



3<sup>rd</sup> February, 2018

<b>BSE Ltd.</b> <b>Corporate Relationship Department</b> <b>1st Floor New Trading</b> <b>Rotunda Building,</b> <b>P J Towers Dalal Street Fort,</b> <b>Mumbai – 400001</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),</b> <b>Mumbai- 400 051</b>
<b>Scrip Code – 530517</b>	<b>Scrip Code – RELAXO</b>

**Sub: Press Release on Un-Audited Financial Results for the Quarter ended as on 31.12.17.**

Dear Sir,

Please find enclosed Press Release on Un-Audited Financial Results for the Quarter ended as on 31.12.2017.

Thanking You,

For **RELAXO FOOTWEARS LIMITED**

  
**Vikas Kumar Tak**  
**Company Secretary**

## **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**



# RELAXO FOOTWEARS LIMITED

Investor Presentation – February, 2018



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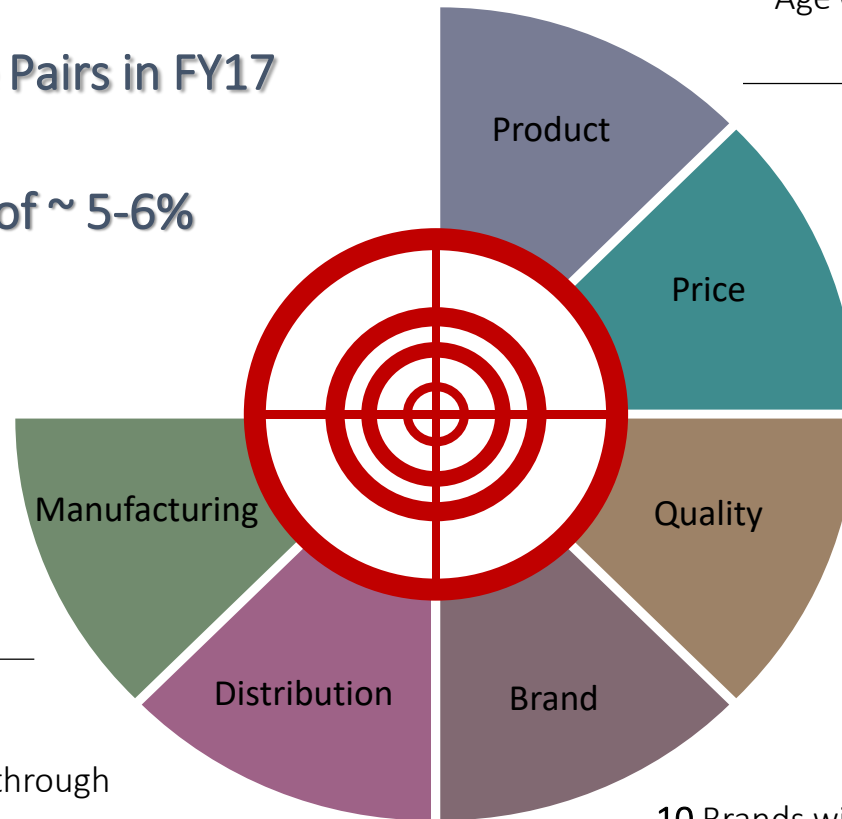
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# ***Our Strengths***

# Market Leaders

Sold **13.5** crore Pairs in FY17

Market Share of ~ 5-6%



Products available for Every  
Age Group & Every Price Point  
+ 6,000 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

