

RELAXO FOOTWEARS LIMITED

Investor Presentation – February, 2017



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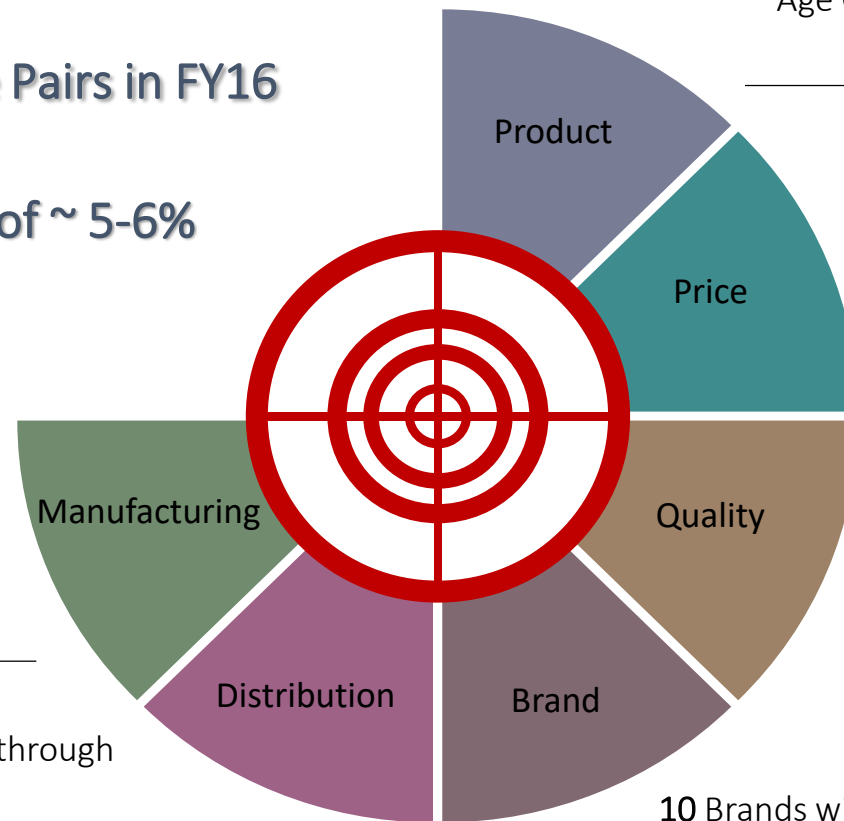
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Our Strengths

Market Leaders

Sold **13.5** crore Pairs in FY16

Market Share of ~ 5-6%



Products available for Every
Age Group & Every Price Point
+ 6000 SKU's

Value for Money Products
catering to entire family

Every stage of manufacturing
process monitored with
stringent Quality Tests

~8 State of Art
Manufacturing Plants with
World Class Concepts

~50,000 Retailers served through
distributors

262 COCO Stores

10 Brands with Ambassadors like
Salman Khan & Akshay Kumar

Customer Relevant Products

Market Research

Regular Market Sensing Exercises to understand the Consumer Needs across different Regional, Economic and Demographic strata

Product Innovation

In-house design capability enables continuous Product Innovation around functionality. Launched innovative portal for employee engagement to source ideas for new product development

Churn in Portfolio

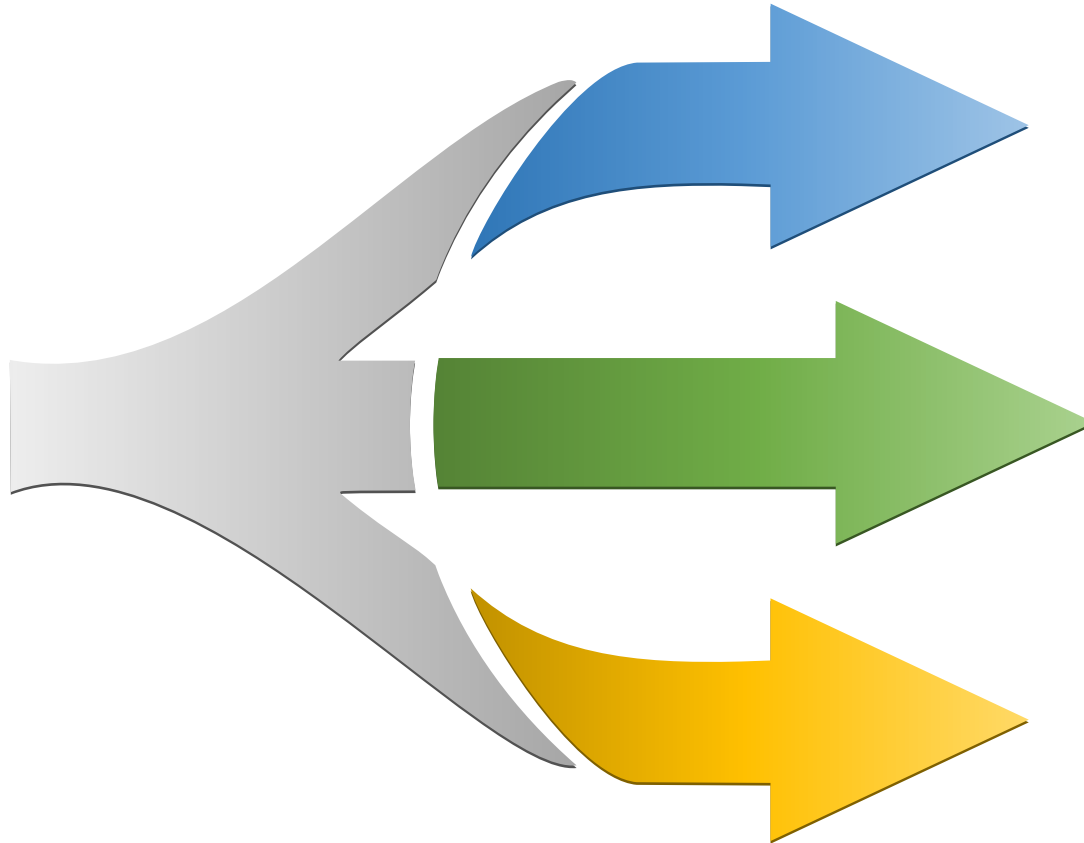
In-season launches with Optimal Product Portfolio. ~ 25% - 30% of the Portfolio is churned every year

