



November 2, 2022

<b>BSE Ltd.</b> Corporate Relationship Department 1st Floor New Trading Rotunda Building, P J Towers Dalal Street Fort, Mumbai-400001 Scrip Code – 530517	<b>National Stock Exchange of India Ltd.</b> Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051 Scrip Code – RELAXO
---	--

**Sub: Investor Presentation on Un-Audited Financial Results for the quarter and half year ended on September 30, 2022**

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, 2022.

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](mailto:rfl@relaxofootwear.com)  
**CIN L74899DL1984PLC019097**



[www.relaxofootwear.com](http://www.relaxofootwear.com)

**INVESTOR**

**PRESENTATION**

**Q2 & H1 FY2023**

**November 2022**

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

# Safe Harbor

*This presentation and the accompanying slides (the “Presentation”), which have been prepared by Relaxo Footwears Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*

*Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*



# Index

	Page No.
1. Performance at glance	4
2. Industry Overview	11
3. Company Overview	13
4. Financial Highlights	22
5. Annexures	26

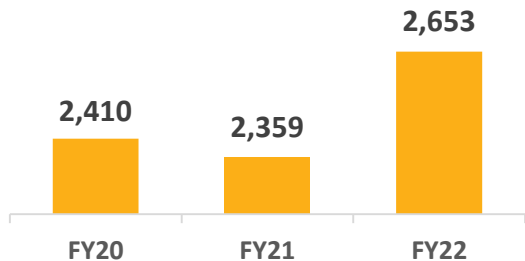
# *Performance at a Glance*

# Financial Highlights – Profit and Loss

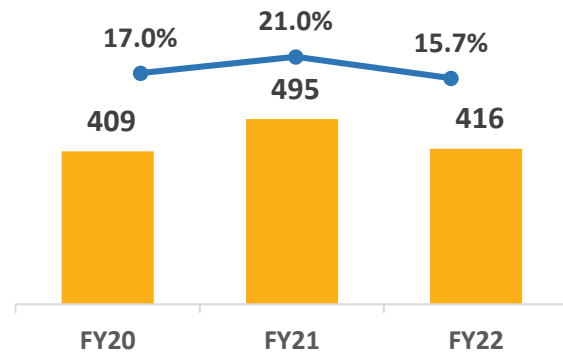
(₹ in Cr.)

Annual

## Revenue



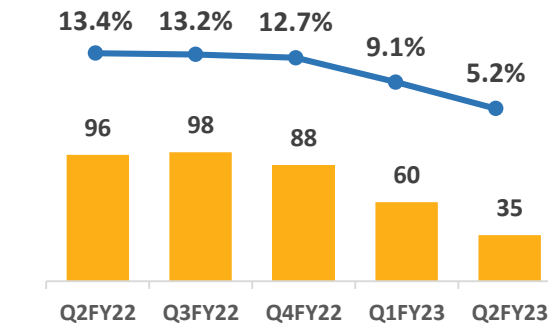
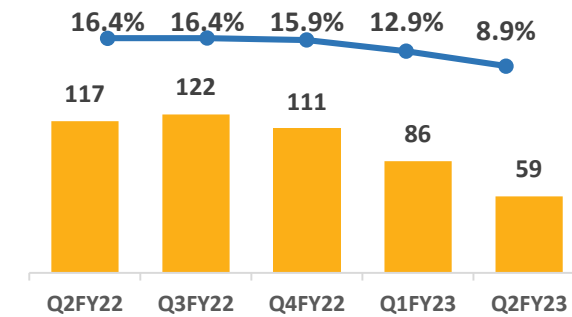
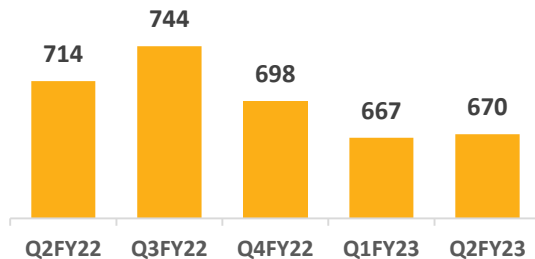
## EBITDA