286 COCO Stores

10 Brands with Ambassadors like  
Salman Khan, Akshay Kumar,  
Shahid Kapoor & Shruti Haasan

# 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

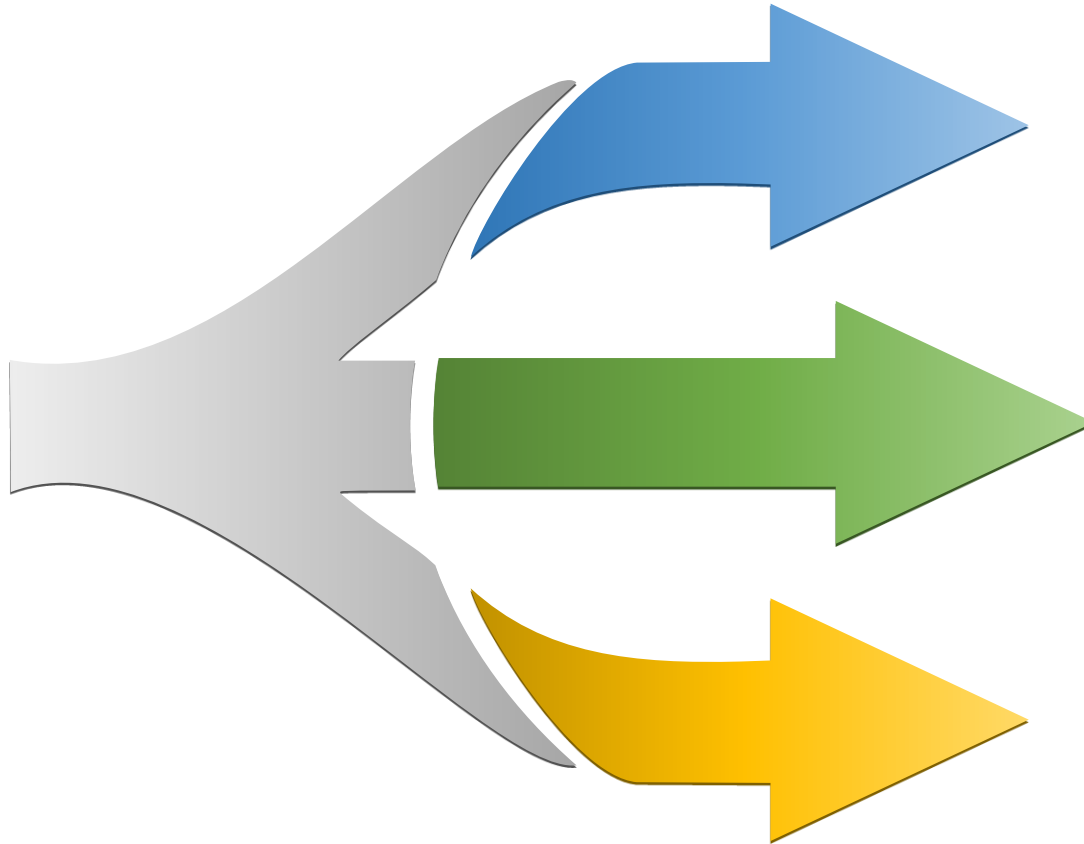
In-season launches with Optimal Product Portfolio. ~ 25% - 30% of the Portfolio is churned every year

