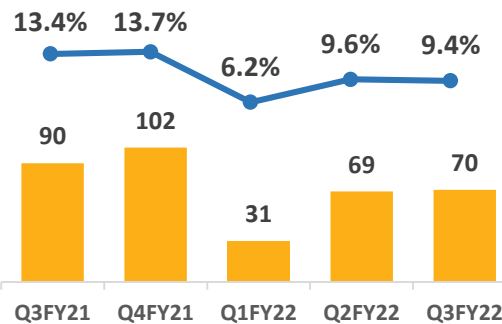
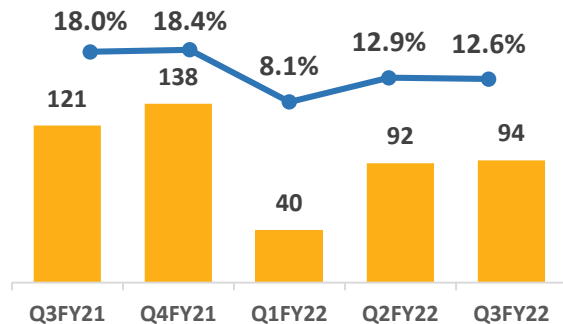
PAT



Cash PAT



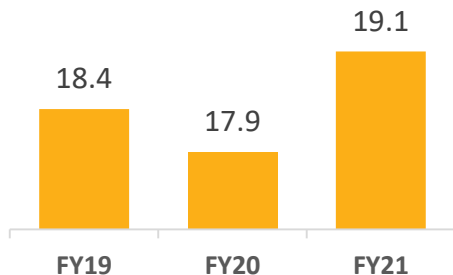
Quarterly



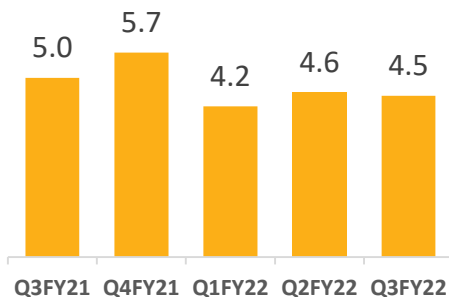
Operating Highlights

Number of Pairs Sold (in Cr.)

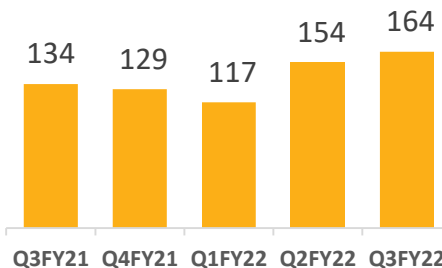
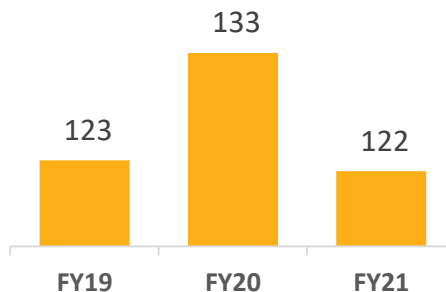
Annual



Quarterly



Average Realization per pair (in ₹)



Credit Rating

Rating agency : **ICRA**

Long term : **AA**

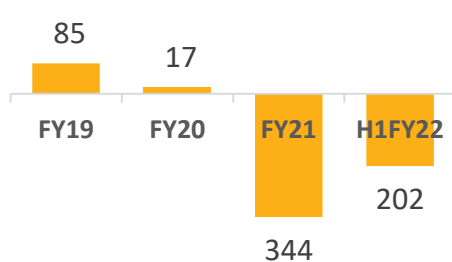
Outlook : **Positive**

Short term : **A1+**

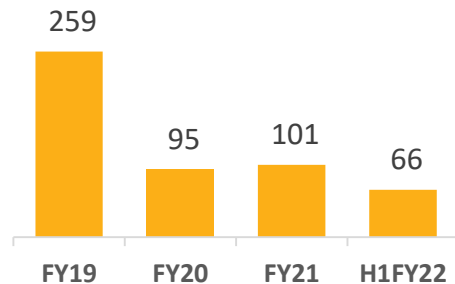
Financial Highlights – Balance Sheet

(₹ in Cr.)

