

February 06, 2023

<b>BSE Ltd.</b> <b>Corporate Relationship Department</b> <b>1st Floor New Trading</b> <b>Rotunda Building, P J Towers</b> <b>Dalal Street Fort, Mumbai-400001</b> <b>Scrip Code – 530517</b>	<b>National Stock Exchange of India Ltd.</b> <b>Listing Department,</b> <b>Exchange Plaza,</b> <b>Bandra Kurla Complex,</b> <b>Bandra (East), Mumbai- 400 051</b> <b>Scrip Code – RELAXO</b>
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**Sub: Investor Presentation on Un-Audited Financial Results for the quarter and nine months ended on December 31, 2022**

Dear Sir / Madam,

Please find enclosed herewith Investor Presentation on Un-Audited Financial Results of the company for the quarter and nine months ended on December 31, 2022.

The same is for your information and records please.

Thanking You,

Yours Sincerely,

For **Relaxo Footwears Limited**,

**Sushil Batra**  
**Chief Financial Officer**

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**



**INVESTOR**

**PRESENTATION**

**Q3 & 9M FY23**

**February 2023**

**COMMITTED TO PROVIDE  
BEST-IN-CLASS FOOTWEAR**

# Safe Harbor

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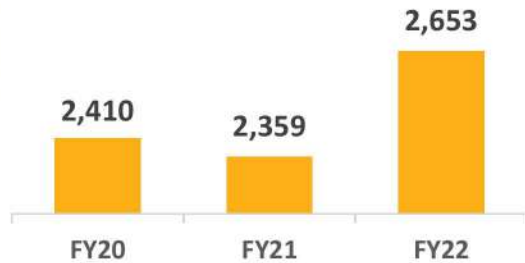
# *Performance at a Glance*

# Financial Highlights – Profit and Loss

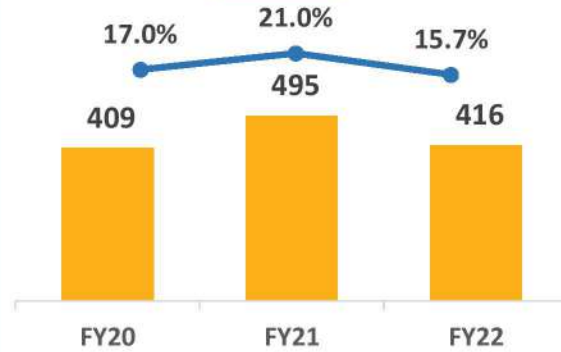
(₹ in Cr.)

Annual

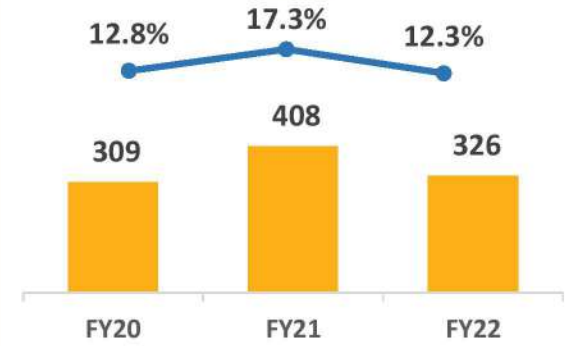
## Revenue



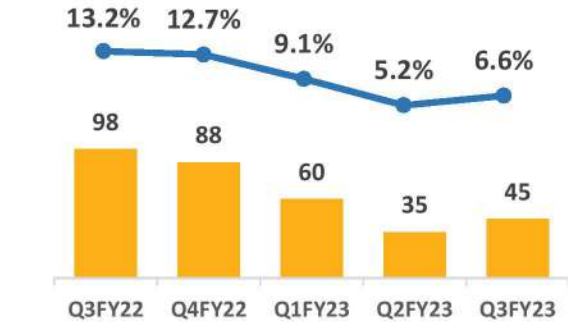
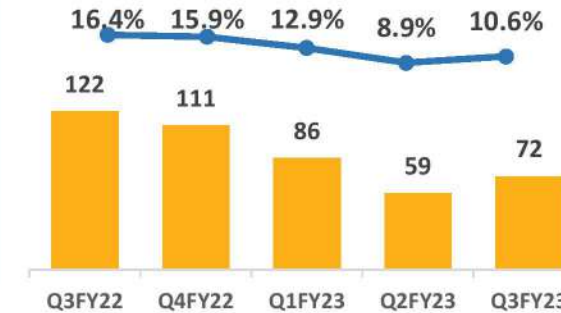
## EBITDA