## EBIT



Quarterly

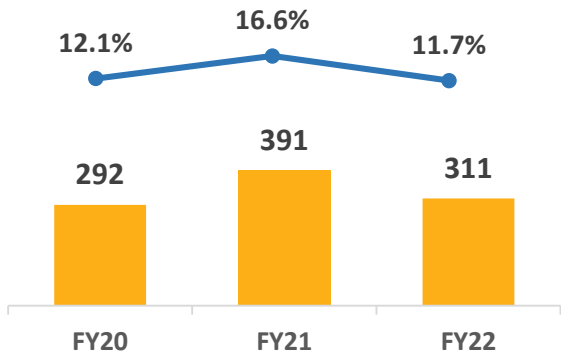


# Financial Highlights – Profit and Loss

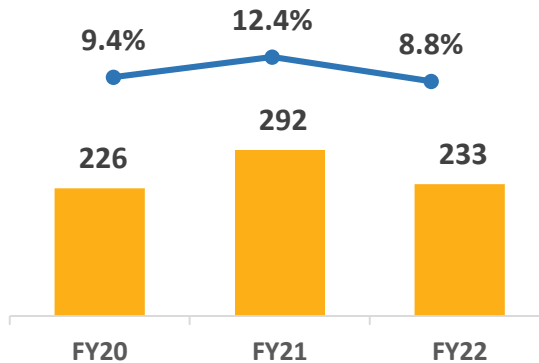
(₹ in Cr.)

Annual

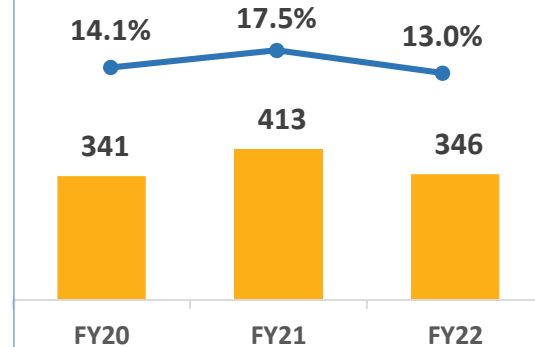
## PBT



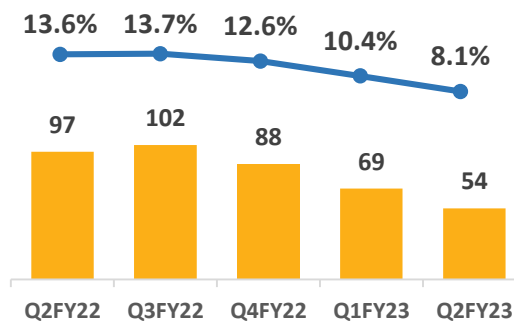
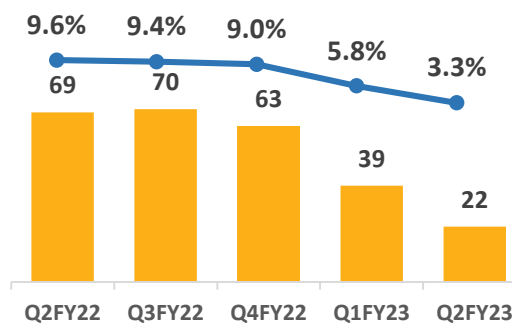
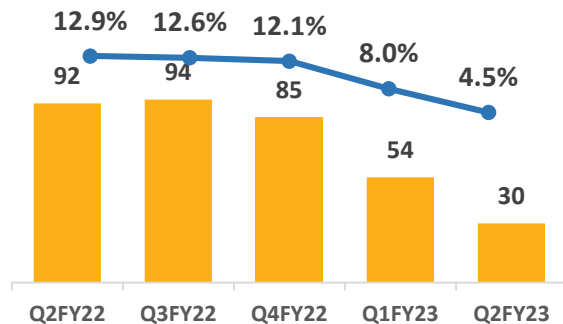
## PAT



## Cash PAT



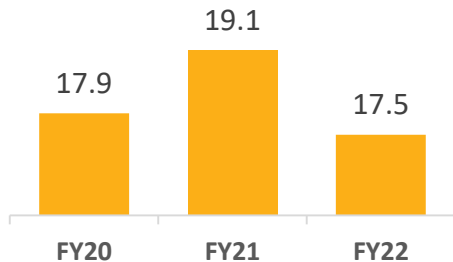
Quarterly



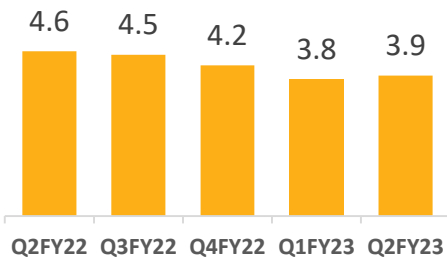
# Operating Highlights

## Number of Pairs Sold (in Cr.)

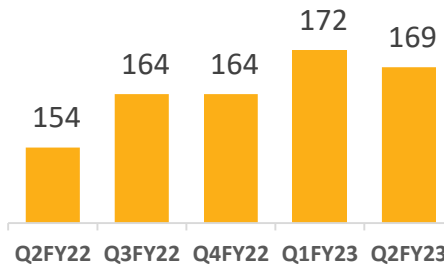
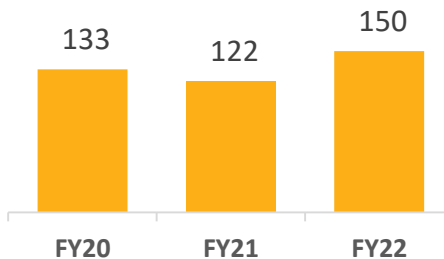
Annual