SKUs

Over 6,000 SKUs across Product Designs for Various Sizes



Value for Money



Fashionable



Comfortable



Affordable



“VFM”

Committed to Quality



Brand Spectrum



Brand for all Categories

Brand Overview

Target Consumer

Brand Ambassador

RELAXO

Most Popular Brand of Rubber / Eva slippers

All strata of the Society

FLITE
FASHIONABLE & LIGHT

Fashionable and Light weight footwear

Fashion conscious consumers

sparx
GO FOR IT

A range of sports and canvas shoes, sandals and slippers

Upwardly mobile youth

Bahamas

A trendy and fashionable flip-flops

Contemporary generation

SCHOOLMATE
A STEP AHEAD

A range of school shoes for boys and girls

School Students

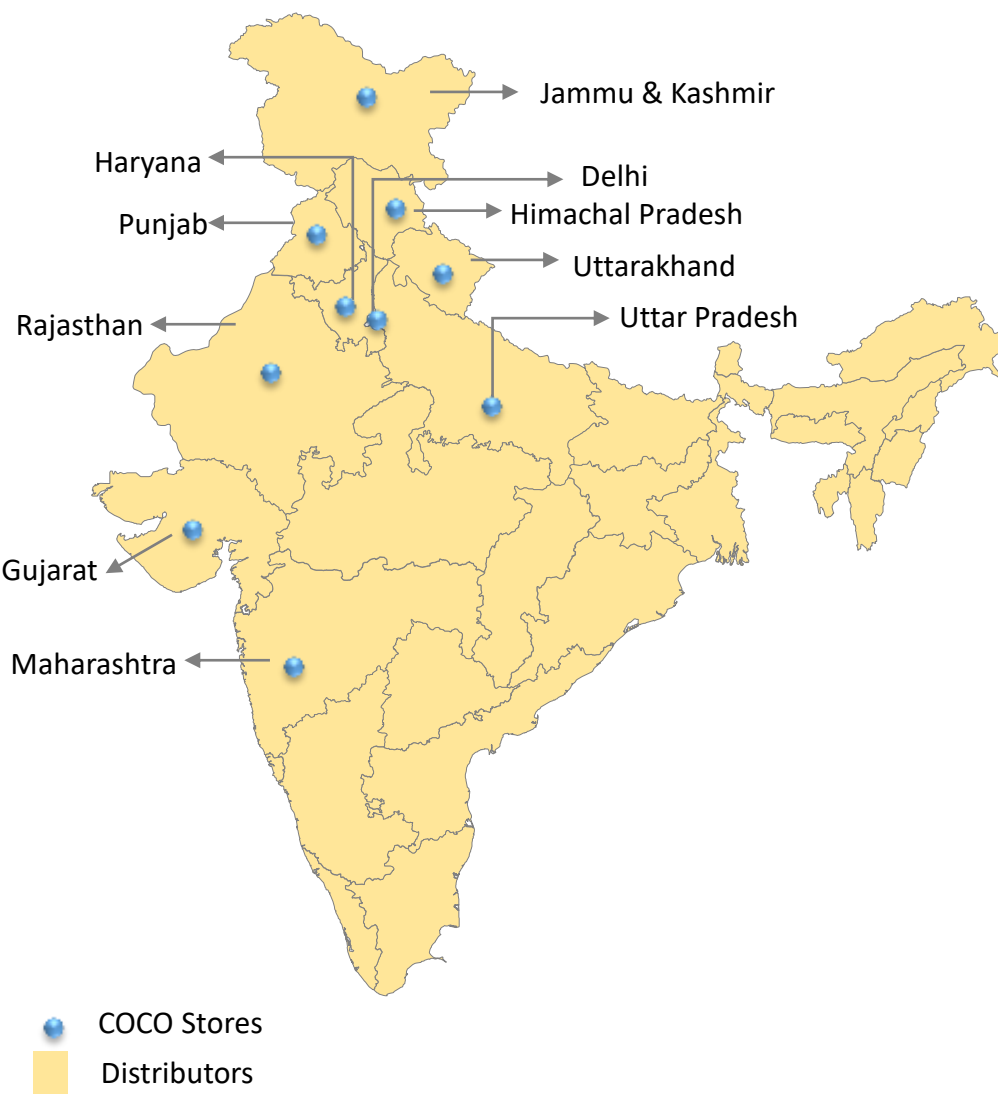
Salman Khan



Akshay Kumar



Pan India Footprint



Relaxo Retail Stores (COCO)

State	Number of Stores
Uttar Pradesh	74
Delhi	59
Punjab	37
Haryana	32
Himachal Pradesh	2
Rajasthan	21
Gujarat	13
Jammu & Kashmir	9
Uttarakhand	8
Maharashtra	7
Total	262

Available at ~**50,000 +**
Retailers PAN India

Map not to scale. All data, information and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