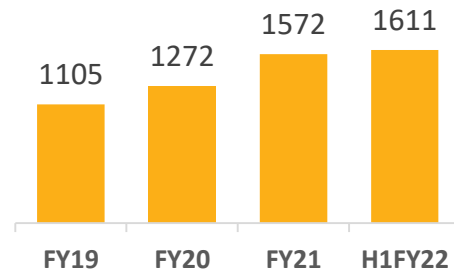
Net Debt



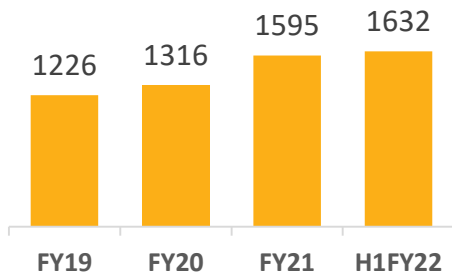
CAPEX



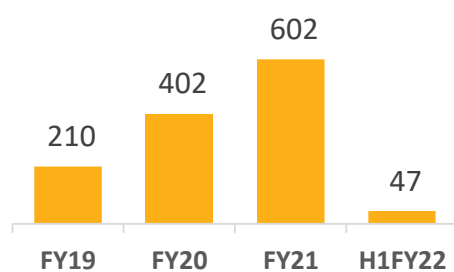
Net Worth



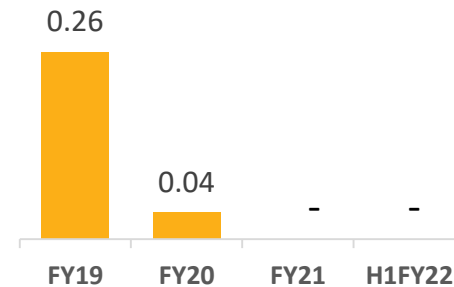
Capital Employed



Cash generated from operations

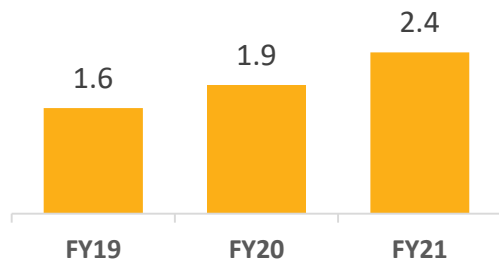


Net Debt/EBITDA (x)

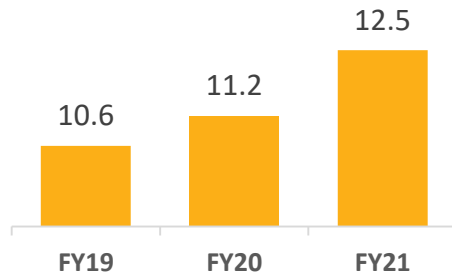


Financial Highlights – Key Financial Ratios

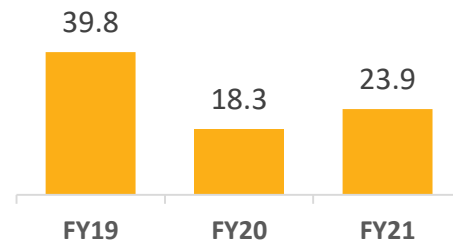
Current Ratio (x)



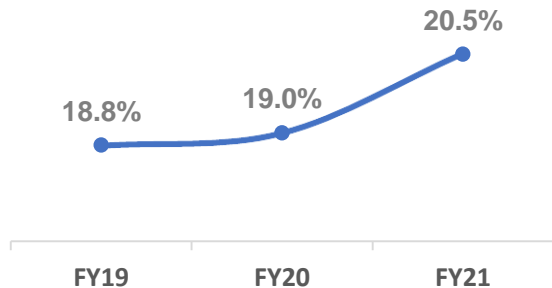
Debtor Turnover Ratio (x)



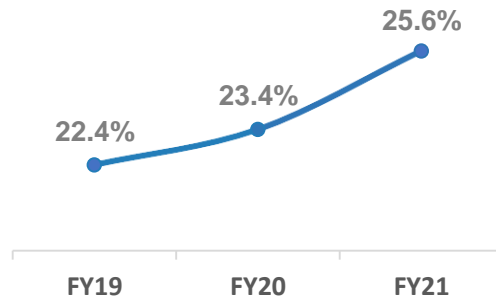
Interest Coverage (x)



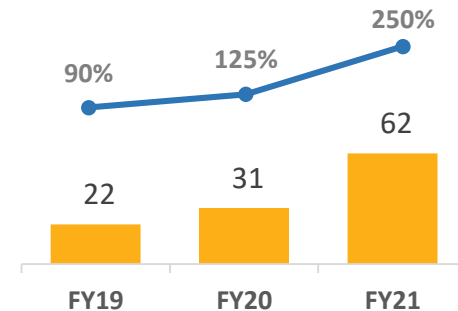
ROE (%)



ROCE (%)

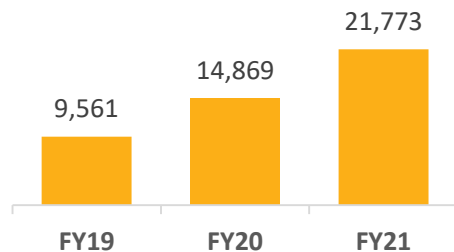


Dividend (₹ in Cr.)