## SKUs

Over 6,000 SKUs across Product Designs for Various Sizes



# Value for Money



**Fashionable**



**Comfortable**



**Affordable**



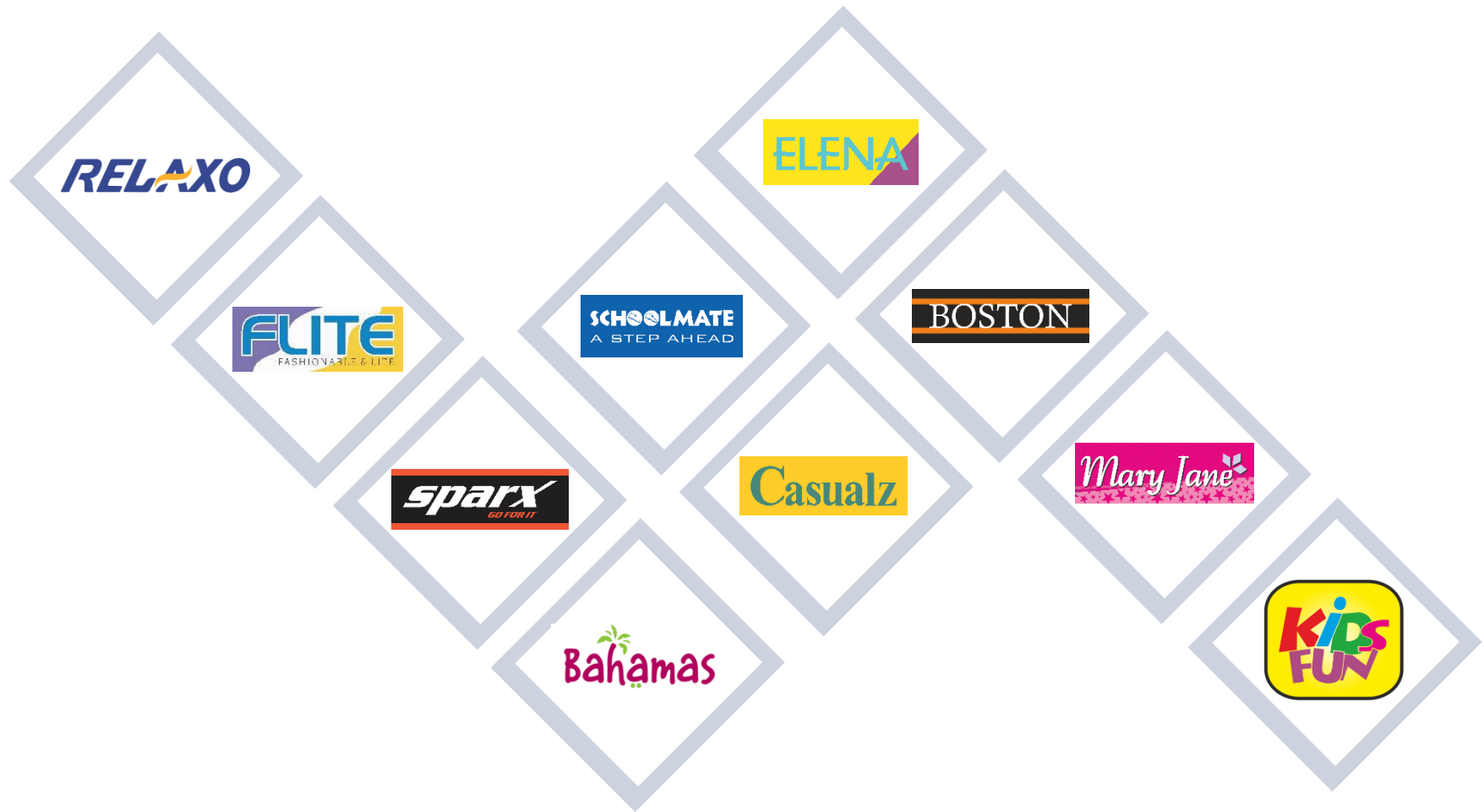
**“VFM”**

# 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 & LITE

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

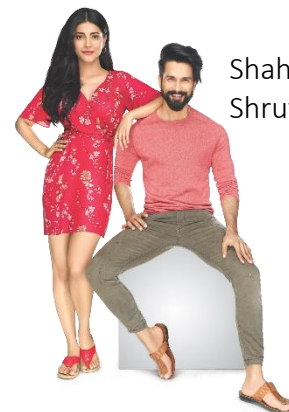
Salman Khan



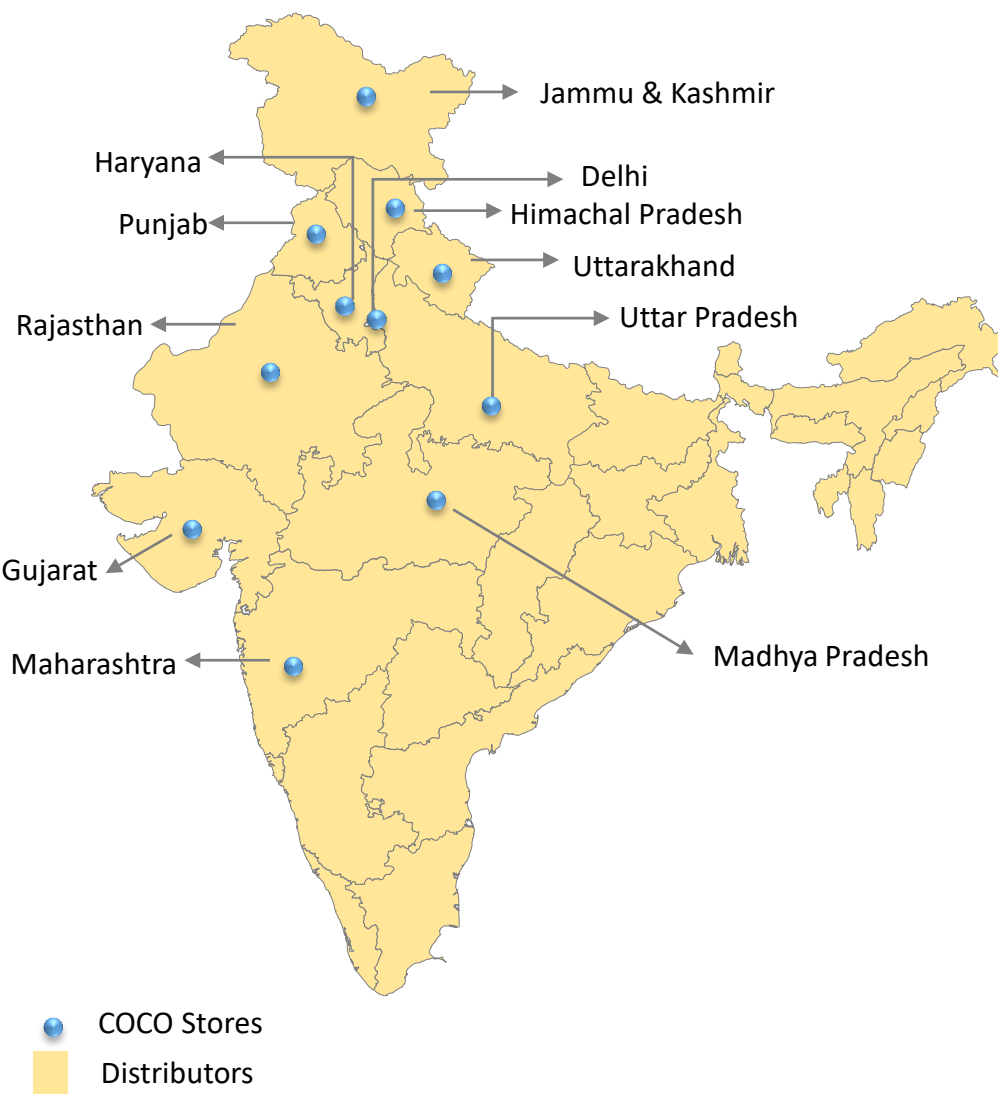
Akshay Kumar