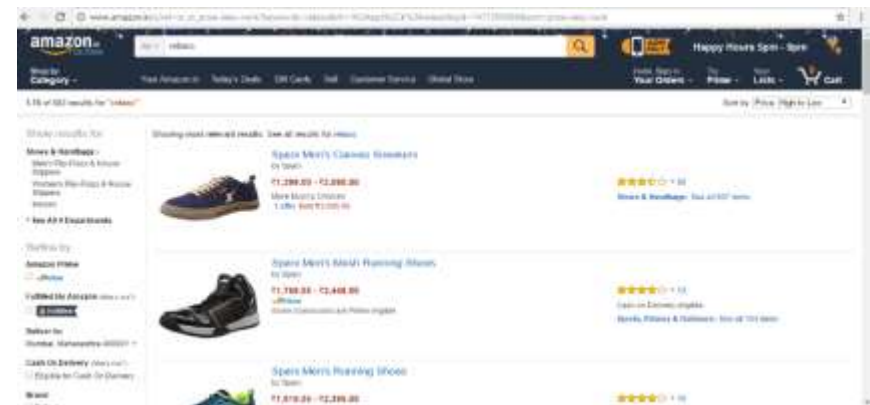
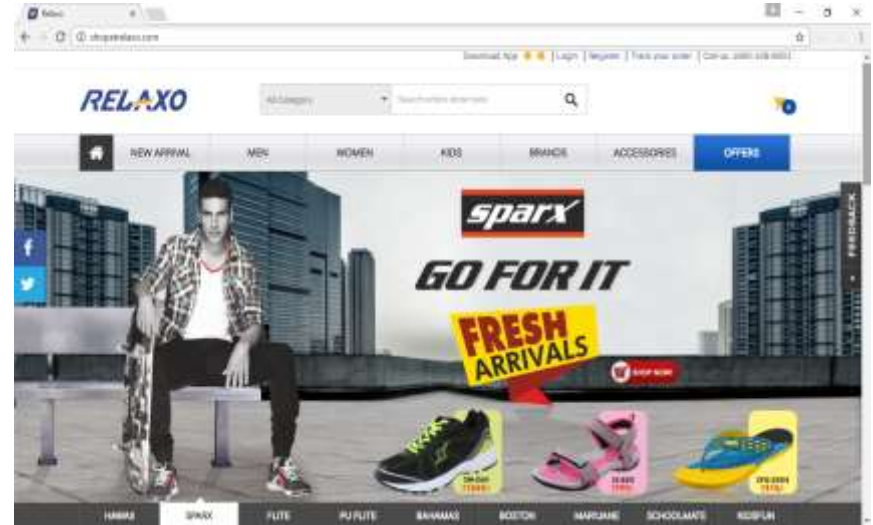
Closer to Customers



262 COCO Stores across India

Reach over ~ 50,000 + Retailers

Online Presence – www.shopatrelaxo.com
Online Shopping Websites



State-of-Art manufacturing facilities



Registered Office-
Rohini, Delhi



RFL I & II- Bahadurgarh



RFL III - Bhiwadi



RFL IV - Bahadurgarh



RFL V - Haridwar



RFL VI - Bahadurgarh



RFL VII - Bahadurgarh



RFL VIII - Bahadurgarh

Awards & Accolades



Mr. Ramesh Kumar Dua
awarded as **India's Best CEO**
(Consumer Goods) ;
Business Today - 2016



by **BUSINESS WORLD**

Mr. Ramesh Kumar Dua
amongst **Most Valuable CEO**
Business World 2016



Mr. Ramesh Kumar Dua
amongst **India's Best CEO**
Business Today 2015



Mr. Ramesh Kumar Dua
amongst **India's Best CEO**
Business Today 2014



Sparx
India's Most Trusted Brand
The Brand Trust Report 2016



Relaxo
India's Most Attractive Brand
TRA Research 2016



Flite
India's Most Attractive Brand
TRA Research 2016



Sparx
India's Most Attractive Brand
TRA Research 2016



Best
Corporate Brand
The Economic Times 2016



Best Display
India's International
Footwear Fair 2016



1st Place for
Excellent Export Performance
Council for Leather Exports
2014-15



1st Place for Excellent
Export Performance
Council for Leather Exports
2013-14

Awards & Accolades

Year 2016



India's Most Valuable Company
[Average Market Capitalization]
Business Today 2016



The Next 500
[Rank 41]
Fortune India
2016



India's Largest Corporations*
Fortune India
2016

dun & bradstreet



India's Top 500 Company
[Total Income]
Dun & Bradstreet
2016



ET 500 :
Future Ready Company
The Economic Times 2016



Making It Big
CNBC TV 18
HSBC 2016

Safety Rating



- ICRA A+ Long Term Rating
- ICRA A1+ Short Term Rating & for Commercial Paper

Year 2015



BT 500 : 500 India's Most Valuable Company
[Average Market Capitalization]
Business Today 2015



