

November 9, 2021

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 half year ended on September 30, 2021

Dear Sir,

Please find enclosed Investor Presentation on Un-Audited Financial Results of the company for the quarter and half year ended on September 30, 2021.

The same is for your information and record.

Thanking You,
Yours Sincerely,

For Relaxo Footweares Limited,


Vikas Kumar Tak

Company Secretary and Compliance Officer
Membership No.: FCS 6618

Encl. as above

RELAXO FOOTWEARES 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**
SEPTEMBER 2021

November, 2021

COMMITTED TO PROVIDE
BEST-IN-CLASS FOOTWEAR



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Safe Harbor

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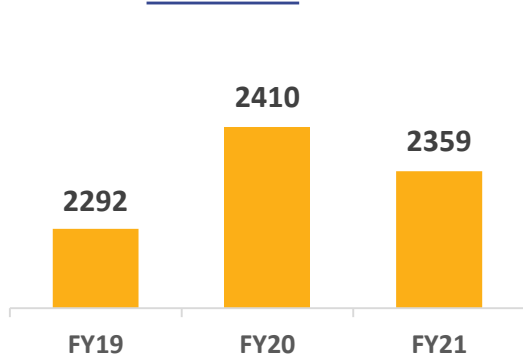
Performance at a Glance

Financial Highlights – Profit and Loss

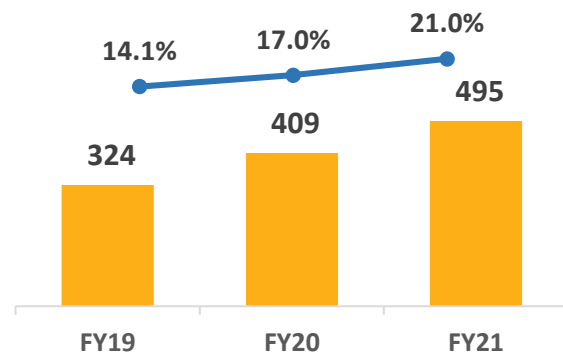
(₹ in Cr.)

Annual

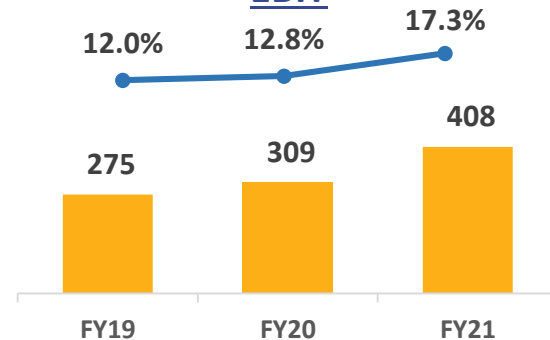
Revenue



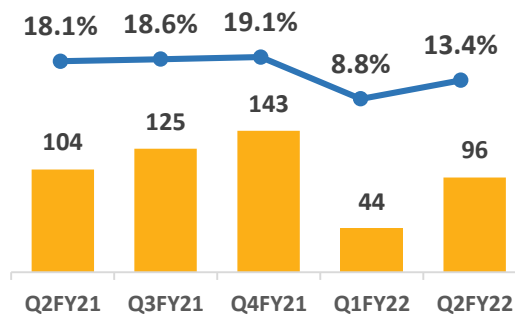
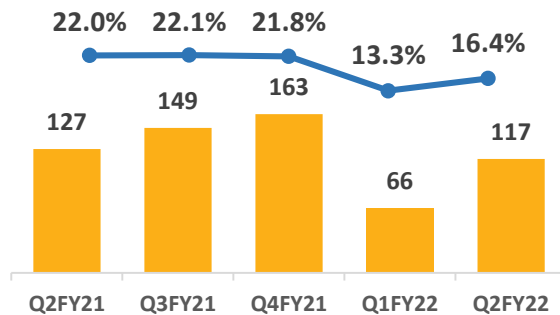
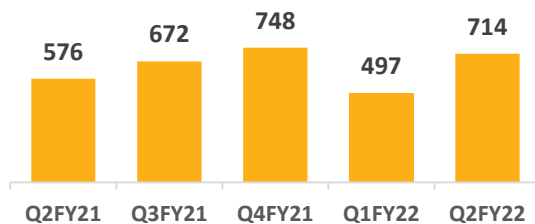
EBITDA



EBIT



Quarterly

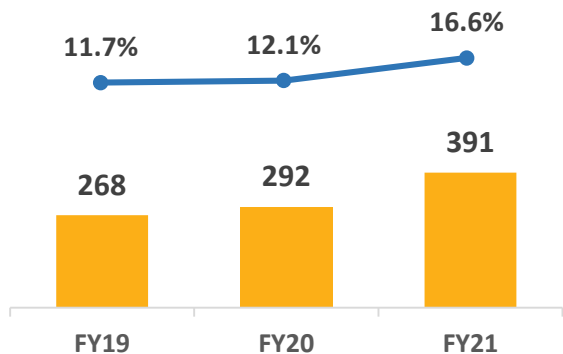


Financial Highlights – Profit and Loss

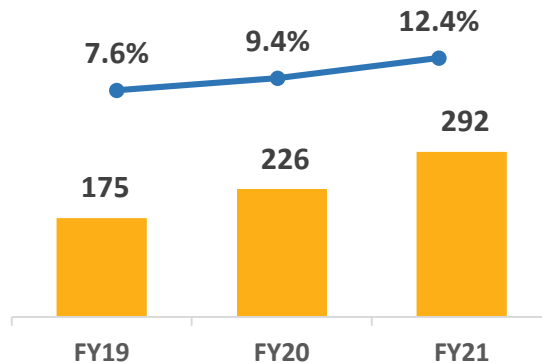
(₹ in Cr.)