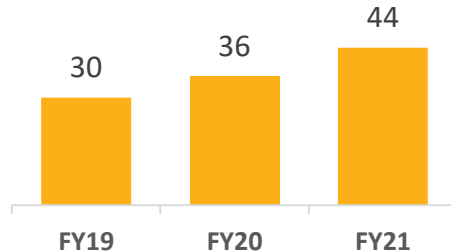


Financial Highlights – Key Financial Ratios

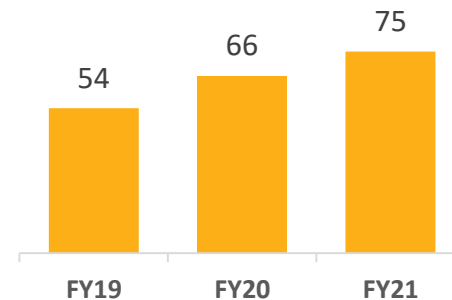
Market Cap (₹ in Cr.)



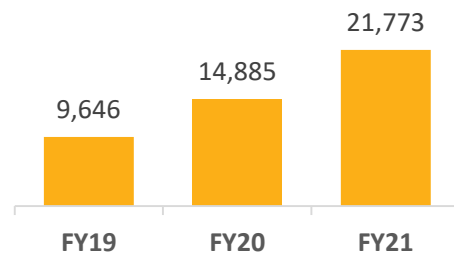
EV/EBITDA (x)



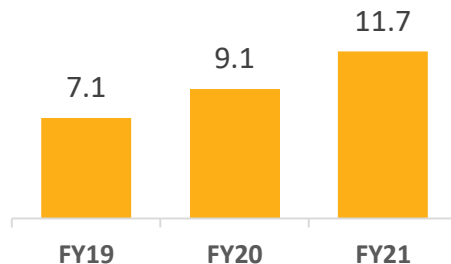
PE Ratio (x)



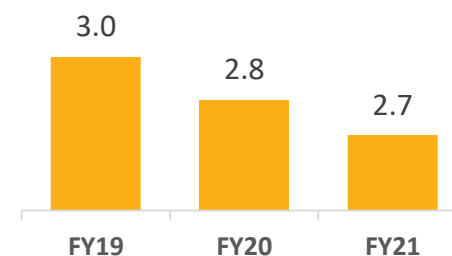
Enterprise Value (₹ in Cr.)



EPS (in ₹)



Fixed Asset Turnover Ratio (x)

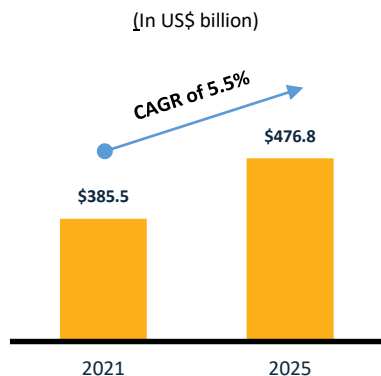


Industry Overview

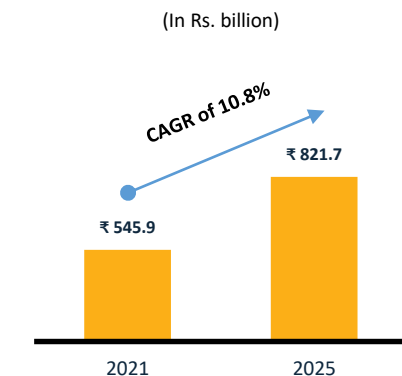
Attractive dynamics of the Indian footwear industry

Strong growth potential of the Indian footwear industry

Global Footwear Market Size[#]

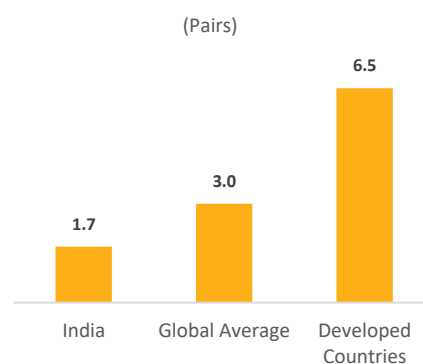


Indian Footwear Market Size^{*}



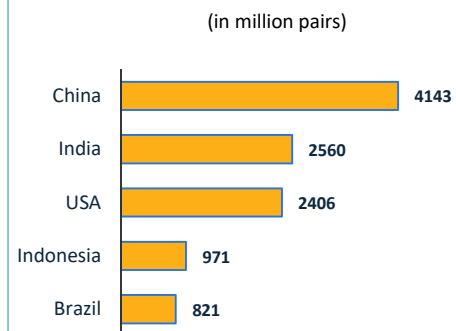
Source : [#] is Statista report; ^{*} Market Line report on footwear ; [^] <https://cfia.co.in/industry-insights/>