India's Fastest Growing Company
[Rank 74]
Business World 2014-15



The Next 500
[Rank 188]
Fortune India
2015

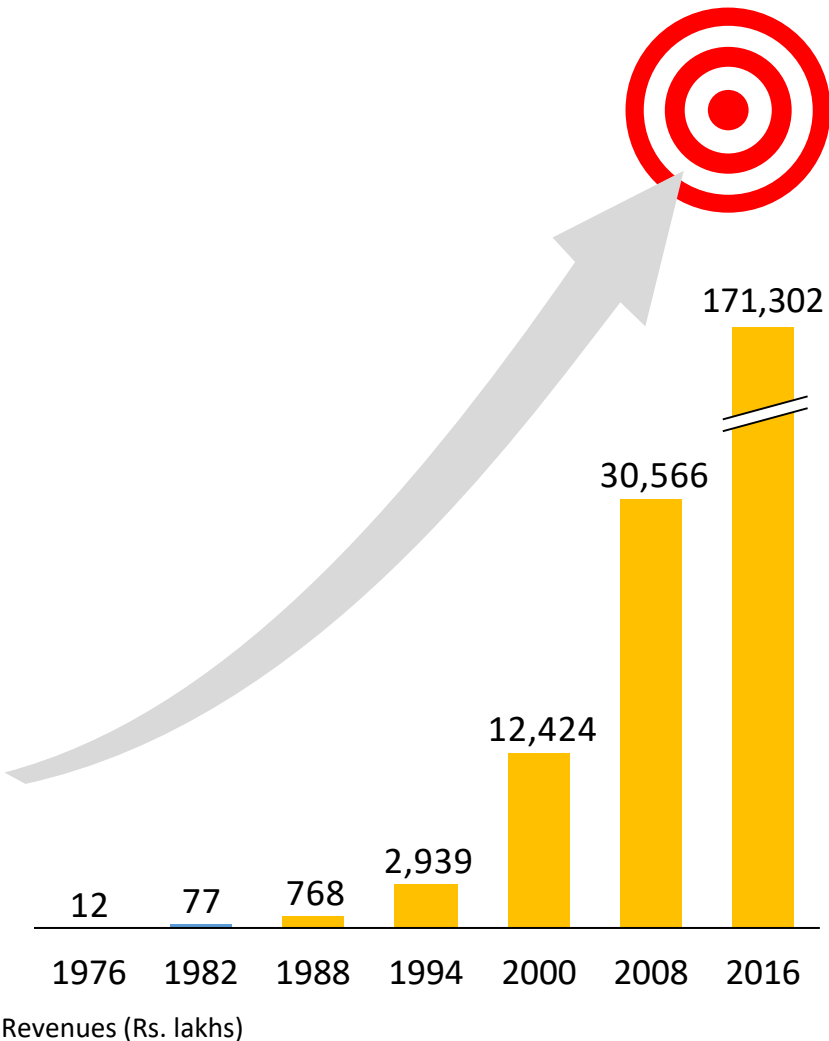
dun & bradstreet



India's Top 500 Company
[Total Income]
Dun & Bradstreet
2015

Background & Objectives

Evolution



1976 : Launched Relaxo Brand

1984 : Relaxo Footwears Limited was incorporated

1995: IPO to set up a plant in Haryana

1995: Started manufacturing Footwear (rubber slippers) for the masses

2000: Expanded capacity in Haryana

2004-05: Launched 'Flite' and 'Sparx' Brands

2005: 1st COCO store launched

2007: Commenced exports

2010: Renewable Power Capacity of – 6.00 MW

2012-14: Business Transformation Initiatives

- Signed top-notch celebrities as Brand ambassadors
- Strengthen SCM, Regional Warehouses (RWH)
- Launched E-Commerce Platform
- Increased People engagement
- New product development & portfolio strategy

2016: 250th COCO Store opens

Board of Directors

Ramesh Kumar Dua, Managing Director

- Over 40 years of experience in sales and marketing, production and new product development in Footwear Industry
- Director in Relaxo Rubber Private Limited & Marvel Polymers Private Limited
- Commerce Graduate & Rubber Technologist (LPRI, London)

Mukand Lal Dua, Whole Time Director

- Over 43 years of experience in new product development and quality control in Footwear Industry
- Director in Relaxo Rubber Private Limited & Marvel Polymers Private Limited
- Science Graduate

Nikhil Dua, Whole Time Director

- Over 20 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

Deval Ganguly, Whole Time Director

- Over 35 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

Pankaj Shrimali, Independent Director

- Over 32 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

Kuruvila Kuriakose, Independent Director

- Over 32 years of experience in area of Finance in Footwear Industry
- B.Sc (Special) in Maths from Kerela University and member of the Institute of Chartered 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)

Deepa Verma, Independent Director

- Over 28 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

Management Team

Mr. Gaurav Dua,
Executive VP - Marketing

MBA having over 14 years of experience in Sales & Marketing.

Mr. Ritesh Dua,
Executive VP - Finance

MBA having over 15 years of experience in Finance, HR & IT

Mr. Nitin Dua,
Executive VP - Retail

MBA having over 12 years of experience in Retail Business.

Mr. Ashish Srivastava,
VP – Human Resources

MBA having over 18 years of experience in HR & Admin

Mr. Vinay Kumar Bajaj,
VP - Sales

Graduate having over 28 years of experience in Sales & Marketing

Mr. Sushil Batra,
Chief Financial Officer

FCA having over 25 years of experience in Finance, Taxation, Fund raising and Management