## EBIT



Quarterly

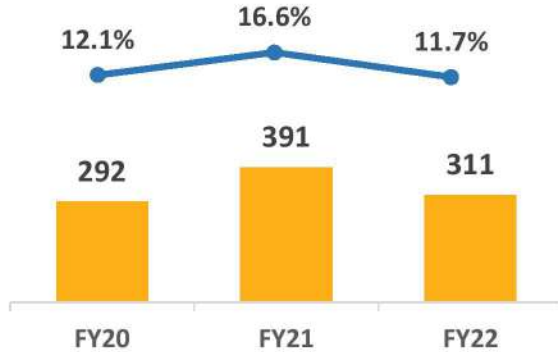


# Financial Highlights – Profit and Loss

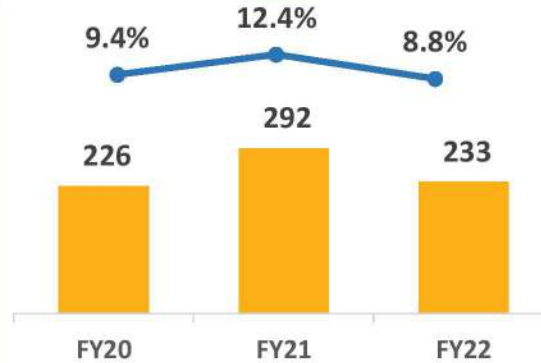
(₹ in Cr.)

Annual

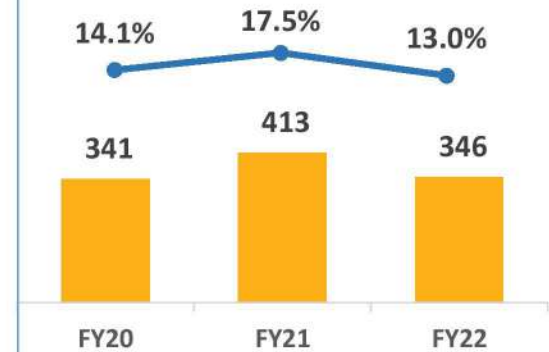
## PBT



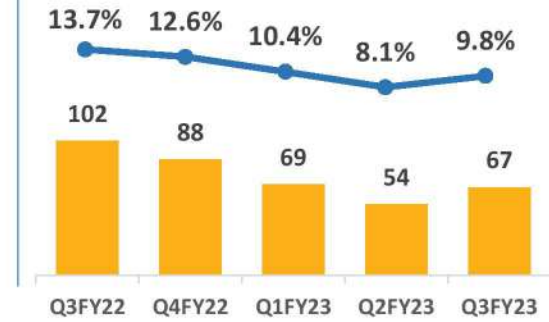
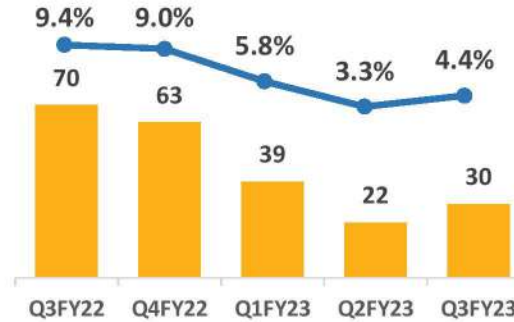
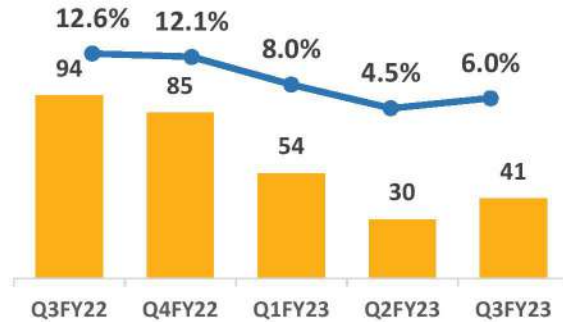
## PAT