Quarterly



## Average Realization per pair (in ₹)



## Credit Rating

Rating agency : **ICRA**

Long term : **AA**

Outlook : **Positive**

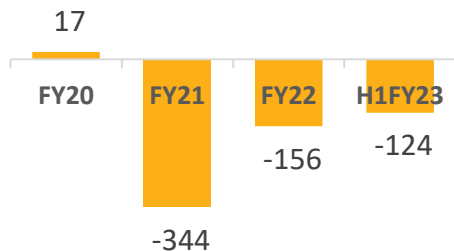
Short term : **A1+**



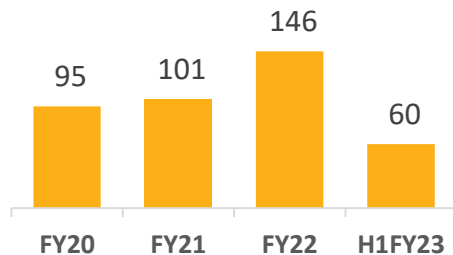
# Financial Highlights – Balance Sheet

(₹ in Cr.)

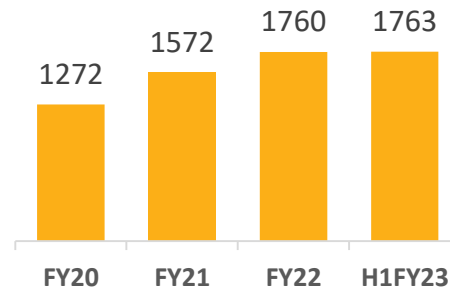
## Net Debt



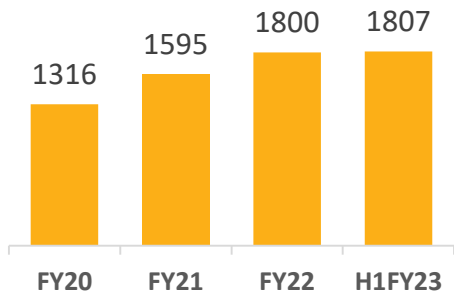
## CAPEX



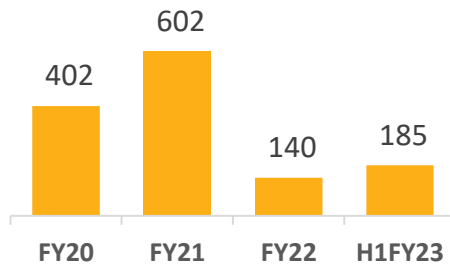
## Net Worth



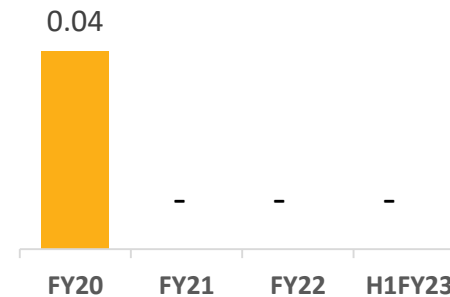
## Capital Employed



## Cash generated from operations



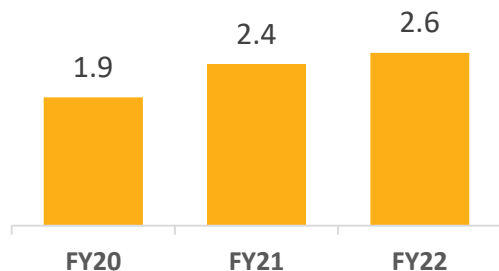
## Net Debt/EBITDA (x)



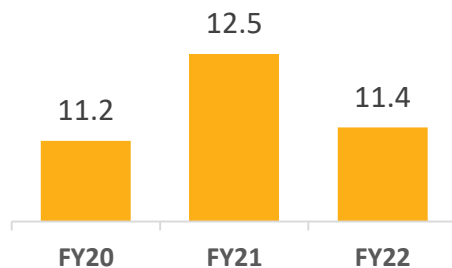
Classification: Internal

# Financial Highlights – Key Financial Ratios

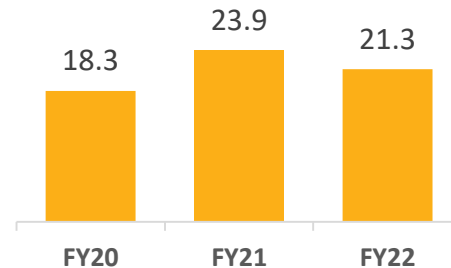
## Current Ratio (x)