Shahid Kapoor & Shruti Haasan



# Pan India Footprint



## Relaxo Retail Stores (COCO)

State	Number of Stores
Uttar Pradesh	75
Delhi	58
Punjab	38
Haryana	31
Himachal Pradesh	6
Rajasthan	20
Gujarat	12
Madhya Pradesh	21
Jammu & Kashmir	10
Uttarakhand	7
Maharashtra	7
Chandigarh	1
<b>Total</b>	<b>286</b>

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

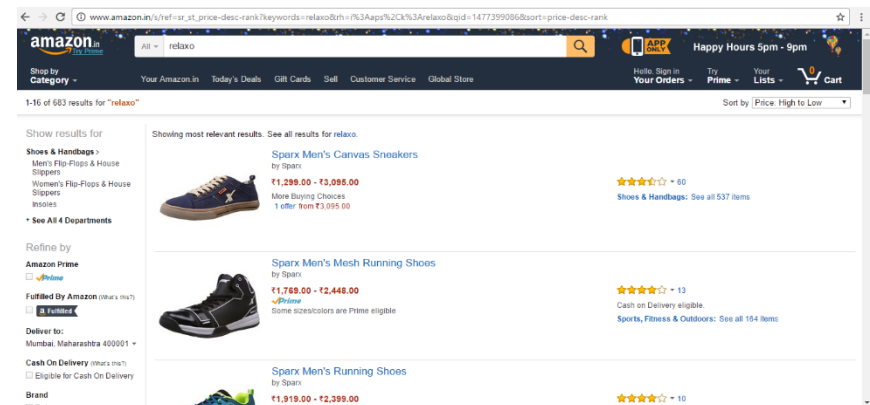
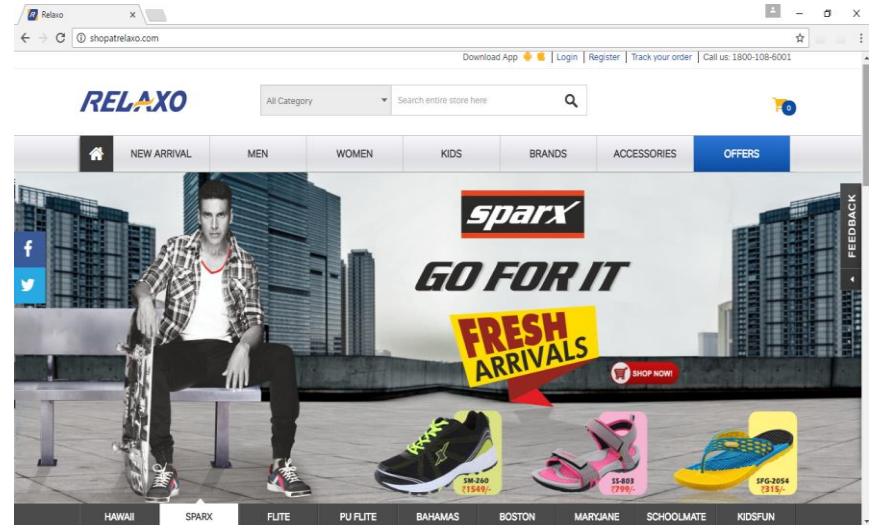