## Cash PAT



Quarterly



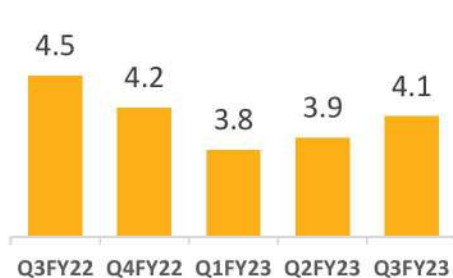
# Operating Highlights

## Number of Pairs Sold (in Cr.)

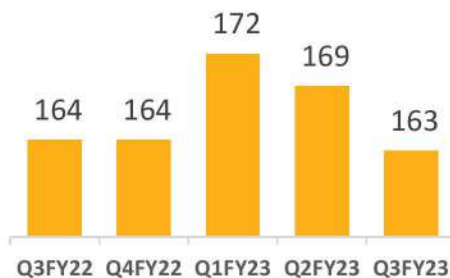
Annual



Quarterly



## Average Realization per pair (in ₹)



## Credit Rating

Rating agency : **ICRA**

Long term : **AA**

Outlook : **Stable**

Short term : **A1+**



# Financial Highlights – Balance Sheet

(₹ in Cr.)

## Net Debt



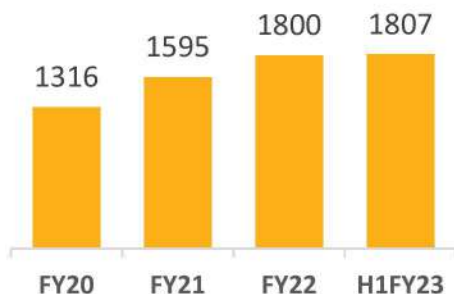
## CAPEX



## Net Worth



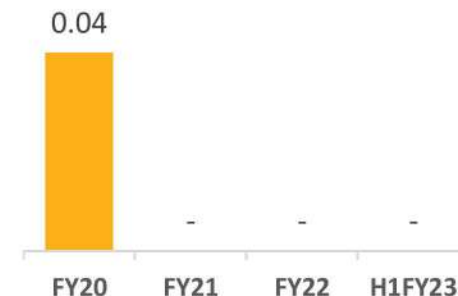
## Capital Employed



## Cash generated from operations



## Net Debt/EBITDA (x)



# Financial Highlights – Key Financial Ratios

## Current Ratio (x)



## Debtor Turnover Ratio (x)



## Interest Coverage (x)



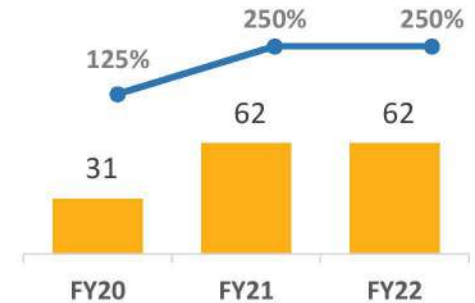
## ROE (%)



## 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)

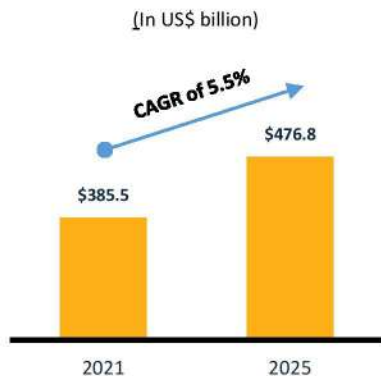


# *Industry Overview*

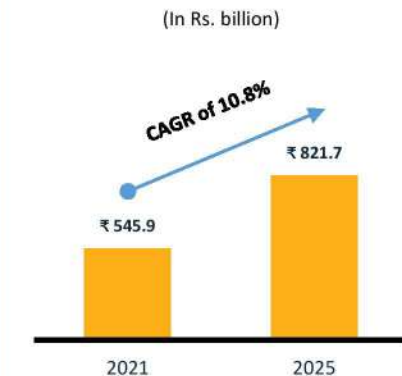
# Attractive dynamics of the Indian footwear industry