Annual

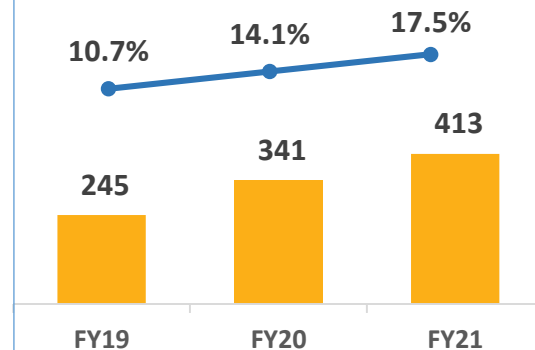
PBT



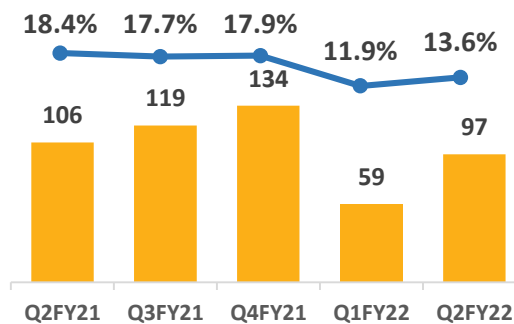
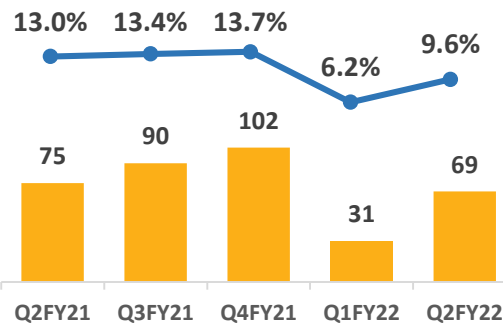
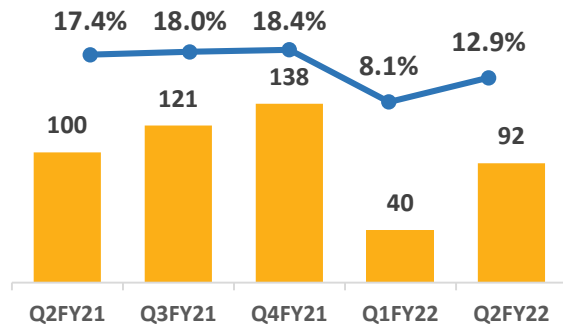
PAT



Cash PAT



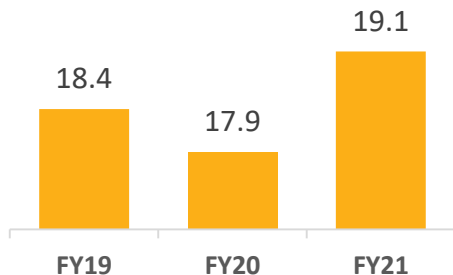
Quarterly



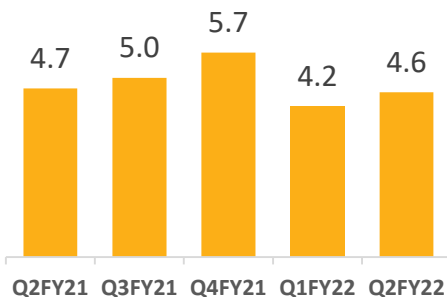
Operating Highlights

Number of Pairs Sold (in Cr.)

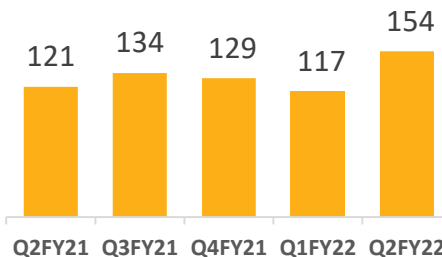
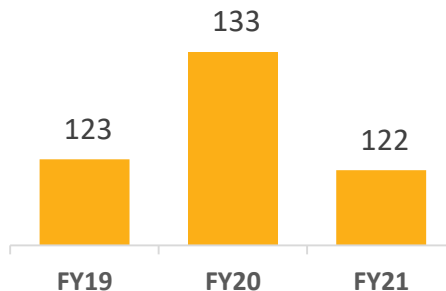
Annual



Quarterly



Average Realization per pair (in ₹)



Credit Rating

Rating agency : **ICRA**

Long term : **AA**

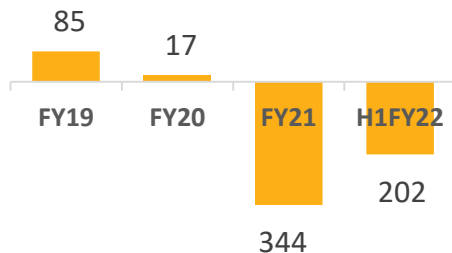
Outlook : **Positive**

Short term : **A1+**

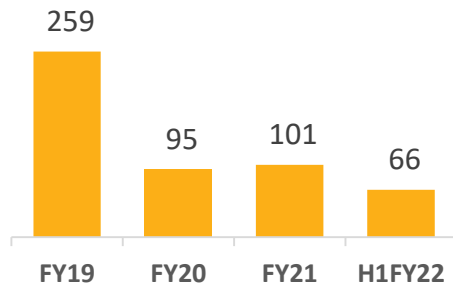
Financial Highlights – Balance Sheet

(₹ in Cr.)