286 COCO Stores across India

Reach over ~ 50,000 + Retailers

Online Presence – [www.shopatrelaxo.com](http://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



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

ICRA upgraded long term rating of Company to [ICRA] AA- in Dec 2017

## 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

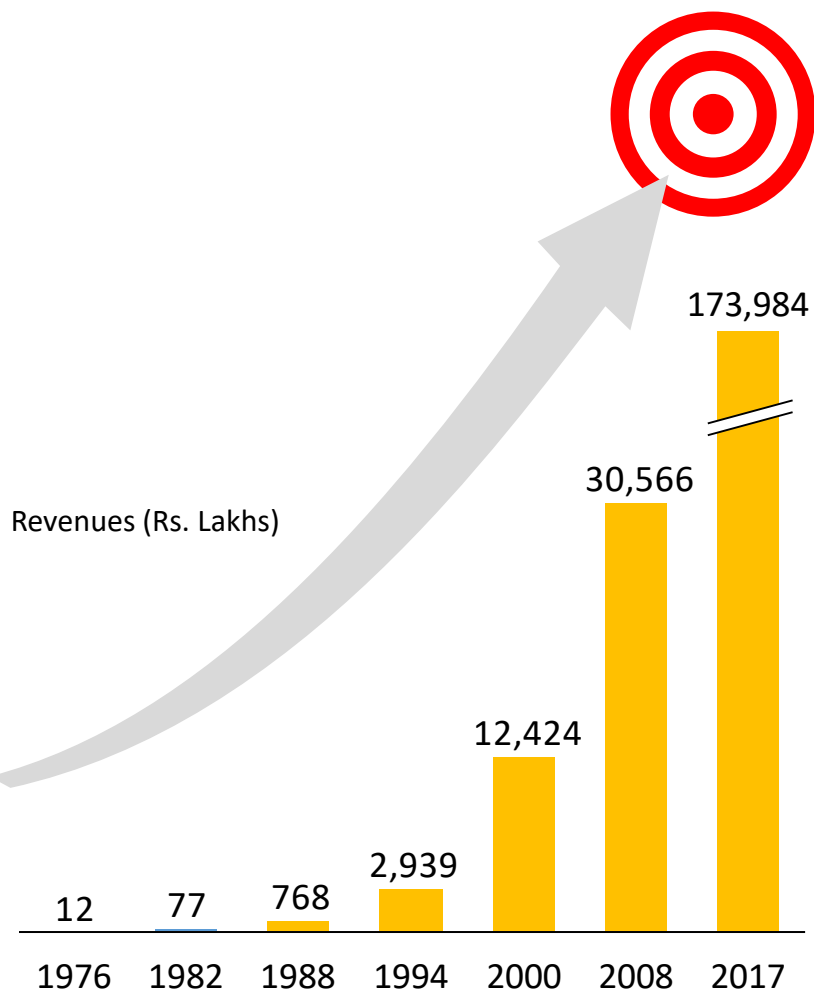


India's Top 500 Company  
[Total Income]  
Dun & Bradstreet  
2015

# ***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: 1<sup>st</sup> 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: 250<sup>th</sup> COCO Store opens

2017: Revamp of the RELAXO Brand

2018: ICRA upgraded long term rating of Company to [ICRA] AA-

# Board of Directors

## Ramesh Kumar Dua, Managing Director

- Over 41 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 44 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 21 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 36 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 33 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 29 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 15 years of experience in Sales & Marketing.

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

MBA having over 16 years of experience in Finance, HR & IT

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

MBA having over 13 years of experience in Retail Business.