## Strong growth potential of the Indian footwear industry

### Global Footwear Market Size<sup>#</sup>

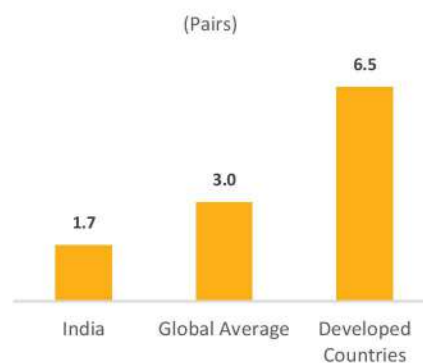


### Indian Footwear Market Size<sup>\*</sup>



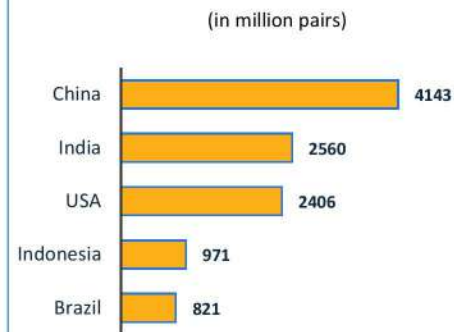
Source : <sup>#</sup> is Statista report; <sup>\*</sup> Market Line report on footwear ; <sup>^</sup> <https://cfia.co.in/industry-insights/>

### Per Capita Consumption (Pairs)<sup>^</sup>



Underpenetrated Indian market

### Top 5 Global Footwear Consumers<sup>#</sup>



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.