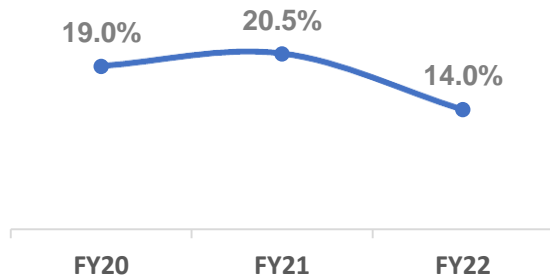
## Debtor Turnover Ratio (x)



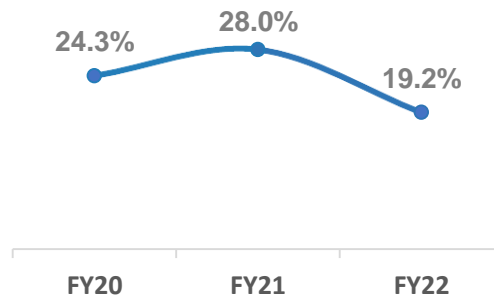
## Interest Coverage (x)



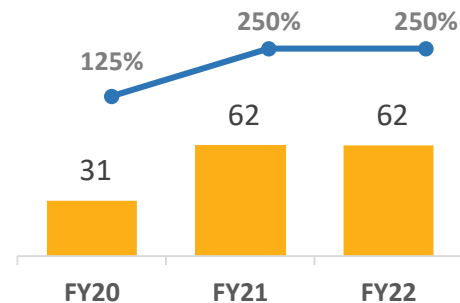
## ROE (%)



## ROCE (%)

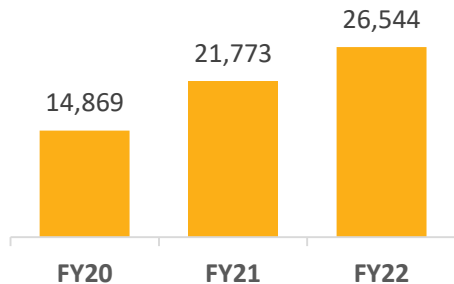


## Dividend (₹ in Cr.)

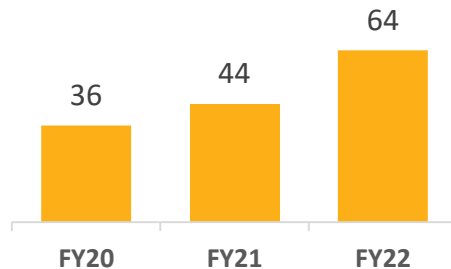


# Financial Highlights – Key Financial Ratios

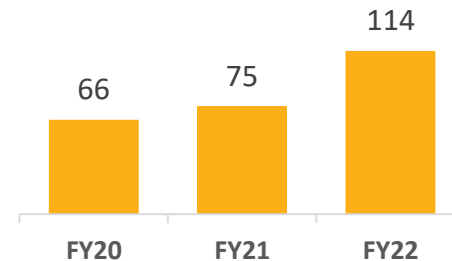
## Market Cap (₹ in Cr.)



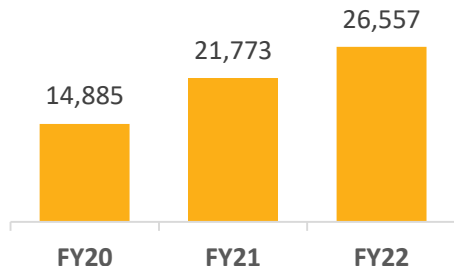
## EV/EBITDA (x)



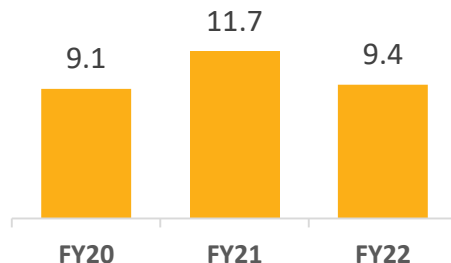
## PE Ratio (x)



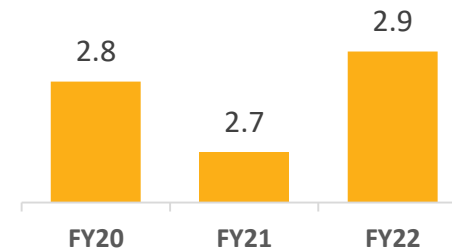
## Enterprise Value (₹ in Cr.)