**Mr. Atul Pandey,**  
**VP – Human Resources**

PGD – PM & IR having over 21 years of experience in HR & Admin

**Mr. Vinay Kumar Bajaj,**  
**VP - Sales**

Graduate having over 29 years of experience in Sales & Marketing

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

FCA having over 26 years of experience in Finance, Taxation, Fund raising and Management

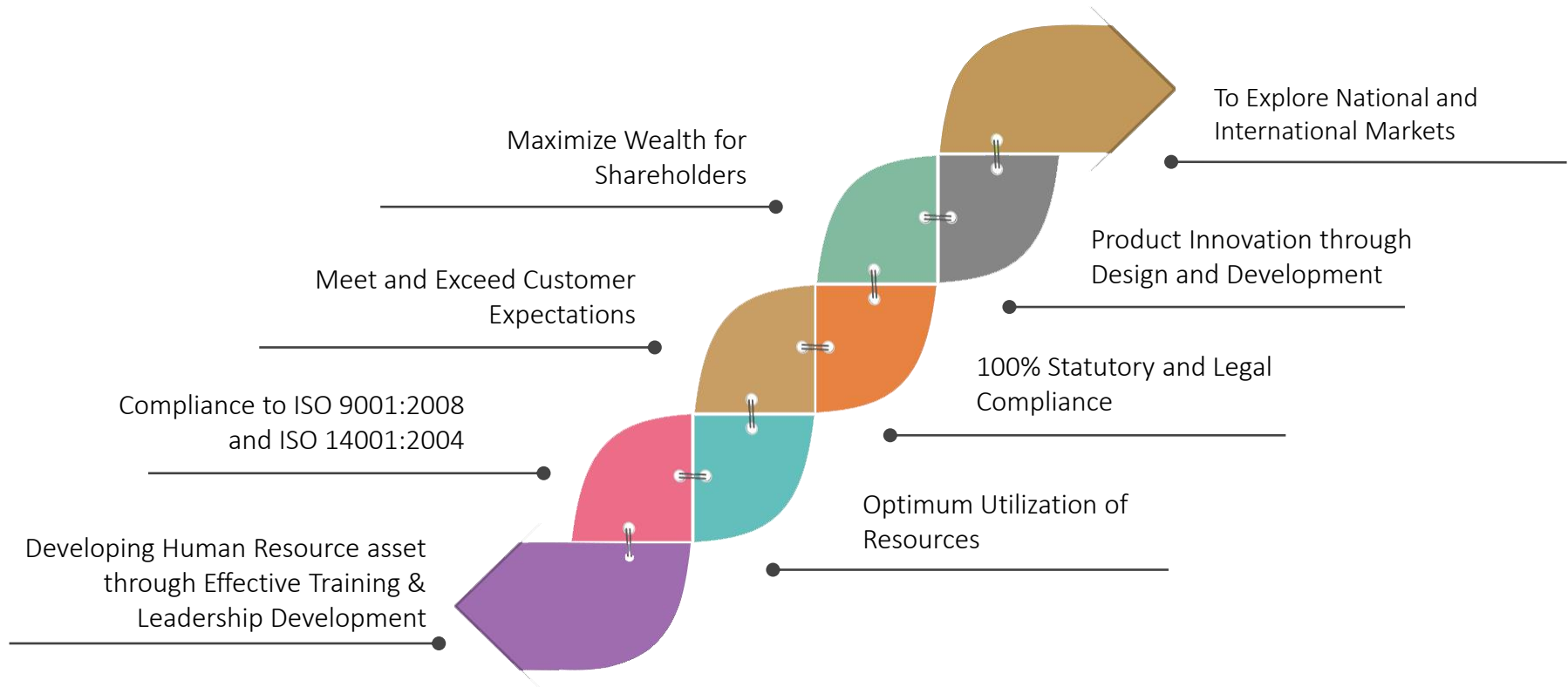
**Mr. HR Sapra,**  
**VP - Materials**

BE having over 44 years of experience in Materials & Procurement

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

Graduate having over 7 years of experience in Manufacturing.

# Corporate Objectives



# ***Growth Potential***

# Huge Industry Potential



# Future Ready

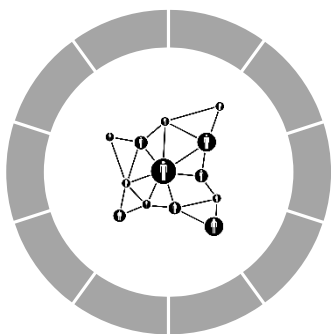
## Manufacturing Excellence

- Lean Manufacturing
- Maynard Operation Sequence Technique (MOST)