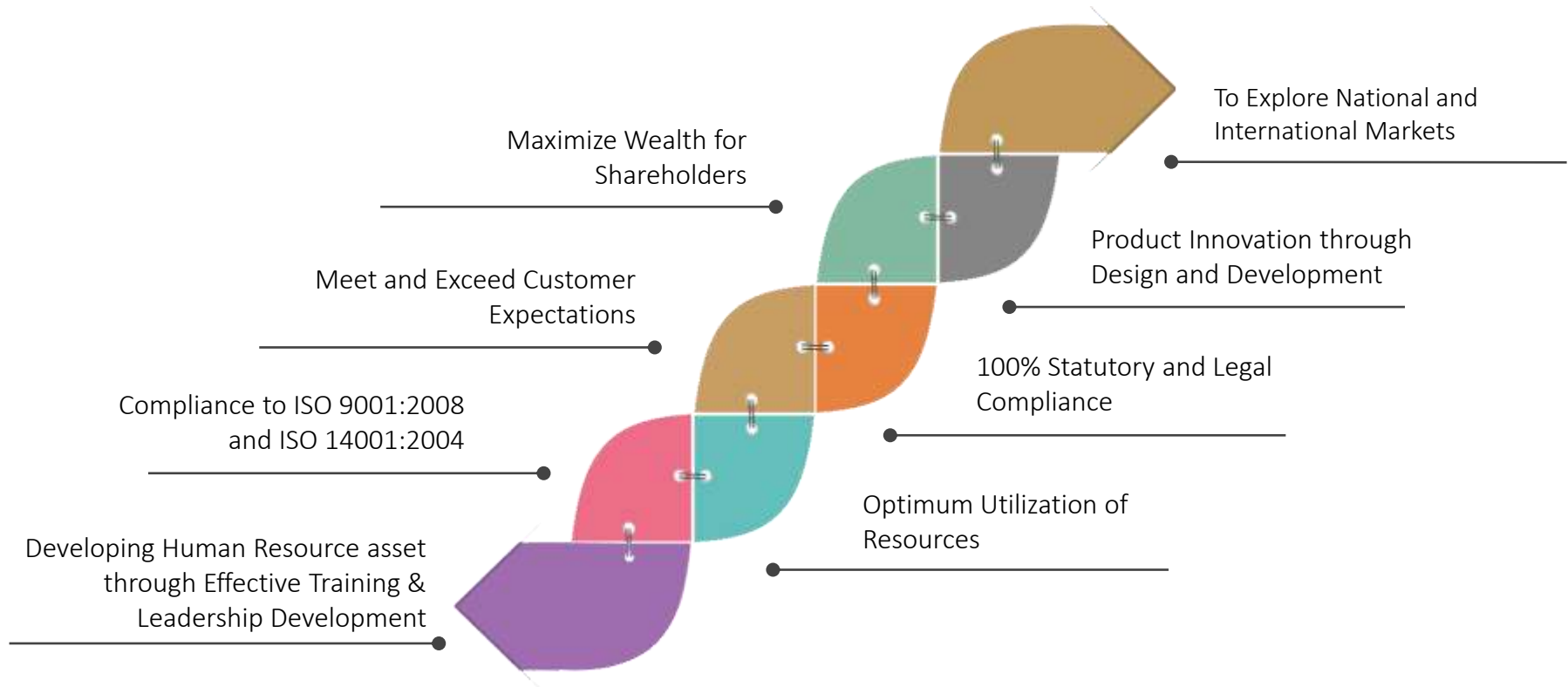
Mr. HR Sapra,
VP - Materials

BE having over 43 years of experience in Materials & Procurement

Mr. Rahul Dua,
Executive - Manufacturing

Graduate having over 6 years of experience in Manufacturing.

Corporate Objectives



Growth Potential

Huge Industry Potential



Future Ready

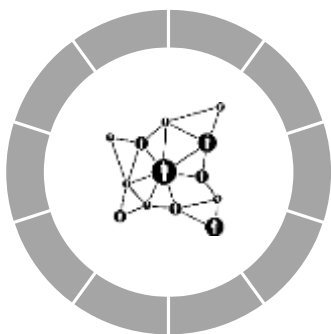
Manufacturing Excellence

- Lean Manufacturing
- Maynard Operation Sequence Technique (MOST)



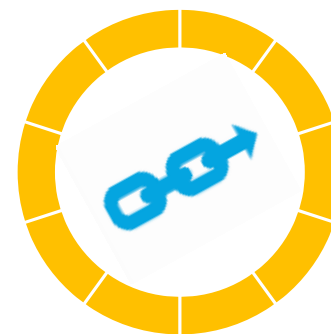
Technology & Innovation

- SAP Compliant & Microsoft Dynamics Navision
- Product Development & Design Innovation
- End to End Product Tracking
- Real-time customer experience feedback



Supply Chain

- Forward looking supply & capacity planning
- Optimum Inventory management



Sales & Distribution

- Channel Management Initiatives
- Strengthened CDCs & RDCs operations
- Modern Trade and E-Commerce Platform



Cost Optimization

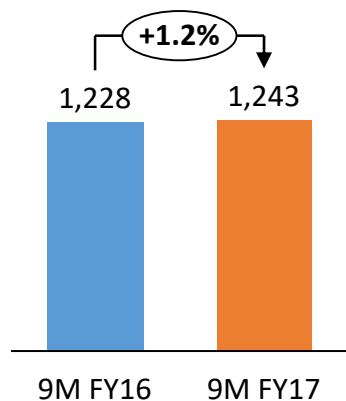
- Optimizing manpower utilisation, material cost & energy Consumption
- Rationalization of expenses



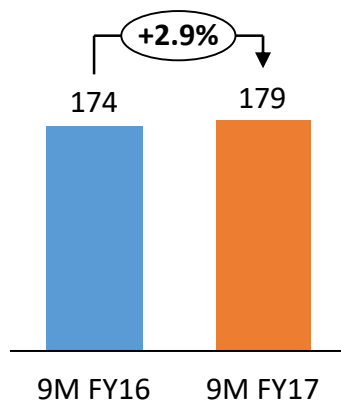
Financial Performance

9M FY17 : Performance Highlights

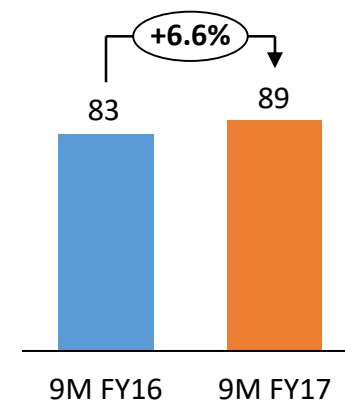
Revenue



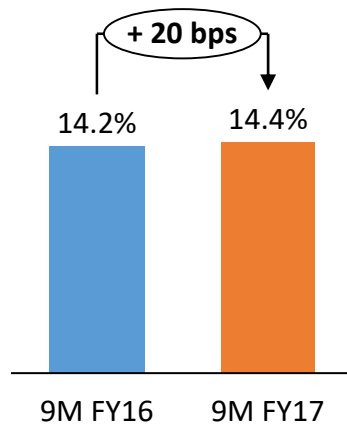
EBITDA



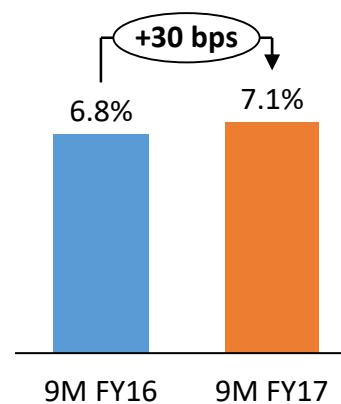
PAT*



EBITDA (%)