## EPS (in ₹)



## Fixed Asset Turnover Ratio (x)



Classification: Internal

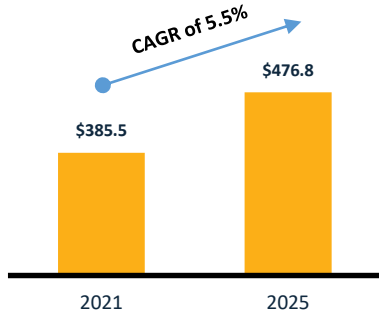
# *Industry Overview*

# Attractive dynamics of the Indian footwear industry

## Strong growth potential of the Indian footwear industry

### Global Footwear Market Size#

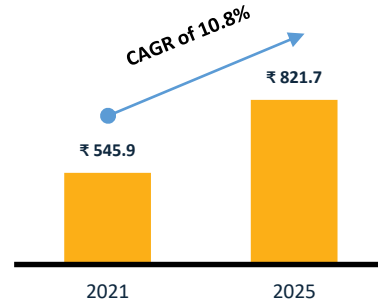
(In US\$ billion)



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

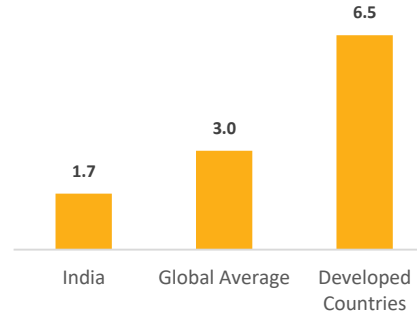
### Indian Footwear Market Size\*

(In Rs. billion)



### Per Capita Consumption (Pairs)^

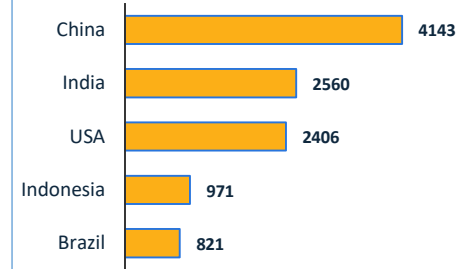
(Pairs)



Underpenetrated Indian market

### Top 5 Global Footwear Consumers #

(in million pairs)



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.

Launched Relaxo brand  
**Revenue:**  
₹ 0.12 Crore

**1976**

**1984**

Relaxo Footwears Limited was incorporated  
**Revenue:**  
₹ 1.78 Crore

IPO, to set up a plant in Haryana  
**Revenue:**  
₹ 38.17 Crore

**1995**

**2000**

Expanded Capacity in Haryana  
**Revenue:**  
₹ 124.24 Crore

Launched 'Flite' and 'Sparx' brands  
First COCO store launched  
**Revenue:**  
₹ 215.47 Crore

**2005**

**2007**  
Commenced Exports  
**Revenue:**  
₹ 235.93 Crore

Renewable power capacity of 6.00MW  
**Revenue:**  
₹ 553.70 Crore

**2010**

**2012-14**

**Business Transformation Initiatives**

- Signed top-notch celebrities as brand ambassadors
- Strengthened distribution and supply chain management
- Launched e-commerce platform
- Increased people engagement
- New product development & portfolio strategy