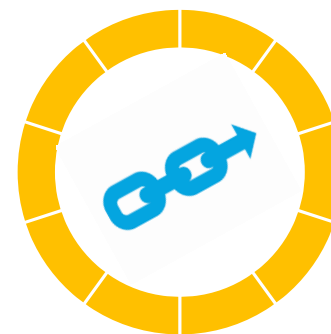
## Technology & Innovation

- 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



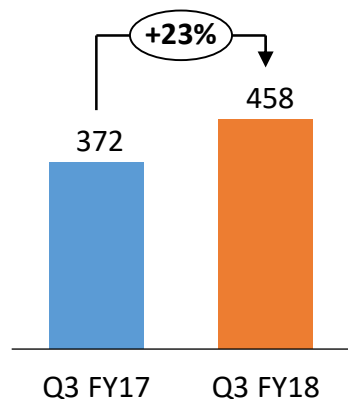
# ***Financial Performance***



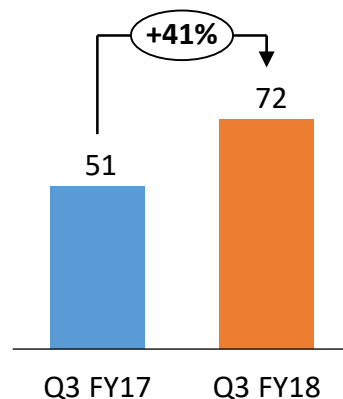
# Q3 FY18 : Performance Highlights

Rs. in Crores

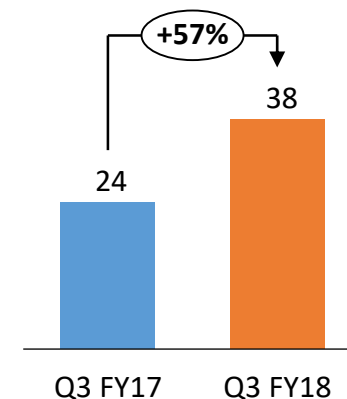
## Revenue



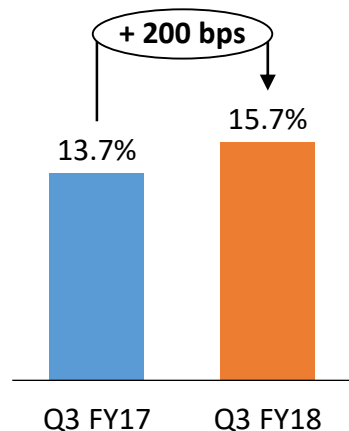
## EBITDA



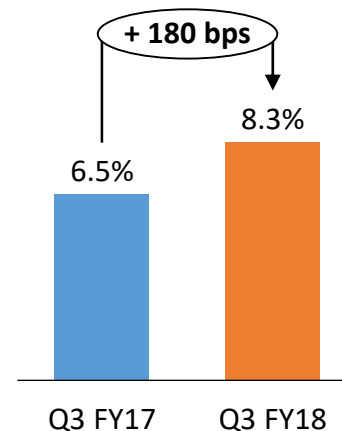
## PAT



## EBITDA (%)



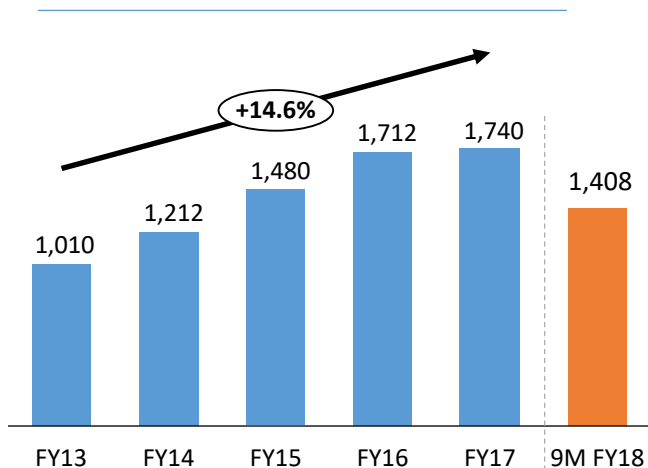
## PAT (%)