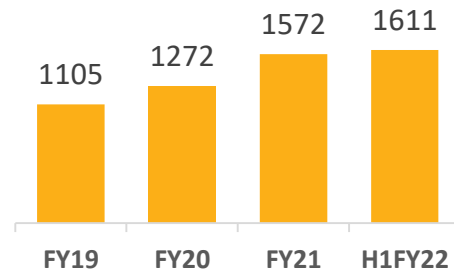
Net Debt



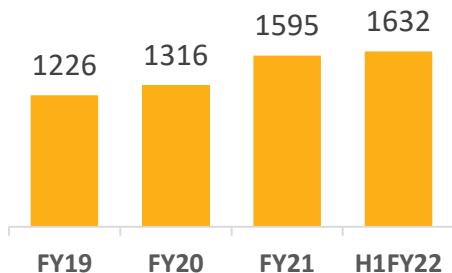
CAPEX



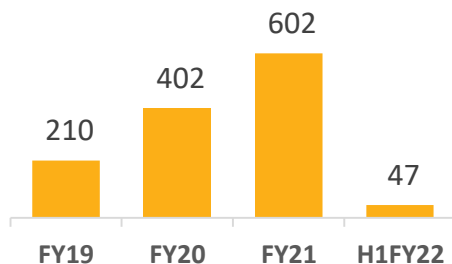
Net Worth



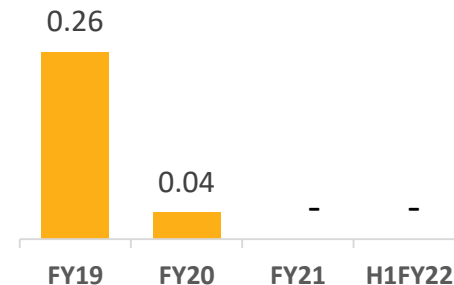
Capital Employed



Cash generated from operations

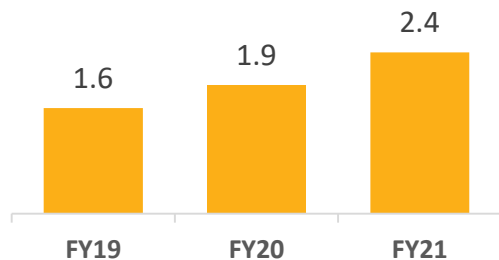


Net Debt/EBITDA (x)

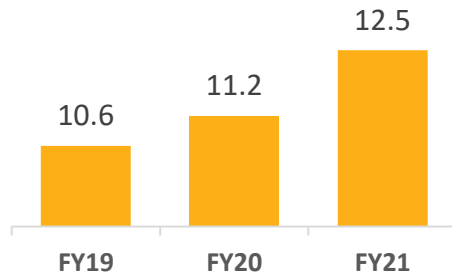


Financial Highlights – Key Financial Ratios

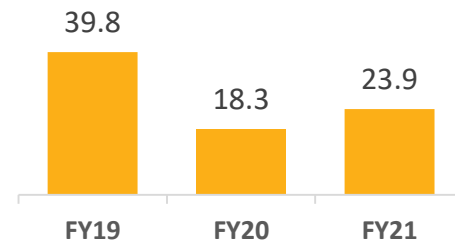
Current Ratio (x)



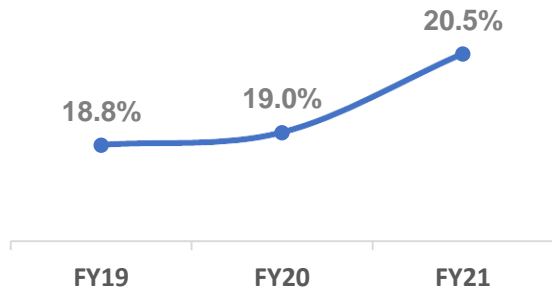
Debtor Turnover Ratio (x)



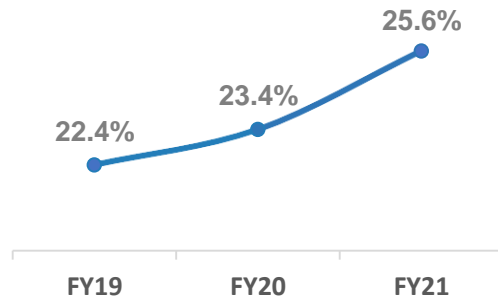
Interest Coverage (x)



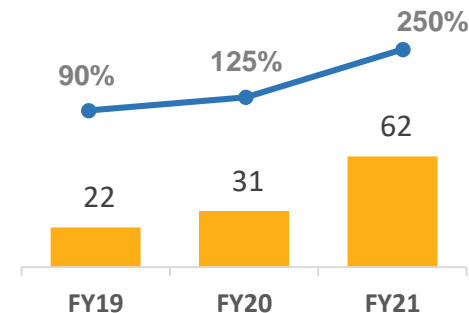
ROE (%)



ROCE (%)

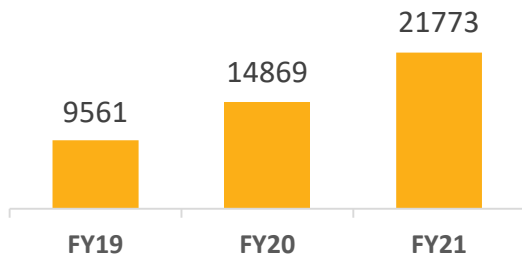


Dividend (₹ in Cr.)