PAT (%)*

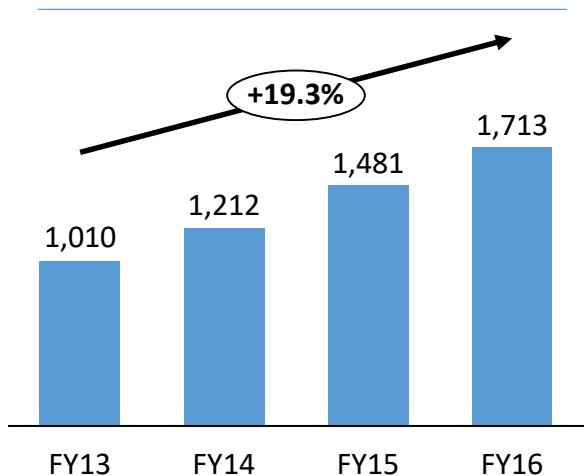


Rs. in Crores

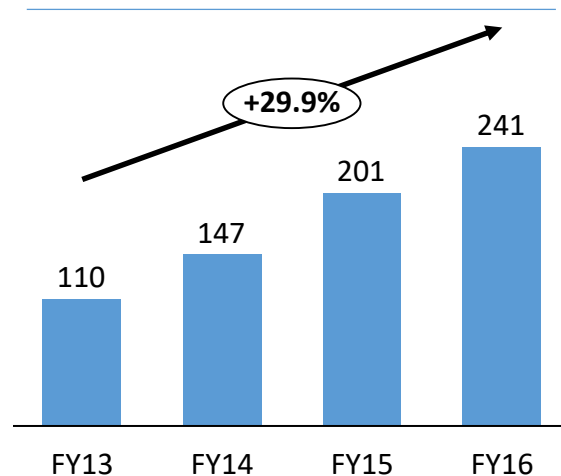
*PAT excludes exceptional gains

Annual Performance Highlights

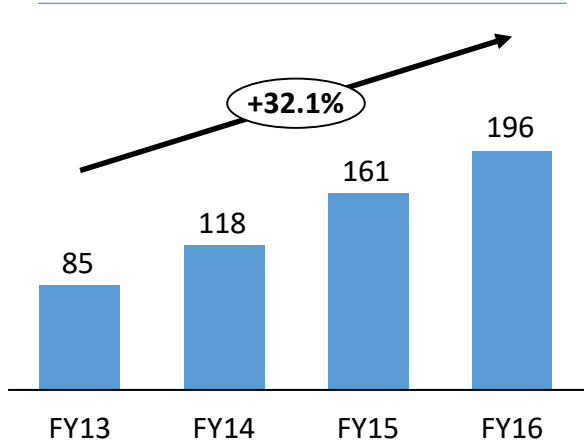
Revenue



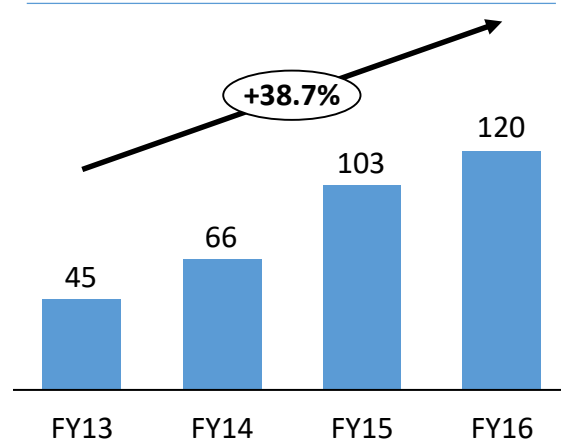
EBITDA



EBIT



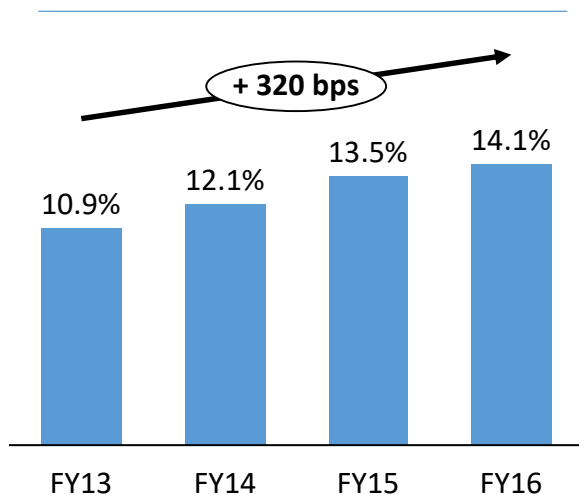
PAT



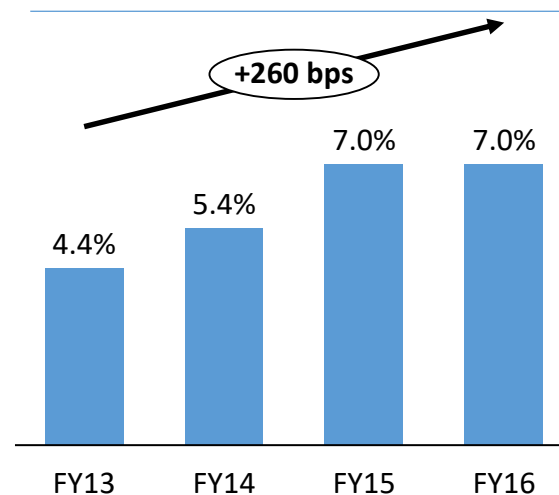
Rs. in Crores

Operational Efficiencies

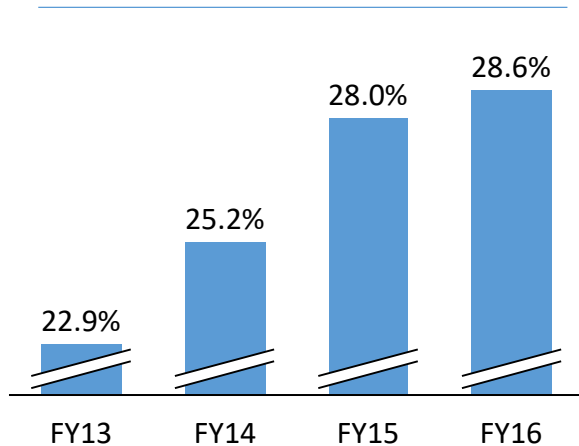
EBITDA (%)



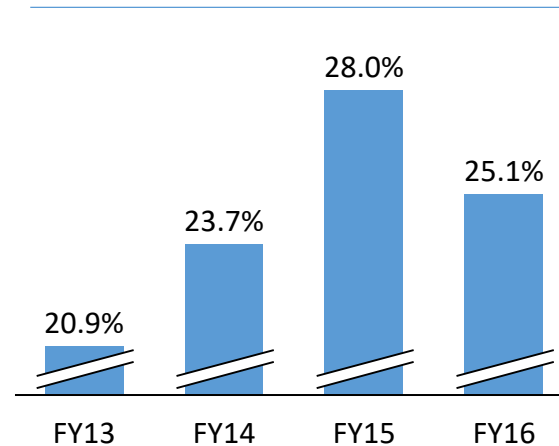
PAT (%)



RoCE (%)