Per Capita Consumption (Pairs)[^]



Underpenetrated Indian market

Top 5 Global Footwear Consumers[#]



India surpassed USA in 2019

Growth potential in the current scenario

- India is the 2nd largest footwear producer.
- The sector holds an important place in Make in India Initiative and thus has been chosen as a Champion Sector.
- Domestic manufacturing poised for growth in wake of decline in footwear imports.
- Favourable growth in organized retail market & e-commerce.

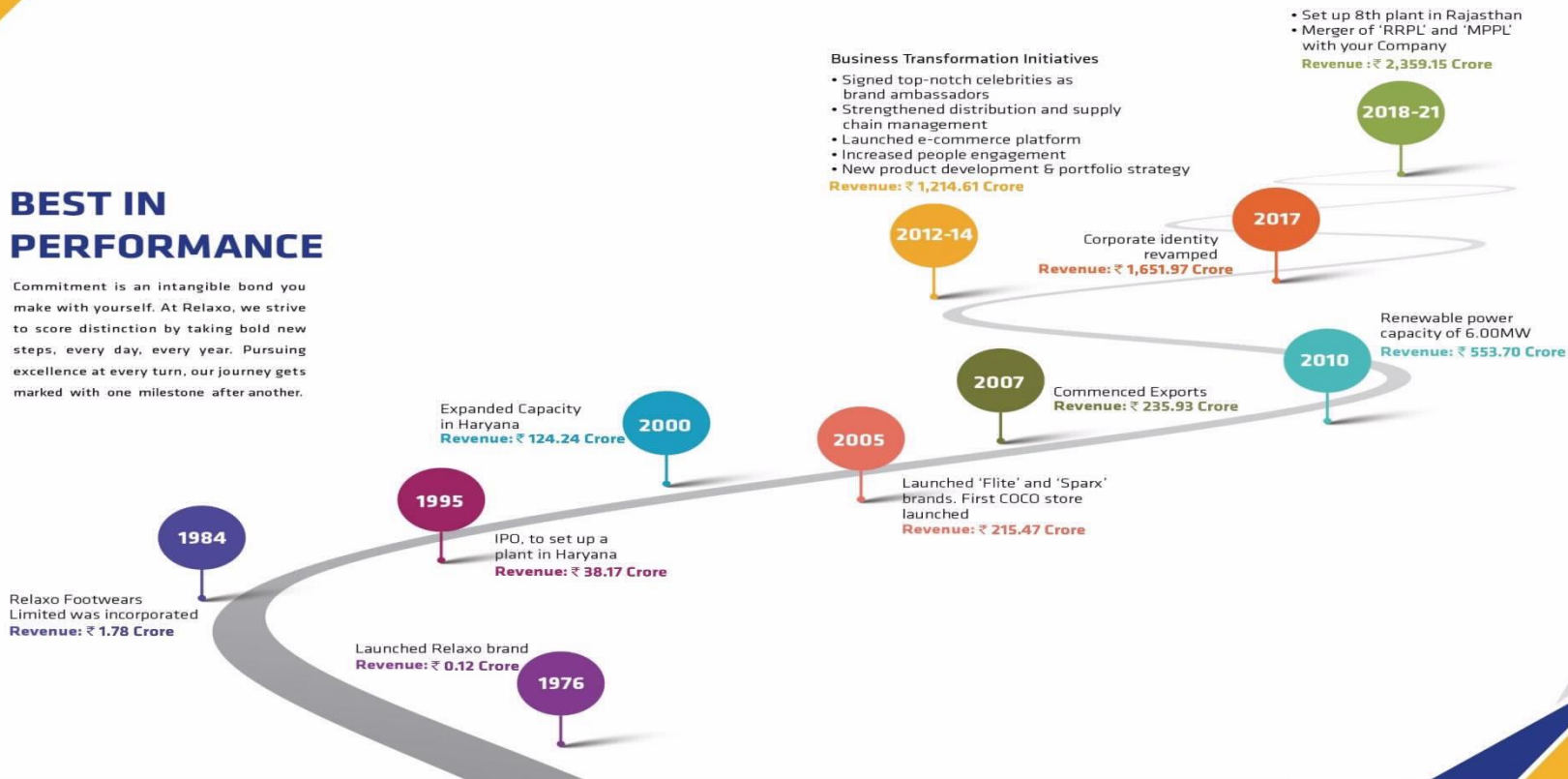
Filip to Consumer Demand

- Rising disposable income, changing life style and increase in literacy rate.
- Rise of middle-income group and millennial population.
- Footwear has evolved from being a mere necessity to an important fashion accessory.
- The growing trend of premiumization in the Indian footwear industry and the shift to branded footwear.