**Revenue:** ₹ 1,214.61 Crore

Corporate identity revamped  
**Revenue:**  
₹ 1,651.97 Crore

**2017**

**2018-22**

- Set up 8th plant in Rajasthan
- Merger of 'RRPL' and 'MPPL' with your Company

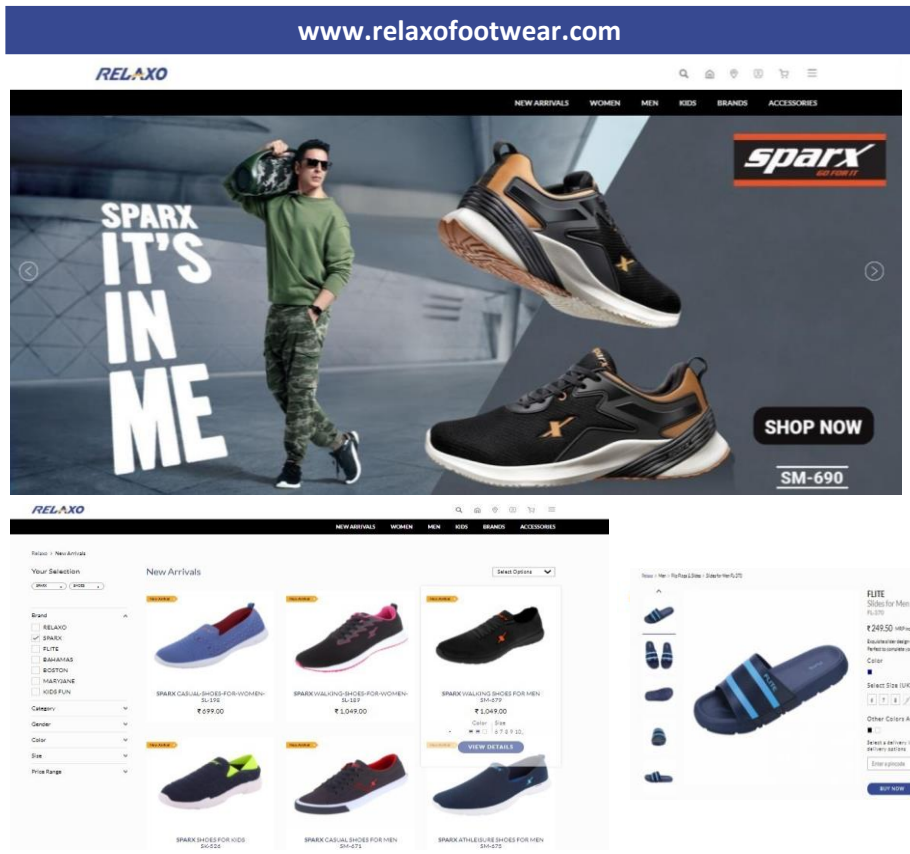
**Revenue:**  
₹ 2,653.27 Crore

# Diversified portfolio with strong identities





# Efficient customer reach across channels



60,000+

Retailers/MBOs

388

EBOs

~650

Distributors

~30

Countries Exported to

1

Overseas office in Dubai

Online Availability



# 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

### 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

### 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)

### 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

### 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.

## *And a strong management team*

**Ritesh Dua,  
Executive VP - Finance**

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

**Nitin Dua,  
Executive VP - Retail**

MBA having over 18 years of experience in Retail Business.