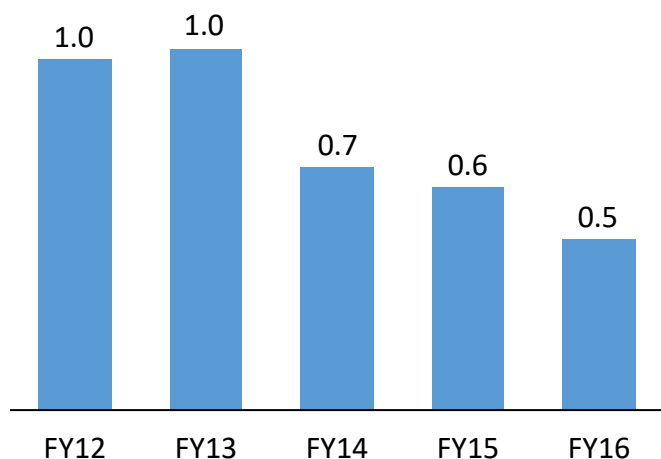


RoE (%)

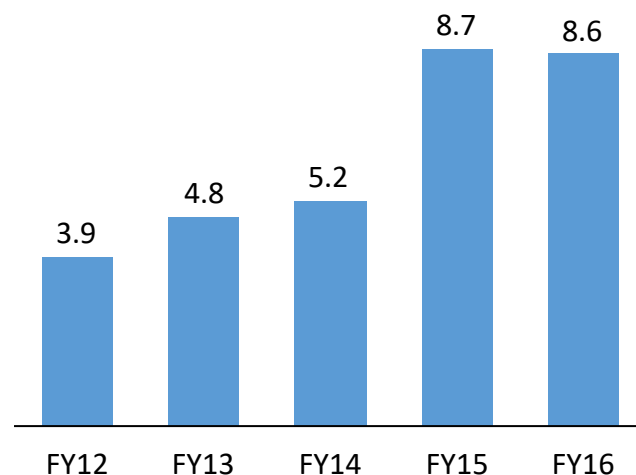


Debt Ratings & Profile

Net Debt/Equity (x)



Interest Coverage Ratio (x)



Credit Ratings

Agency	Instruments	Ratings	Comments
ICRA	Short Term Funds	A1+	Indicates very strong degree of safety for short term debt instruments Instruments rated in this category carry the lowest credit risk
ICRA	Long Term Funds	A+ with stable outlook	Indicates adequate degree of safety for long term debt instruments Instruments rated in this category carry low credit risk