Company Overview

BEST IN PERFORMANCE

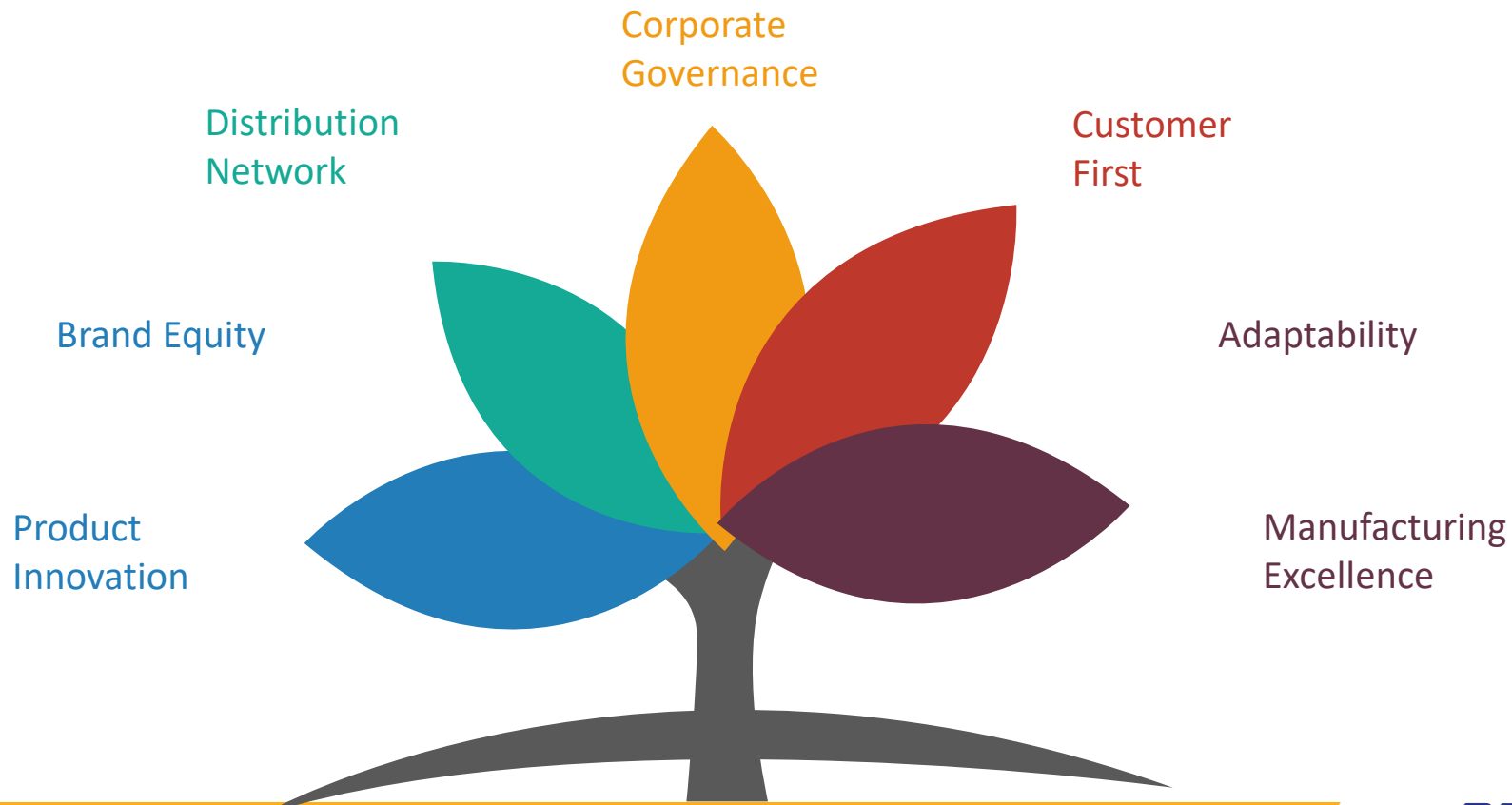
Commitment is an intangible bond you make with yourself. At Relaxo, we strive to score distinction by taking bold new steps, every day, every year. Pursuing excellence at every turn, our journey gets marked with one milestone after another.