**Ashish Srivastava ,  
VP – Human Resources**

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

**Sushil Batra,  
Chief Financial Officer**

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

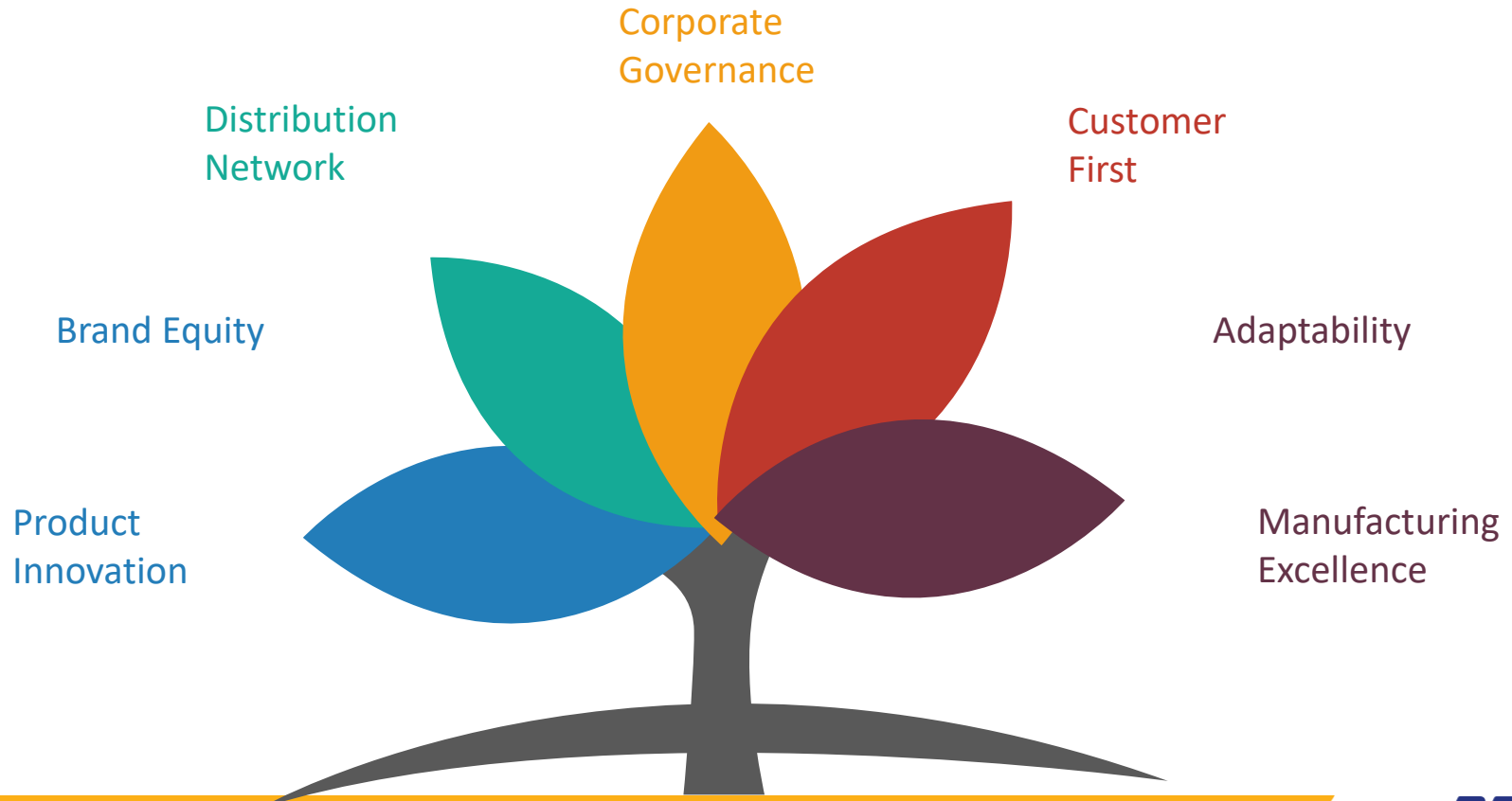
**HR Sapra,  
Senior VP - Materials**

BE having over 49 years of experience in Materials & Procurement

**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.)	Q2FY23	Q1FY23	Q2FY22	H1FY23	H1FY22	FY22
Revenue from Operations	669.55	667.15	714.43	1,336.80	1,211.56	2653.27
Other Income	5.66	4.17	7.07	9.83	12.34	23.72
<b>Total Income</b>	<b>675.31</b>	<b>671.32</b>	<b>721.50</b>	<b>1,346.63</b>	<b>1223.90</b>	<b>2676.99</b>
Cost of Materials Consumed, including packing material	284.16	306.94	378.88	591.10	614.78	1307.88
Purchase of Stock in Trade	18.96	15.27	23.47	34.23	41.28	81.13
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	39.05	(15.93)	(79.37)	23.12	(106.85)	(172.31)
Employee Benefits Expense	84.48	87.17	86.37	171.65	160.04	334.69
Finance Costs	4.12	6.87	3.64	10.99	7.37	15.33
Depreciation and Amortisation Expense	30.53	29.84	28.31	60.37	55.77	113.54
Other Expenses	183.57	187.58	188.26	371.15	319.32	686.13
<b>Total Expenses</b>	<b>644.87</b>	<b>617.74</b>	<b>629.56</b>	<b>1,262.61</b>	<b>1091.71</b>	<b>2366.39</b>
<b>Profit Before Tax</b>	<b>30.44</b>	<b>53.58</b>	<b>91.94</b>	<b>84.02</b>	<b>132.19</b>	<b>310.60</b>
Tax Expense						
Current Tax	7.87	15.83	24.09	23.70	36.74	80.84
Deferred Tax	0.17	(0.92)	(0.84)	(0.75)	(4.20)	(3.06)
Tax for earlier years	-	-	-	-	-	0.14
<b>Profit for the period</b>	<b>22.40</b>	<b>38.67</b>	<b>68.69</b>	<b>61.07</b>	<b>99.65</b>	<b>232.68</b>
<b>Total Comprehensive Income for the period</b>	<b>24.16</b>	<b>38.60</b>	<b>68.77</b>	<b>62.76</b>	<b>99.80</b>	<b>232.99</b>
Earning per Equity Share of INR 1/- each (in Rs)						
<b>Basic</b>	<b>0.90</b>	<b>1.55</b>	<b>2.76</b>	<b>2.45</b>	<b>4.01</b>	<b>9.36</b>
<b>Diluted</b>	<b>0.90</b>	<b>1.55</b>	<b>2.76</b>	<b>2.45</b>	<b>4.00</b>	<b>9.35</b>



# 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 2, 2022. 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. 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 half year ended September 30, 2022 (INR 2.64 crores and INR 4.99 crores respectively for the quarter and half year ended September 30, 2021).

4. 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.

# Balance Sheet

EQUITY AND LIABILITIES (INR Cr.)	H1FY23	FY22
<b>Equity</b>		
Equity Share Capital	24.89	24.89
Other Equity	1,738.10	1,735.23
	<b>1,762.99</b>	<b>1,760.12</b>
<b>Liabilities</b>		
Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	120.58	122.78
Other Financial Liabilities	-	0.15
Provisions	19.53	18.67
Deferred Tax Liabilities (Net)	19.67	19.85
	<b>159.78</b>	<b>161.45</b>
Current Liabilities		
Financial Liabilities		
Borrowings	24.59	20.00
Lease Liabilities	33.26	31.26
Trade Payables		
Total Outstanding Dues	183.76	221.74
Other Financial Liabilities	76.66	94.76
Other Current Liabilities	63.75	60.28
Provisions	73.50	29.16
Current Tax Liabilities (Net)	2.26	3.82
	<b>457.78</b>	<b>461.02</b>
<b>Total Equity and Liabilities</b>	<b>2,380.55</b>	<b>2,382.59</b>