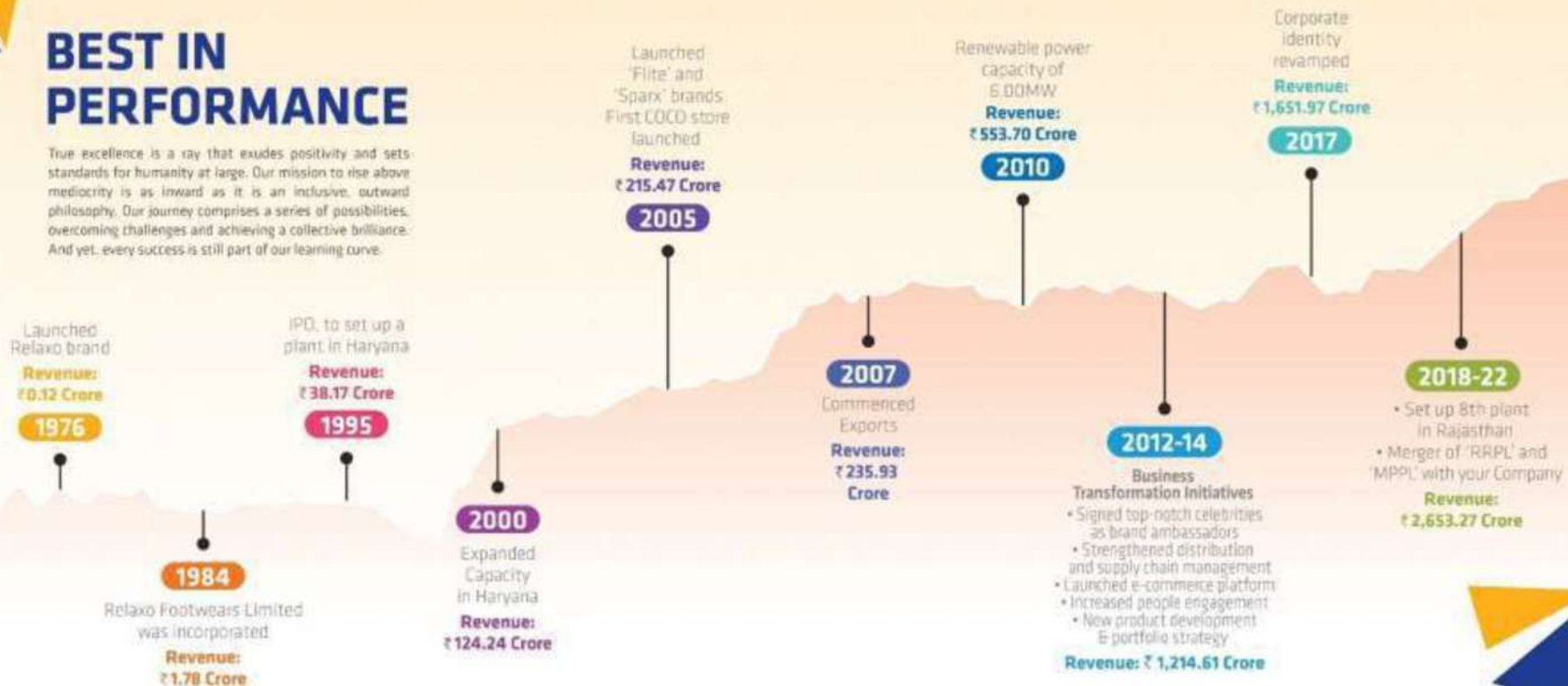
## Filip to Consumer Demand

- 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

True excellence is a ray that exudes positivity and sets standards for humanity at large. Our mission to rise above mediocrity is as inward as it is an inclusive, outward philosophy. Our journey comprises a series of possibilities, overcoming challenges and achieving a collective brilliance. And yet, every success is still part of our learning curve.



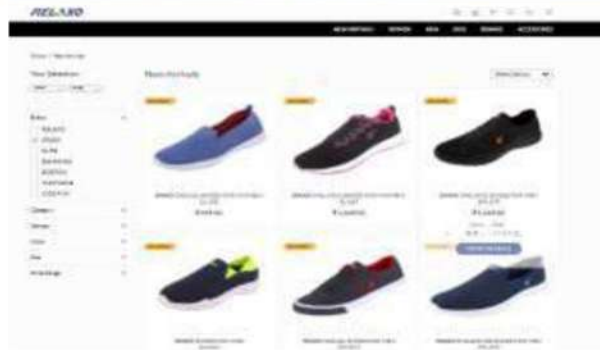
## Diversified portfolio with strong identities





# Efficient customer reach across channels

www.relaxof footwear.com



60,000+

Retailers/MBOs

~650

Distributors

384

EBOs

~30

Countries Exported to

1

Overseas office in Dubai

Online Availability

amazon

flipkart

shopsy

MYNTRA.COM

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

## Executive Directors

### Ramesh Kumar Dua, Managing Director

- Over 46 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 26 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

### Gaurav Dua, Whole Time Director

- Over 21 years of experience in sales and marketing in footwear industry
- He is MBA from university of Wales.
- He joined the Company in 2001 and is heading sales & marketing department of the Company and has been instrumental in revenue growth of the Company from Rs 150 crores to ~ Rs 2650 crores

### Mukand Lal Dua, Whole Time Director

- Over 49 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 41 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

## Independent Directors

### **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)

### **Kuldip Singh Dhingra, Independent Director**

- Over 50 years of experience in paint and related industries
- Science graduate from Delhi university and is an eminent industrialist. His contribution to paint industry is well known and internationally acclaimed
- He has immense exposure in strategy & planning, business strategy, corporate management, corporate governance, manufacturing etc

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

MBA having over 22 years of experience in Finance, HR & IT

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

MBA having over 18 years of experience in Retail Business.

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

MBA having over 24 years of experience in HR, Industrial Relations & Administration.

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

FCA having over 31 years of experience in Finance, Taxation and Strategic Planning

