

Date: February 7, 2024

To,  
**BSE LIMITED**  
25<sup>th</sup> Floor, P J Towers,  
Dalal Street,  
Mumbai-400001, MH

**Scrip Code: 532829**

**Subject: Press Release for the Quarter and Nine month ended December 31, 2023.**

Dear Sir/Madam,

Please find enclosed copy of Press Release on the un-audited financial results of the Company for the quarter and nine months ended December 31, 2023.

We request you to take the same on record.

Thanking You

Yours faithfully,  
for **Lehar Footwears Limited**

**RITIKA PODDAR**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**ICSI NO. A65615**



## LEHAR FOOTWEARS LIMITED

A-243(A), Road No.6, V.K.I. Area, Jaipur (INDIA)  
Phone : +91-141-4157777

W.- [www.leharfootwear.com](http://www.leharfootwear.com), E.-[info@leharfootwear.com](mailto:info@leharfootwear.com) •  
CIN No. : L19201RJ1994PLC008196

ISO 9001 (QMS)  
ISO 14001 (EMS)  
ISO 18001 (OHSAS)  
REGISTERED FIRM

### Moving on stable growth trajectory

**February 07, 2024, Jaipur:** Lehar Footwears Limited ('Lehar'), announced its result for quarter and nine months ended 31<sup>st</sup> December 2023 in its Board Meeting held on Wednesday, February 07, 2024.

#### Financial Performance:

(Rs. Crores)

Particulars	Q3FY24	Q3FY23	Q2FY24	9MFY24	9MFY23	FY23
Revenue	35.8	35.7	55.6	156.1	151.7	202.2
Operating Ebitda	3.9	3.1	5.2	14.4	9.8	13.9
Operating Margin	11.0%	8.6%	9.4%	9.2%	6.4%	6.9%
Finance Cost	1.4	1.3	1.6	4.4	3.6	5.0
Depreciation	1.1	0.9	1.1	3.2	2.6	3.5
Other Income	0.1	0.1	0.2	0.4	0.6	1.1
PBT	1.5	1.0	2.7	7.3	4.2	6.5
Income Tax	0.5	-0.1	0.7	1.9	0.8	1.4
PAT	1.0	1.1	2.0	5.3	3.4	5.1

*Declaring the quarter results, Mr. Raj Kumar Agarwal, Chairman & Managing Director of Lehar Footwears Limited commented: "The company is delighted to report sound growth trajectory marked by growing traction in its domestic, export and institutional business verticals. During the last two-three quarters we have witnessed a trend of consumers' down-trading during inflationary period and climatic uncertainties. We have provided strategic response in terms of trade schemes, price cuts to pass on the benefits of reduced raw material prices and focus on efficient sourcing to streamline working capital cycle. We anticipate market share gains as a result of these strategic measures.*

*Q3FY24 is a seasonally sluggish quarter for open-footwears due to onset of winters in our target markets and cooling-off of government supplies. The company's efforts to strategically focus on exports esp. to African & Middle Eastern markets and altering geographical mix reflected in improving our operating profit margins. The improvement is a testament to our strategic cost management and operational efficiency measures taken, further showcasing our ability to adapt to the evolving landscape.*

*The prevailing industry dynamics underscore the need for adaptability and foresight, and our ability to weather these challenges to streamline and evaluate organizational strategies. We are meticulously refining our marketing strategies, design development capabilities and aligning them with the evolving demands of the market."*

#### Business Highlights

- This year up till now has been a low-sales growth and high profitability period
- Revenues grew by 3% to report Rs. 156.3 crores during 9MFY24 and was flat YoY during Q3FY24
- Operating margin improved by ~280 bps to 9.2% during 9MFY24 from 6.4%
- Operating margin during Q3FY24 were 11% which was highest in last five years. The margin expansion was driven by higher gross profit resulting from softening of raw material prices and receipt of government grant.



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- Receipt of Rs. 3.6 crores grant from GoI under Brand Promotion of Indian Brands in Footwear and Leather Sector for brand promotion and other marketing campaigns. Out of the above grant Rs. 0.5 crores were utilised during Q3FY24.
- Exports revenue more than doubled, from Rs. 11.8 crores in 9MFY23 to Rs. 24.0 crores

### Capital raise

Up till now, the company has raised Rs. 4.5 crores by way of conversion of 11,51,500 equity share warrants to equal number of equity shares to warrant allottees. Out of the 11,51,500 equity shares warrants converted, the promoters were allotted 9,85,000 equity shares, due to which the promoters stake stood increase from 70.82% to 71.81%.

### Outlook:

- We expect a positive traction in the coming quarters driven by uptick in demand from target markets of rural & semi-urban regions alongwith the onset of arrival of spring season and our continued emphasis on export markets.
- Multiple tenders under process are expected to further strengthen our government business.
- Driven by a steadfast commitment to innovation, we consistently invest in new product development ensuring cutting-edge designs to stay ahead of evolving consumer preferences.
- We believe that decreasing rural unemployment and increasing labour-force participation provide encouraging tailwinds for our business.
- Our multifaceted approach of increasing market reach in Northern and Western regions, enhancing promotional campaigns through electronic media & outdoor marketing, print media advertisements, social media marketing and further participating in various international exhibitions will bolster our market standing.
- Complying with Bureau of Indian Standards (BIS) certification and related quality guidelines is further expected to gain market share from the unorganised and non-certified manufacturers.

### About Lehar Footwears Ltd.:

Lehar Footwears Ltd. is one of the leading regional mass-footwear manufacturer of high quality and stylish non-leather footwears since 1995. Company is selling its products under 'Lehar' brand through trade distribution channel, retail multi brand outlets, export markets, government schemes and ecommerce marketplaces. The Company has 4 manufacturing plants situated at Jaipur and Kaladera (Chomu).

### Disclaimer:

Certain statements in this press release may be forward-looking statements and/or based on management's current expectations and beliefs concerning future developments and their potential effects upon Lehar Footwears Limited. The forward-looking statements are not a guarantee of future performance and involve risks and uncertainties and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Lehar Footwears Limited does not intend, and is under no obligation, to update any forward-looking statement contained in this press release.



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