ASSETS (INR Cr.)	H1FY23	FY22
<b>Non-Current Assets</b>		
Property, Plant and Equipment	898.32	769.35
Capital Work-in-Progress	40.22	145.18
Intangible Assets	24.48	28.60
Intangible Assets under Development	7.27	3.78
Right-of-Use Asset	186.84	189.31
Financial Assets		
Investments	24.75	24.98
Loans	0.02	0.08
Other Financial Assets	19.06	17.53
Other Non-Current Assets	55.11	16.82
	<b>1,256.07</b>	<b>1,195.63</b>
<b>Current Assets</b>		
Inventories	602.33	673.25
Financial Assets		
Investments	117.32	169.27
Trade Receivables	267.83	250.79
Cash and Cash Equivalents	1.64	7.10
Bank Balances	45.49	5.40
Loans	0.53	0.43
Other Financial Assets	2.46	0.83
Other Current Assets	86.88	79.89
	<b>1,124.48</b>	<b>1,186.96</b>
<b>Total Assets</b>	<b>2,380.55</b>	<b>2,382.59</b>

# *Annexures*

# 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

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

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

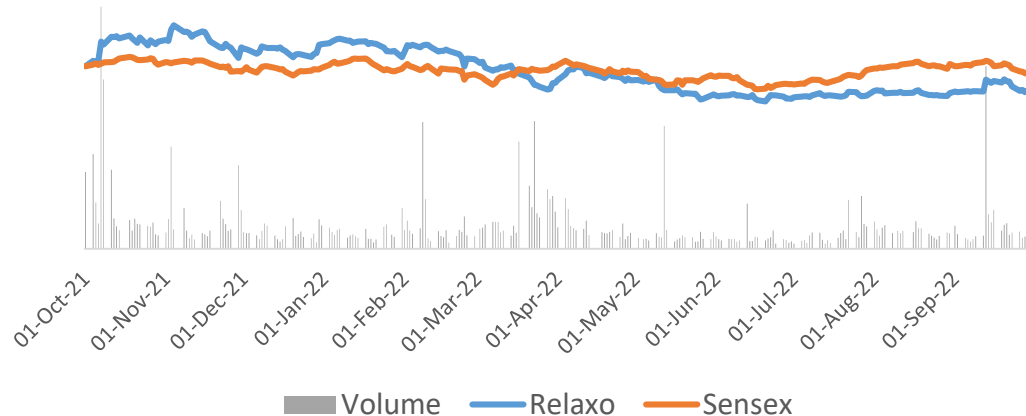
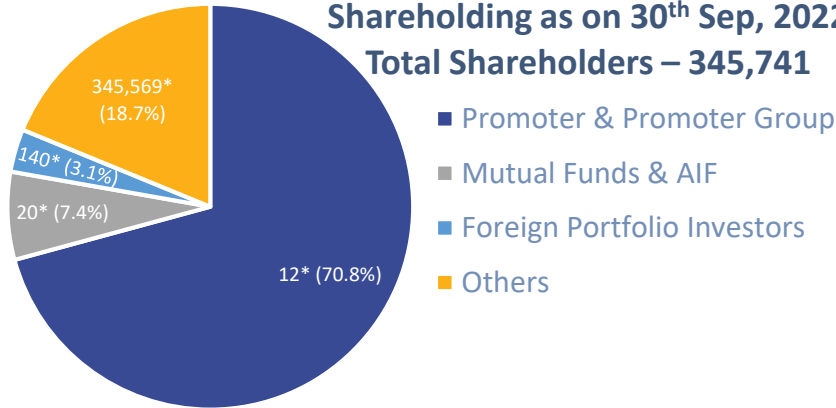
Safety Rating



ICRA AA Long Term Rating  
ICRA A1+ Short Term Rating

# Shareholding pattern

## Shareholding as on 30<sup>th</sup> Sep, 2022 Total Shareholders – 345,741



## Shareholder Information as on 30<sup>th</sup> September, 2022

BSE Ticker	<b>530517</b>
NSE Ticker	RELAXO
Market Cap (₹ in Cr)	25,063
% Free- float	29.2%
Shares Outstanding (in Cr)	24.89
3M ADTV (Shares)	1,54,201
Enterprise Value (₹ in Cr)	25,086
52 Week High	1,448.0
52 Week Low	925.0
52 Week ADTV (₹ in Cr)	21.6

*Thank You*