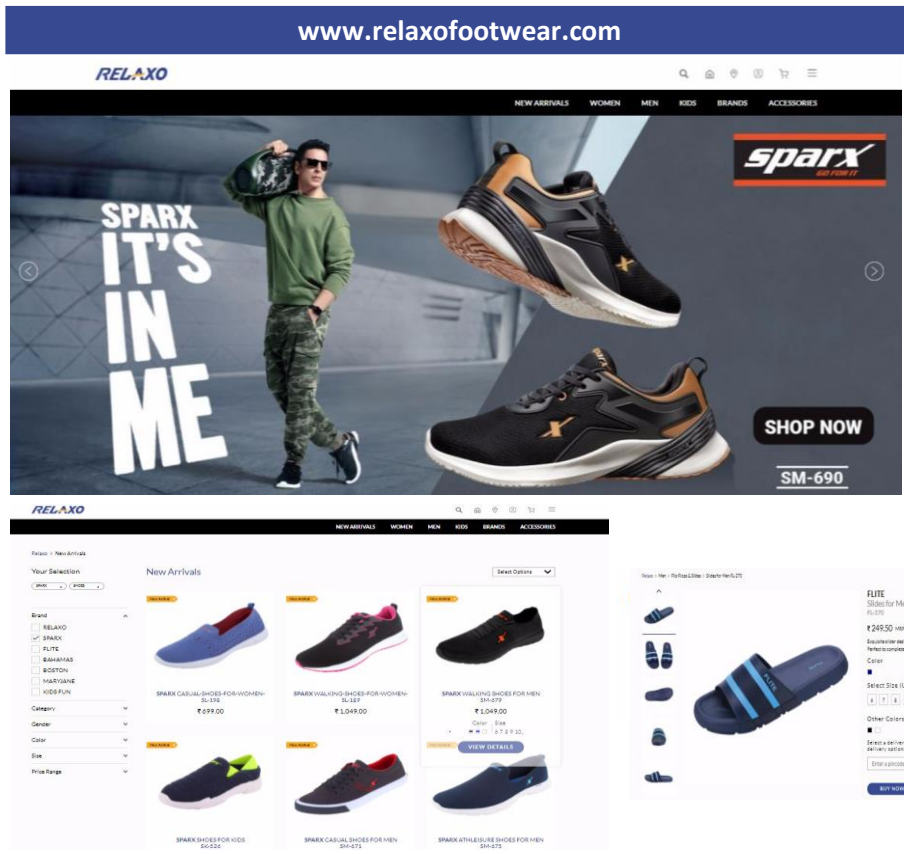
Diversified portfolio with strong identities



Key Strengths



Efficient customer reach across channels



50,000+

Retailers/MBOs

402

EBOs

1

Overseas office in Dubai

~650

Distributors

~30

Countries Exported to

Online Availability

amazon

flipkart.com

snapdeal

MYNTRA.COM
India's Largest Online Fashion Store

AJIO.COM

paytm mall

TATA CLIQ

RELAXO

Sustained manufacturing excellence, certification & innovation

Strong in-house manufacturing capabilities

- 8 manufacturing facilities with a capacity to produce ~10 Lac pair/day.
- Continuous focus on optimising operations
 - Dedicated line for manufacturing fast moving SKUs
 - Lean manufacturing (waste minimisation without compromising on productivity)
 - Maynard Operation Sequence Technique (MOST)
 - Yield improvement
 - Focus on cost optimisation in manufacturing allows competitive pricing.

Committed to provide Best in Class footwear

- Own manufacturing helps maintain quality end-end.
- Monitor every stage of manufacturing process
 - Designing
 - Material Management
 - Production Process
 - Packaging
 - Final Products

Certifications

- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- ISO 27001:2013
- BIS/SATRA Manufacturing Standards
- CLE (Council for Leather Export)

IPR Spectrum

Trademarks	82
Copyright	10
Design	664

Awards and Accolades

dun & bradstreet



Amongst India's
Top 500 Companies
2021



India's Most Valuable
Company-2019
Rank 220



India's Largest
Corporations 2019
Rank 471

F R O S T
&
S U L L I V A N

India Manufacturing
Excellence Awards
2019



India's Top 500
Company-2019
Rank 478



India's Top Mid Size
Company-2019
Rank 11



Brand Creation Award 2018-19
'Relaxo', 'Flite', 'Sparx'
Non Leather
Footwear



1st Place for
Excellent Export
Performance
2018-19



WORLD
HRD
CONGRESS

World HRD Congress
North India
Best Employer Brand
2018

Board of Directors

Ramesh Kumar Dua, Managing Director

- Over 45 years of experience in strategic, sales and marketing, production and new product development in footwear industry
- Commerce Graduate & Rubber Technologist (LPRI, London)
- Leading Relaxo to become the largest footwear manufacturer of India, with an array of strong brands.