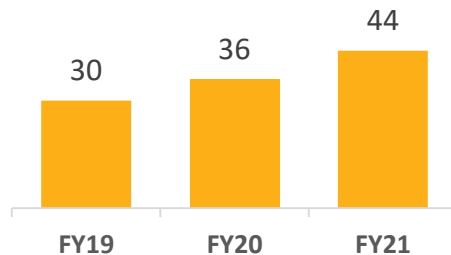


Financial Highlights – Key Financial Ratios

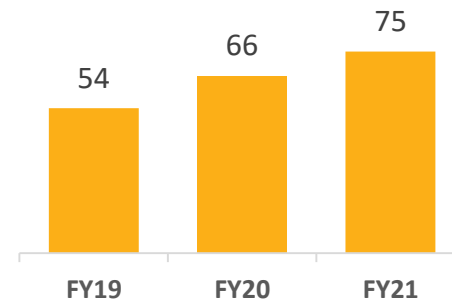
Market Cap (₹ in Cr.)



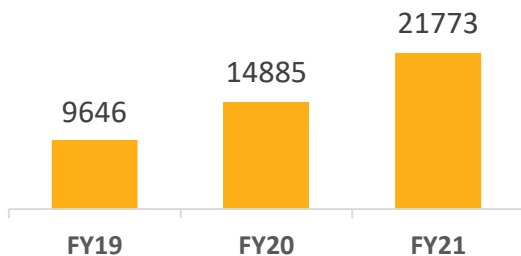
EV/EBITDA (x)



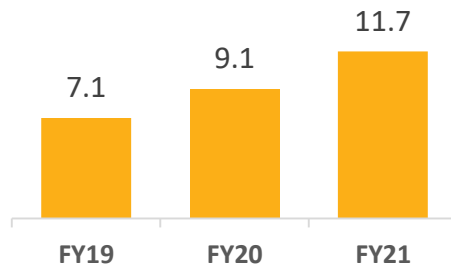
PE Ratio (x)



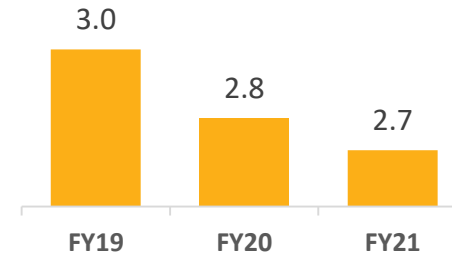
Enterprise Value (₹ in Cr.)



EPS (in ₹)



Fixed Asset Turnover Ratio (x)

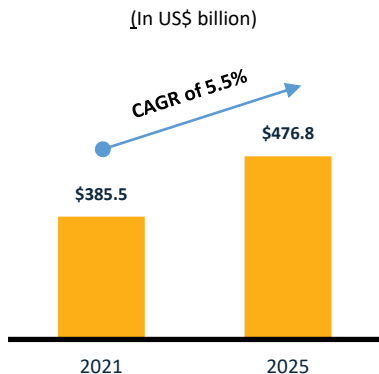


Industry Overview

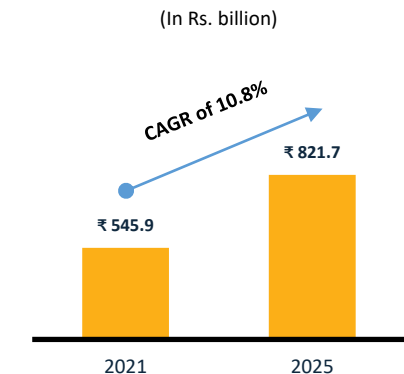
Attractive dynamics of the Indian footwear industry

Strong growth potential of the Indian footwear industry

Global Footwear Market Size[#]

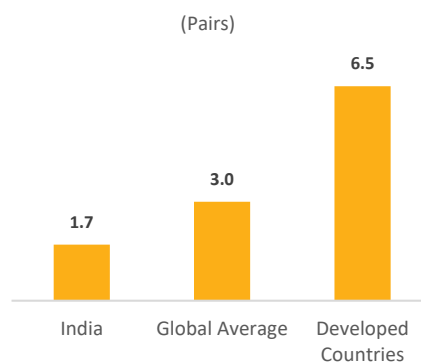


Indian Footwear Market Size^{*}



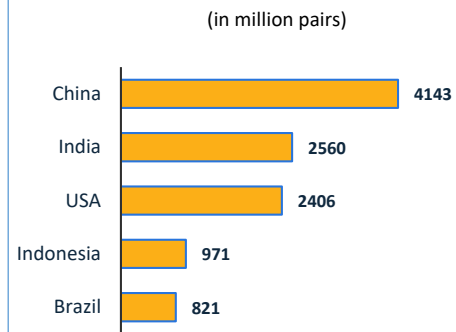
Source : [#] is Statista report; ^{*} Market Line report on footwear; [^] <https://cfla.co.in/industry-insights/>

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.