P&L Statement

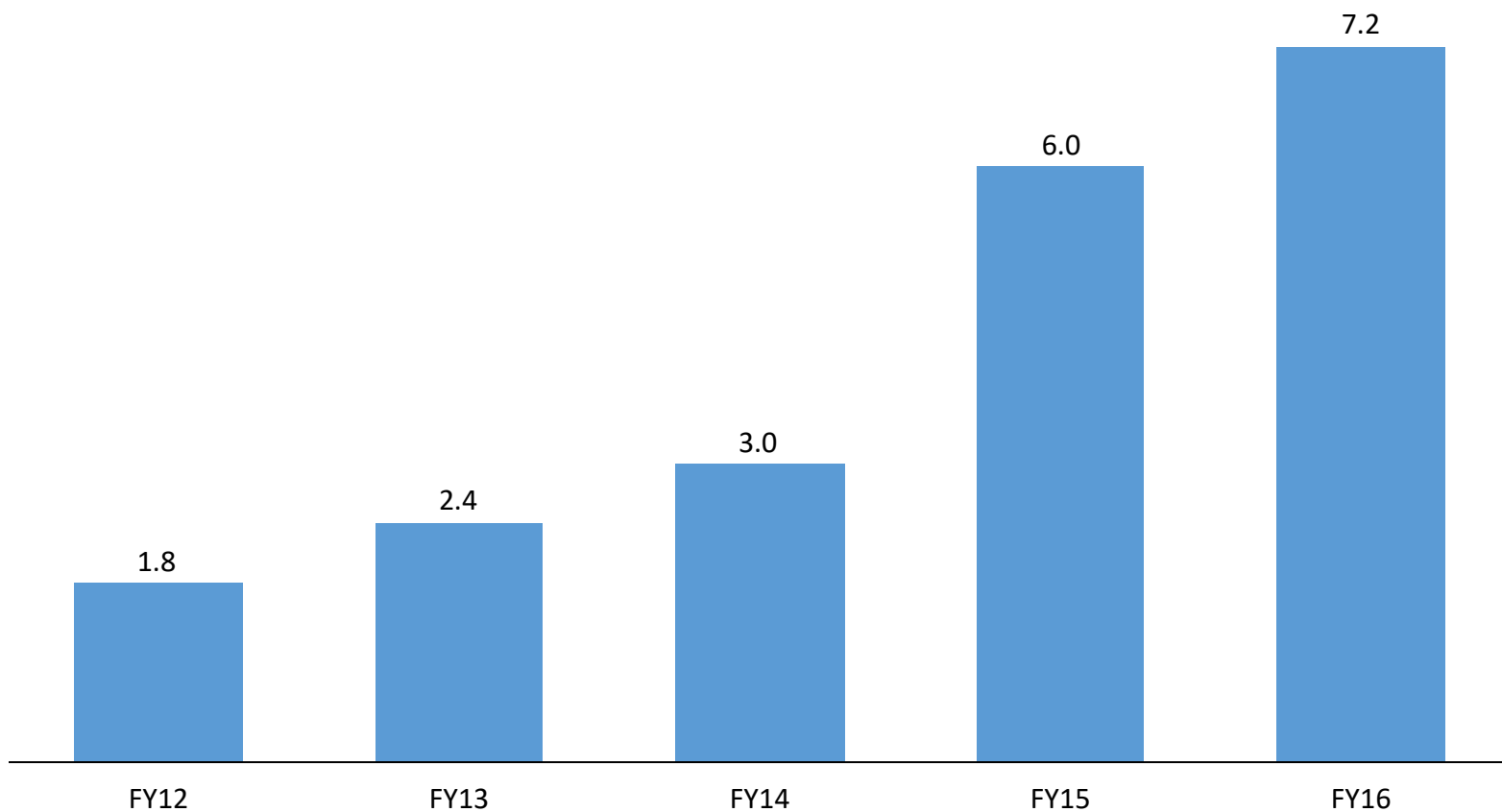
Particulars (Rs. Crs)	Q3 FY17	Q3 FY16	Y-o-Y	9M FY17	9M FY16	Y-o-Y	FY16
Net Revenue from Operations	391.0	387.7	1%	1242.8	1227.6	1%	1713.0
Raw Material	159.8	161.0		502.4	504.3		707.9
Employee Expenses	39.3	37.9		128.2	115.1		160.8
Other Expenses	139.0	134.6		433.0	434.0		603.2
EBITDA	52.9	54.2	-2%	179.2	174.2	3%	241.1
EBITDA Margin (%)	13.5%	14.0%		14.4%	14.2%		14.1%
Other Income	0.4	0.5		1.4	1.5		2.3
Depreciation	13.0	12.2		38.5	33.8		47.1
EBIT	40.3	42.5	-5%	142.1	141.9	0%	196.2
EBIT Margin (%)	10.3%	11.0%		11.4%	11.6%		11.5%
Finance Cost	3.7	6.3		12.2	17.4		22.9
Exceptional Items	0.0	0.0		0.0	4.3		4.3
Profit before Tax	36.5	36.2	1%	129.9	128.7	1%	177.6
Tax	11.5	11.8		41.3	41.3		57.3
Profit After Tax	25.1	24.4	3%	88.7	87.5	1%	120.3
PAT Margin (%)	6.4%	6.3%		7.1%	7.1%		7.0%
Profit After Tax excl. exceptional gains	25.1	24.4	3%	88.7	83.2	7%	116.0
PAT Margin (%) excl. exceptional gains	6.4%	6.3%		7.1%	6.8%		6.8%
EPS	2.08	2.03		7.38	7.29		10.02

Balance Sheet

Particulars (in Crs.)	Sept-16	Mar-16
Share Capital	12.0	12.0
Reserves & Surplus	531.6	468.0
Shareholders Funds	543.6	480.0
Long Term Borrowings	90.4	113.0
Deferred Tax Liabilities(Net)	25.6	27.0
Other Long Term Liabilities	10.0	10.2
Long Term Provisions	7.6	5.3
Total Non-Current Liabilities	133.6	155.5
Short Term Borrowings	76.6	89.6
Trade Payables	99.7	122.4
Other Current Liabilities	125.5	118.1
Short Term Provisions	28.9	28.7
Total Current Liabilities	330.7	358.8
Total Liabilities	1,007.9	994.3

Particulars (in Crs.)	Sept-16	Mar-16
Total Fixed Assets	579.3	558.8
Non Current Investments	0.5	0.5
Long Term Loans & Advances	21.3	19.1
Total Non-Current Assets	601.1	578.3
Inventories	291.9	285.9
Trade Receivables	78.8	105.6
Cash & Bank Balances	3.7	2.4
Short Term Loans & Advances	28.8	19.2
Other Current Assets	3.4	2.9
Total Current Assets	406.7	416.0
Total Assets	1,007.9	994.3

Consistent Dividend Paying



Rs. in Crores

For further information, please contact:

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