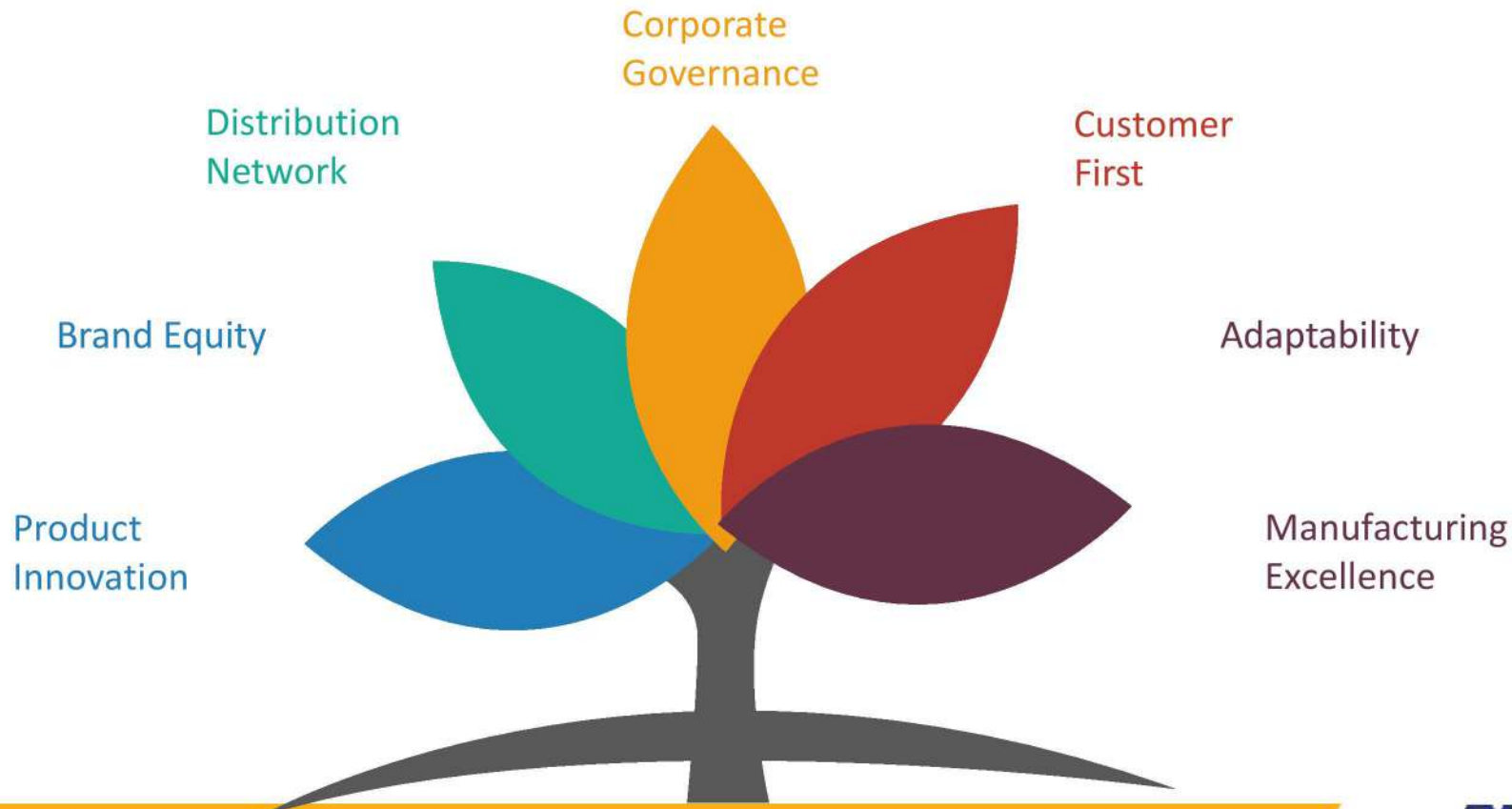
**Mr. HR Sapra,  
Senior VP - Materials**