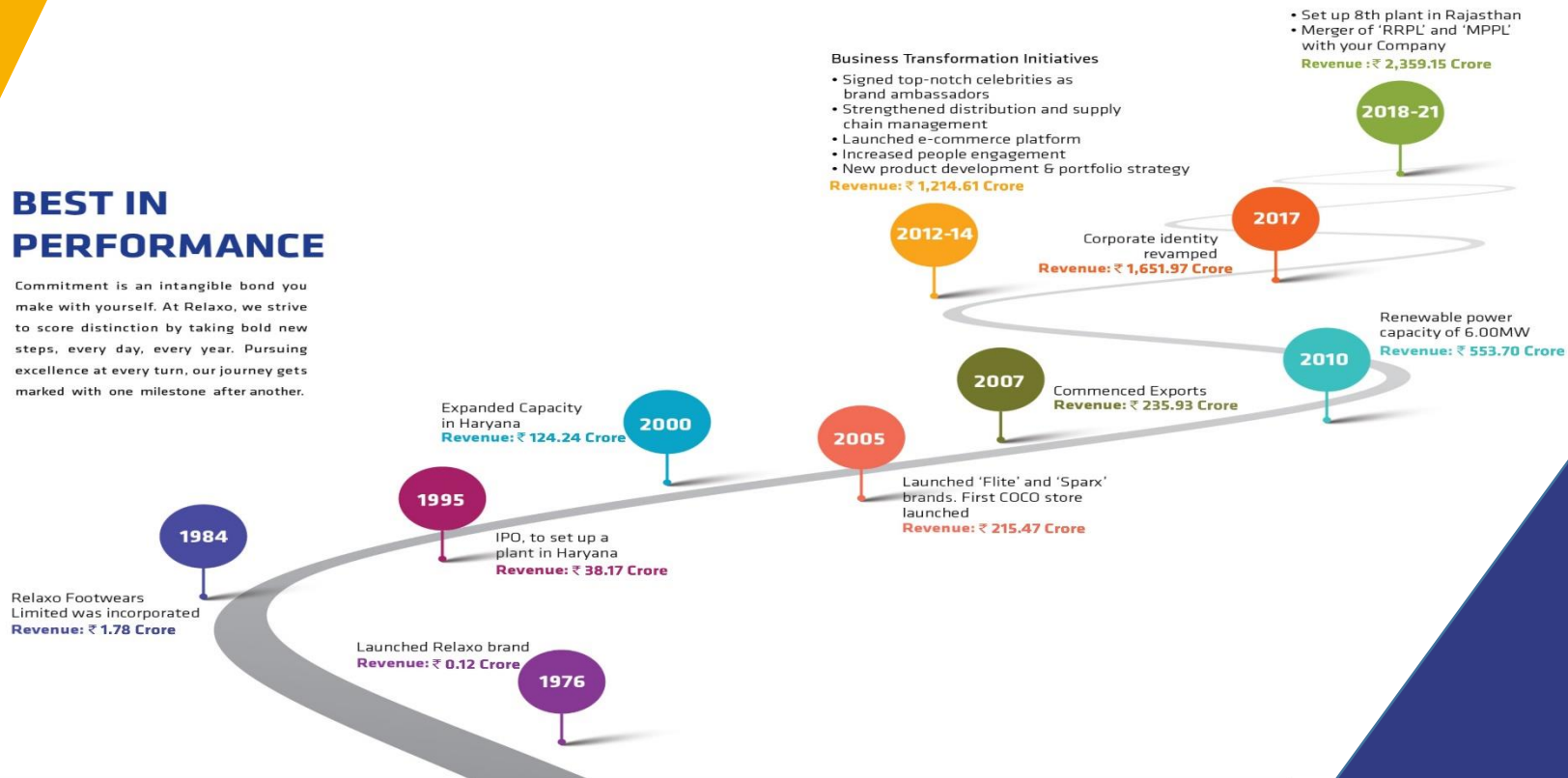
Filip to Consumer Demand

- 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

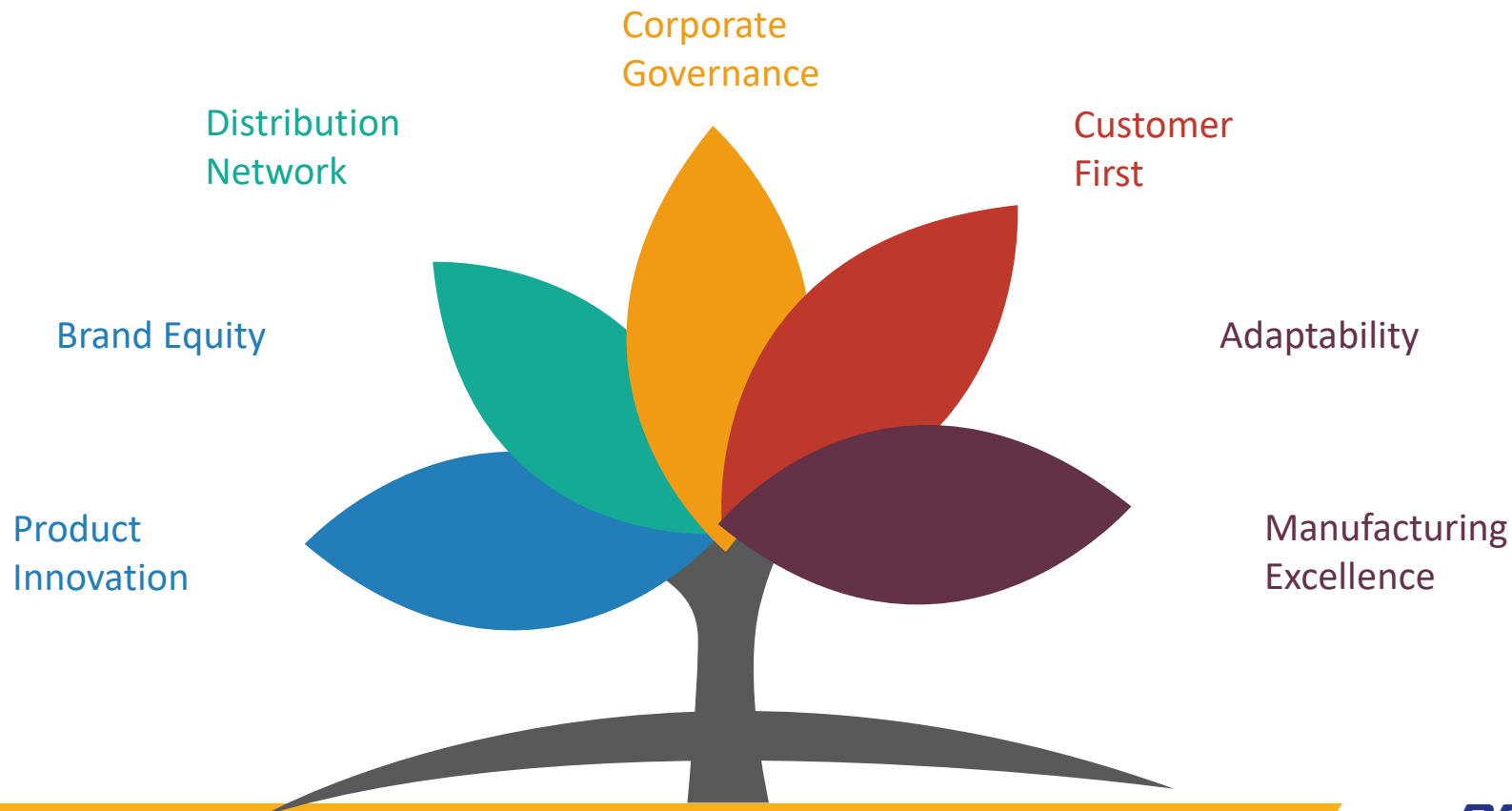
Commitment is an intangible bond you make with yourself. At Relaxo, we strive to score distinction by taking bold new steps, every day, every year. Pursuing excellence at every turn, our journey gets marked with one milestone after another.



Diversified portfolio with strong identities

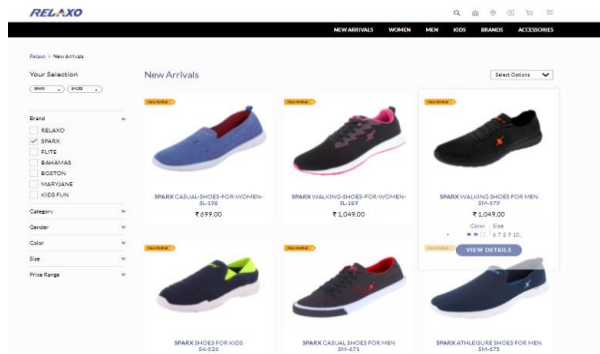
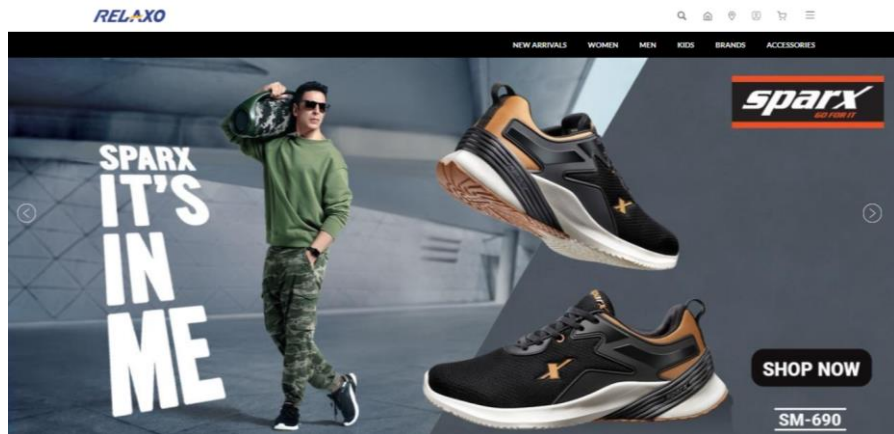


Key Strengths



Efficient customer reach across channels

www.relaxof footwear.com



50,000+

Retailers/MBOs

~650

Distributors

400

EBOs

~30

Countries Exported to

1

Overseas office in Dubai

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 ~7.5 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 to 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

IPR Spectrum

Trademarks	82
Copyright	10
Design	645

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
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 Shoemaking, 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