Nikhil Dua, Whole Time Director

- Over 25 years of experience in production and new product development and has rich knowledge of product mix in Footwear Industry
- Commerce graduate and has studied from International School of Modern Shoe-making, Czech Republic

Pankaj Shrimali, Independent Director

- Over 37 years of experience in areas of finance, accounts, secretarial, corporate management, legal & corporate consultancy services, strategic management and investment banking for reputed corporate houses
- Fellow member of ICAI, ICSI, and Institute of Cost Accountants of India

Vivek Kumar, Independent Director

- Over 21 years experience as Operational Head in leading Indian companies and is also a management consultant to many corporates in the areas of quality, productivity, environment and safety
- MBA from Faculty of Management Studies, Delhi University and Electrical Engineer from the University of Roorkee (now IIT Roorkee)

Mukand Lal Dua, Whole Time Director

- Over 48 years of experience in manufacturing excellence in footwear industry.
- Science Graduate
- Providing cutting edge impetus to new product development and quality control.

Deval Ganguly, Whole Time Director

- Over 40 years of experience in areas of manufacturing, project and plant management in various reputed organisations.
- Joined Company in 2011 as President, Manufacturing and was elevated to Board w.e.f 5.11.2012. He is B.Tech from IIT Kanpur

Deepa Verma, Independent Director

- Over 33 years of experience in academic administration.
- Associated with University of Petroleum & Energy Studies since inception and has held various positions such as Director (NCR) region, VP (Academic Affairs) & presently in charge of Institutional Affairs & HR
- B.Sc, LL.B, M.A (Psychology), Diploma in Educational Guidance & Counselling

Rajeev Bhaduria, Independent Director

- Over 34 years of experience in Human Resource and leadership
- Past association with JSPL, Reliance ADA group & NTPC at various positions in Human Resource.
- B.A. & LLB from Allahabad University and management diploma from Power Management Institute, New Delhi

And a strong management team

**Mr. Gaurav Dua,
Executive VP -
Marketing**

MBA having over 20 years of experience in Sales & Marketing.

**Mr. Ritesh Dua,
Executive VP - Finance**

MBA having over 21 years of experience in Finance, HR & IT

**Mr. Nitin Dua,
Executive VP - Retail**

MBA having over 17 years of experience in Retail Business.

**Mr. Ashish Srivastava ,
VP – Human Resources**

MBA having over 23 years of experience in HR, Industrial Relations & Administration.

**Mr. Vinay Kumar Bajaj,
VP - Sales**

Graduate having over 30 years of experience in Sales & Marketing

**Mr. Sushil Batra,
Chief Financial Officer**

FCA having over 30 years of experience in Finance, Taxation and Strategic Planning

**Mr. HR Sapra,
Senior VP - Materials**

BE having over 48 years of experience in Materials & Procurement

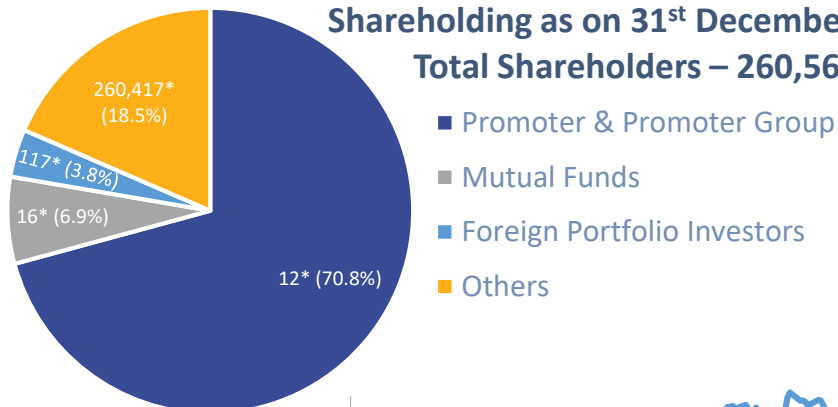
**Mr. Rahul Dua,
Assistant Executive VP -
Manufacturing**