BE having over 49 years of experience in Materials & Procurement

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

Graduate having over 12 years of experience in Manufacturing

# Key Strengths



# *Financial Highlights*

# Statement of Profit & Loss

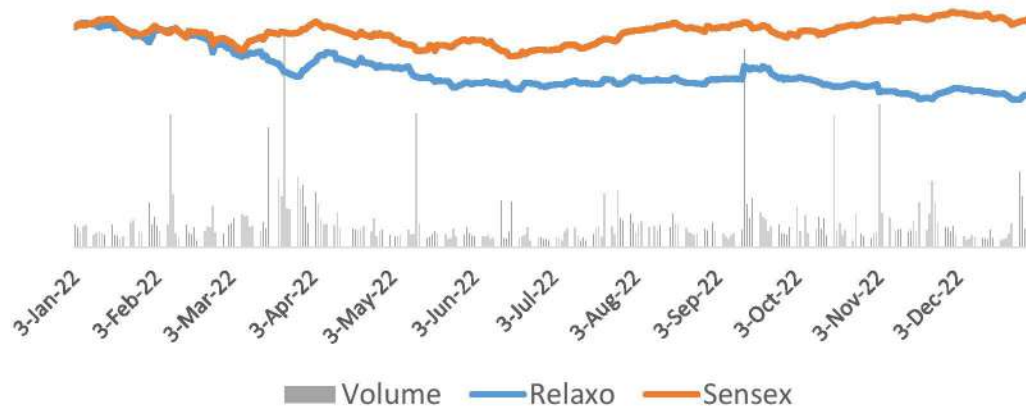
Particulars (INR Cr.)	Q3FY23	Q2FY23	Q3FY22	9MFY23	9MFY22	FY22
Revenue from Operations	681.03	669.65	743.52	2017.83	1955.08	2653.27
Other Income	4.42	5.66	5.47	14.25	17.81	23.72
<b>Total Income</b>	<b>685.45</b>	<b>675.31</b>	<b>748.99</b>	<b>2032.08</b>	<b>1972.89</b>	<b>2676.99</b>
Cost of Materials Consumed, including packing material	305.21	284.16	341.25	896.31	956.03	1307.88
Purchase of Stock in Trade	20.85	18.96	24.11	55.08	65.39	81.13
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(6.16)	39.05	(17.37)	16.96	(124.22)	(172.31)
Employee Benefits Expense	86.23	84.48	84.74	257.88	244.78	334.69
Finance Costs	4.12	4.12	4.06	15.11	11.43	15.33
Depreciation and Amortisation Expense	31.97	30.53	29.07	92.34	84.84	113.54
Other Expenses	202.65	183.57	189.16	573.80	508.48	686.13
<b>Total Expenses</b>	<b>644.87</b>	<b>644.87</b>	<b>655.02</b>	<b>1907.48</b>	<b>1746.73</b>	<b>2366.39</b>
<b>Profit Before Tax</b>	<b>40.58</b>	<b>30.44</b>	<b>93.97</b>	<b>124.60</b>	<b>226.16</b>	<b>310.60</b>
Tax Expense						
Current Tax	9.63	7.87	24.24	33.33	60.98	80.98
Deferred Tax	0.85	0.17	(0.37)	0.10	(4.57)	(3.06)
<b>Profit for the period</b>	<b>30.10</b>	<b>22.40</b>	<b>70.10</b>	<b>91.17</b>	<b>169.75</b>	<b>232.68</b>
<b>Total Comprehensive Income for the period</b>	<b>30.18</b>	<b>24.16</b>	<b>69.67</b>	<b>92.94</b>	<b>169.47</b>	<b>232.99</b>
Earning per Equity Share of INR 1/- each (in Rs)						
<b>Basic</b>	<b>1.21</b>	<b>0.90</b>	<b>2.82</b>	<b>3.66</b>	<b>6.83</b>	<b>9.36</b>
<b>Diluted</b>	<b>1.21</b>	<b>0.90</b>	<b>2.82</b>	<b>3.66</b>	<b>6.82</b>	<b>9.35</b>



1. The above results were reviewed by the Audit Committee and have been approved by the Board of Directors at their meeting held on February 4, 2023. 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. ICRA has retained Long term rating of the Company at [ICRA] AA with revised outlook from Positive to Stable and also retained Short Term rating at [ICRA] A1+.
4. The Company has applied practical expedient as per amendment to Ind AS 116 "Leases" on COVID-19 related rent concessions and did not recognise any gain in other income for the quarter and nine months ended December 31, 2022 (INR 0.62 crores and INR 5.61 crores respectively for the quarter and nine months ended December 31, 2021).
5. 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.

# Shareholding pattern

Shareholding as on 31<sup>st</sup> Dec, 2022  
Total Shareholders – 361,927



Shareholder Information as on  
31<sup>st</sup> December, 2022

BSE Ticker	530517
NSE Ticker	RELAXO
Market Cap (₹ in Cr)	22,654
% Free- float	29.0%
Shares Outstanding (in Cr)	24.89
3M ADTV (Shares)	1,82,600
Enterprise Value (₹ in Cr)	22,660
52 Week High	1,374.5
52 Week Low	880.2
52 Week ADTV (₹ in Cr)	19.44

# Awards and Accolades

dun & bradstreet



Amongst India's  
Top 500 Companies  
2021

business today

India's Most Valuable  
Company-2019  
Rank 220



India's Largest  
Corporations 2019  
Rank 471

FROST  
&  
SULLIVAN

India Manufacturing  
Excellence Awards  
2019

ET500<sup>2019</sup>

India's Top 500  
Company-2019  
Rank 478



India's Top Mid Size  
Company-2019  
Rank 11



1<sup>st</sup> Place for  
Excellent Export  
Performance  
2019-20



2<sup>nd</sup> Place for  
Excellent Export  
Performance  
2020-21

Safety Rating



ICRA AA Long Term Rating  
ICRA A1+ Short Term Rating

*Thank You*