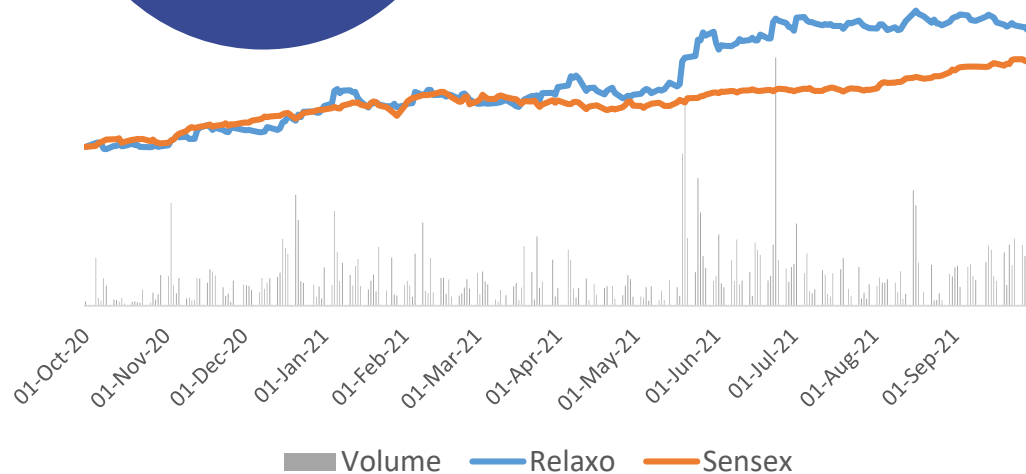
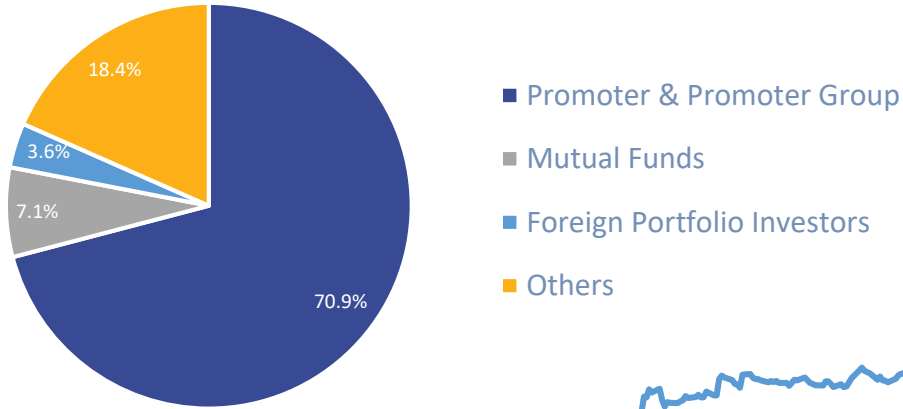
**Mr. HR Sapra,
Senior VP - Materials**

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 as of 30th September, 2021



Shareholder Information

BSE Ticker	530517
NSE Ticker	RELAXO
Market Cap (₹ in Cr)	28,348
% Free- float	29.1%
Shares Outstanding (in Cr)	24.84
3M ADTV (Shares)*	2,99,208
Enterprise Value (₹ in Cr)	28,349
52 Week High	1,253.9
52 Week Low	645.0
52 Week ADTV (INR Mn)*	284.8

* Data as on date i.e. 8th November, 2021

Financial Highlights

Statement of Profit & Loss

Particulars (INR Cr.)	Q2FY22	Q1FY22	Q2FY21	H1FY22	H1FY21	FY21
Revenue from Operations	714.43	497.13	575.87	1211.56	939.45	2359.15
Other Income	7.07	5.27	5.04	12.34	11.92	22.77
Total Income	721.50	502.40	580.91	1223.90	951.37	2381.92
Cost of Materials Consumed including packing material	378.88	235.90	226.89	614.78	296.50	863.85
Purchase of Stock in Trade	23.47	17.81	22.96	41.28	31.98	95.28
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(79.37)	(27.48)	(27.41)	(106.85)	75.94	44.15
Employee Benefits Expense	86.37	73.67	73.56	160.04	130.26	301.39
Finance Costs	3.64	3.73	3.81	7.37	7.89	17.08
Depreciation and Amortisation Expense	28.31	27.46	27.78	55.77	55.28	110.02
Other Expenses	188.26	131.06	152.97	319.32	220.85	558.99
Total Expenses	629.56	462.15	480.56	1091.71	818.70	1990.76
Profit Before Tax	91.94	40.25	100.35	132.19	132.67	391.16
Tax Expense						
Current Tax	24.09	12.65	26.67	36.74	36.57	102.03
Deferred Tax	(0.84)	(3.36)	(1.42)	(4.20)	(3.22)	(2.43)
Profit for the period	68.69	30.96	75.10	99.65	99.32	291.56
Total Comprehensive Income for the period	68.77	31.03	76.11	99.80	100.26	293.01
Earning per Equity Share of INR 1/- each (in Rs)						
Basic	2.76	1.25	3.02	4.01	4.00	11.74
Diluted	2.76	1.24	3.02	4.00	3.99	11.72