Graduate having over 11 years of experience in Manufacturing

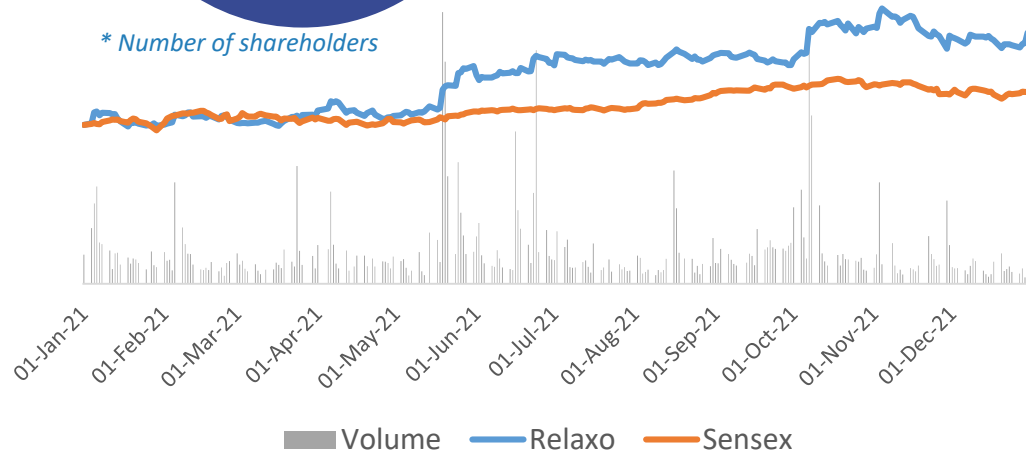
Shareholding pattern

Shareholding as on 31st December, 2021

Total Shareholders – 260,562



* Number of shareholders



Shareholder Information as on 31st December, 2021

BSE Ticker	530517
NSE Ticker	RELAXO
Market Cap (₹ in Cr)	32,694
% Free- float	29.2%
Shares Outstanding (in Cr)	24.89
3M ADTV (Shares)	2,47,750
Enterprise Value (₹ in Cr)	32,695
52 Week High	1,448.0
52 Week Low	792.0
52 Week ADTV (₹ in Cr)	28.55

Financial Highlights

Statement of Profit & Loss

Particulars (INR Cr.)	Q3FY22	Q2FY22	Q3FY21	9MFY22	9MFY21	FY21
Revenue from Operations	743.52	714.43	672.02	1,955.08	1,611.47	2,359.15
Other Income	5.47	7.07	3.96	17.81	15.88	22.77
Total Income	748.99	721.50	675.98	1,972.89	1,627.35	2,381.92
Cost of Materials Consumed, including packing material	341.25	378.88	245.49	956.03	541.99	863.85
Purchase of Stock in Trade	24.11	23.47	30.64	65.39	62.62	95.28
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(17.37)	(79.37)	(0.05)	(124.22)	75.89	44.15
Employee Benefits Expense	84.74	86.37	81.73	244.78	211.99	301.39
Finance Costs	4.06	3.64	4.00	11.43	11.89	17.08
Depreciation and Amortisation Expense	29.07	28.31	27.79	84.84	83.07	110.02
Other Expenses	189.16	188.26	165.50	508.48	386.35	558.99
Total Expenses	655.02	629.56	555.10	1,746.73	1,373.80	1,990.76
Profit Before Tax	93.97	91.94	120.88	226.16	253.55	391.16
Tax Expense						
Current Tax	24.24	24.09	31.14	60.98	67.71	102.03
Deferred Tax	(0.37)	(0.84)	(0.33)	(4.57)	(3.55)	(2.43)
Profit for the period	70.10	68.69	90.07	169.75	189.39	291.56
Total Comprehensive Income for the period	69.67	68.77	90.14	169.47	190.40	293.01
Earning per Equity Share of INR 1/- each (in Rs)						
Basic	2.82	2.76	3.63	6.83	7.63	11.74
Diluted	2.82	2.76	3.63	6.82	7.62	11.72

Notes

1. The above results were reviewed by the Audit Committee and have been approved by the Board of Directors at their meeting held on November 1, 2021. The Statutory auditors have conducted a limited review of the above unaudited financial results and have expressed an unmodified report on the same.
2. Based on guiding principles given in Ind AS 108 "Operating Segments", the Company's business activity falls within a single operating segment namely, "Footwear and Related Products", hence, the disclosure requirements relating to "Operating Segments" as per Ind AS 108 are not applicable.
3. During the quarter, 4,83,945 Equity Shares of face value of Re. 1/- each were allotted to the employees under Employee Stock Option Plan 2014.
4. During the quarter, additional capacity of 1.5 Lacs pair per day of footwear has been commissioned at unit located in Bhiwadi Rajasthan, taking the total capacity across all categories and Plants to 10 Lacs pair per day of footwear.
5. The Company has applied practical expedient as per amendment to Ind AS 116 "Leases" on COVID-19 related rent concessions and recognised gain of INR 0.62 crore and INR 5.61 crores respectively in other income for the quarter and nine months ended December 31, 2021 (INR 1.72 crores and INR 8.71 crores respectively for the quarter and nine months ended December 31, 2020).
6. The Company has done assessment of recoverability and carrying values of its assets comprising of receivables, inventories, plant and equipment, intangible assets and on the basis of assessment, the Company expects to recover the carrying amount of these assets. The Company will continue to closely monitor any material changes to future economic conditions due to uncertainties linked to COVID -19.

Thank You