Balance Sheet

EQUITY & LIABILITIES (INR Cr.)	H1FY22	FY21	ASSETS (INR Cr.)	H1FY22	FY21
Equity			Non-Current Assets		
Equity Share Capital	24.84	24.84	Property, Plant and Equipment	727.61	721.05
Other Equity	1,586.15	1,547.57	Capital Work-in-Progress	139.75	112.23
	1,610.99	1,572.41	Intangible Assets	29.61	33.33
Liabilities			Intangible Assets under Development	5.64	5.80
Non-Current Liabilities			Right-of-Use Asset	173.45	183.68
Financial Liabilities			Financial Assets		
Lease Liabilities	109.50	115.23	Investments	0.20	0.20
Other Financial Liabilities	0.16	0.17	Loans	0.04	0.09
Provisions	16.81	16.10	Other Financial Assets	17.39	17.23
Deferred Tax Liabilities (Net)	18.65	22.80	Other Non-Current Assets	24.52	22.30
	145.12	154.30		1,118.21	1,095.91
Current Liabilities			Current Assets		
Financial Liabilities			Inventories	542.80	422.14
Borrowings	2.11	-	Financial Assets		
Lease Liabilities	26.58	28.93	Investments	202.82	337.98
Trade Payables			Trade Receivables	192.40	181.46
Total Outstanding dues	270.55	222.80	Cash and Cash Equivalents	1.52	6.34
Other Financial Liabilities	87.61	105.62	Bank Balances	11.95	1.35
Other Current Liabilities	67.18	57.81	Loans	0.43	0.41
Provisions	25.11	27.18	Other Financial Assets	0.06	0.07
Current Tax Liabilities (Net)	2.25	6.75	Other Current Assets	167.31	130.14
	481.39	449.09		1,119.29	1,079.89
Total Equity & Liabilities	2,237.50	2,175.80	Total Assets	2,237.50	2,175.80

Cash Flow

Particulars (INR Cr)	H1FY22	H1FY21	FY21
Cash flow from Operating Activities			
Profit Before Tax	132.19	132.67	391.16
Adjustments for			
Depreciation and Amortisation Expense	55.77	55.28	110.02
Finance Costs	7.37	7.89	17.08
Interest Income on Financial Assets	(0.45)	(0.46)	(0.74)
Net Gain on Sale of Current Investments	(5.26)	(1.88)	(7.41)
Net Unrealised (Gain) / Loss on Foreign Currency Transactions and Translations	(0.17)	0.70	0.70
Gain on Lease Modification, Termination and Concession	(5.83)	(7.23)	(11.82)
Share Based Payments	0.89	1.51	2.11
Fair Valuation (Gain) / Loss on Derivative Instruments	(0.11)	2.88	2.31
Write Down of Inventories to net realisable value related to Raw Materials, Work-in-Progress and Finished Goods	0.07	-	4.89
Bad debts Written off	0.04	0.03	0.06
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance)	-	-	0.19
Net loss on Disposal / Write off of PPE and Intangible Assets	0.10	0.44	0.68
Operating Profit Before Working Capital Changes	184.61	191.83	509.23

Particulars (NR Cr)	H1FY22	H1FY21	FY21
Changes in Working Capital			
Adjustments for (Increase) / Decrease in Operating Assets			
Loans to Employees	0.03	0.01	(0.19)
Security Deposits	(0.15)	0.00	3.13
Other Non-Current Assets	(0.53)	1.76	(4.44)
Trade Receivables	(11.06)	20.03	(11.49)
Other Current Assets	(37.18)	36.32	28.84
Inventories	(120.73)	79.13	20.71
Adjustments for Increase / (Decrease) in Operating Liabilities			
Trade Payables	48.00	(16.06)	40.18
Other Financial Liabilities	(18.64)	17.11	33.33
Provisions	(1.16)	(18.27)	(16.28)
Other Current Liabilities	3.52	8.50	(0.78)
Net Cash Flow from / (used in) Working Capital	(137.90)	128.53	93.01
Cash Generated from Operations	46.71	320.36	602.24
Taxes Paid	(41.24)	(31.08)	(89.12)
Net Cash Generated from / (used in) Operating Activities	5.47	289.28	513.12

Cash Flow cont...

Particulars (INR Cr.)	H1FY22	H1FY21	FY21
Cash Flow from Investing Activities			
Payment for Purchase of PPE including Capital Work-in-Progress and Intangible Assets	(68.00)	(32.96)	(123.32)
Proceeds from Sale of PPE and Intangible Assets	0.25	0.03	1.42
(Purchase) / Redemption of Current Investments (Net)	140.42	(250.06)	(330.57)
Interest Income Received	0.46	0.50	0.72
(Purchase) / Maturity of Bank Deposits held as Margin Money (Net)	0.33	0.72	(1.41)
Unspent Corporate Social Responsibility Account	(4.96)	-	-
Net Cash Flow from / (used in) Investing Activities	68.50	(281.77)	(453.16)

Particulars (INR Cr.)	H1FY22	H1FY21	FY21
Cash Flow from Financing Activities			
Proceeds from Issuance of Equity Shares under Employee Stock Option Plan	-	-	0.02
Securities Premium received on exercise of Equity Shares issued under Employee Stock Option Plan	-	-	4.87
Proceeds from / (Repayment) of Current Borrowings (Net)	2.11	10.01	(19.16)
Payment of Principal Lease Liabilities	(11.42)	(9.18)	(24.75)
Dividend Paid (Including TDS on Dividend)	(62.11)	-	-
Finance Costs	(7.37)	(7.89)	(17.13)
Net Cash Flow from / (used in) Financing Activities	(78.79)	(7.06)	(56.15)
Net Increase / (Decrease) in Cash and Cash Equivalents	(4.82)	0.45	3.81
Cash and Cash Equivalents at beginning of the period	6.34	2.55	2.55
Exchange Fluctuation Gain / (Loss) on Foreign Currency Bank Balances	0.00	(0.02)	(0.02)
Cash and Cash Equivalents at end of the period	1.52	2.98	6.34
Components of Cash and Cash Equivalents (At end of the period)			
Balances with Banks on Current Accounts	0.99	2.49	5.66
Cash on Hand	0.53	0.49	0.68
	1.52	2.98	6.34

Thank You