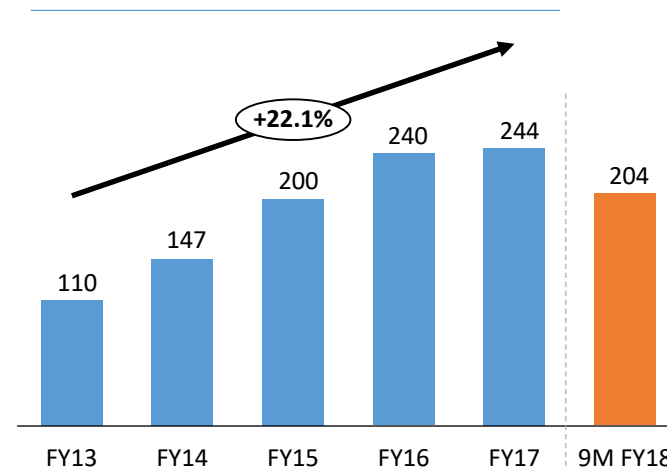
# Annual Performance Highlights

Rs. in Crores

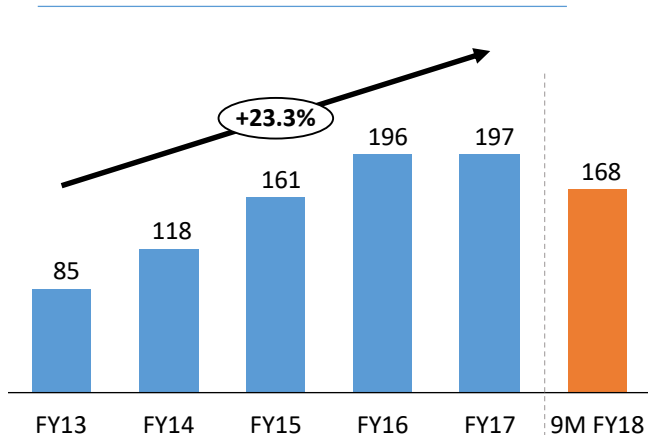
## Revenue



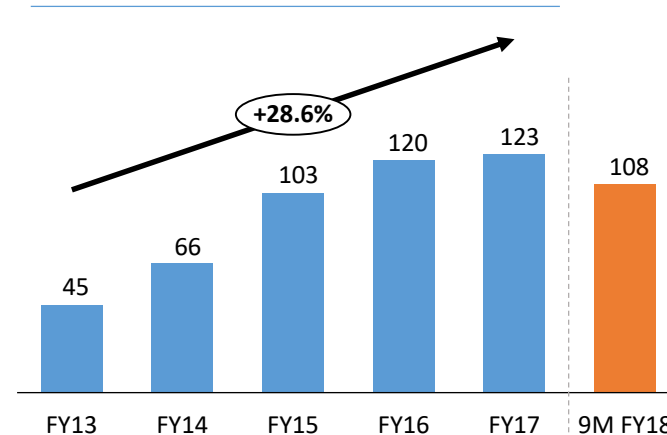
## EBITDA



## EBIT



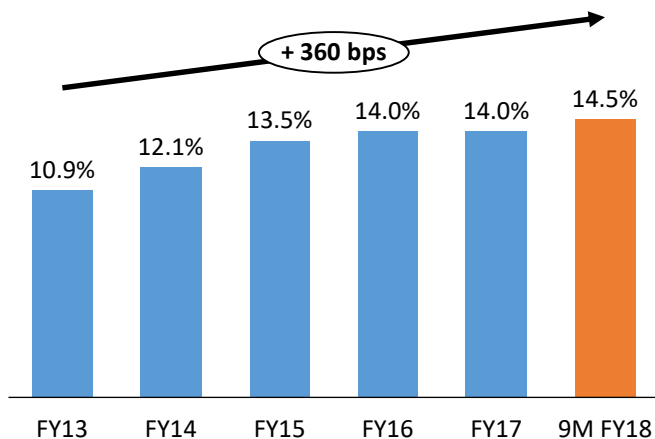
## PAT



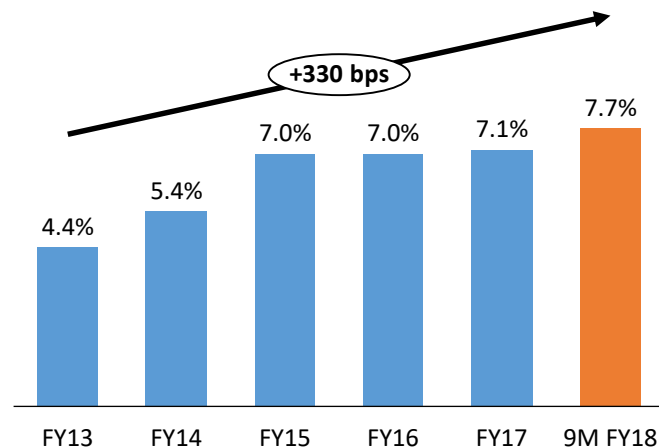
The Financial Results for 9M FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

# Operational Efficiencies

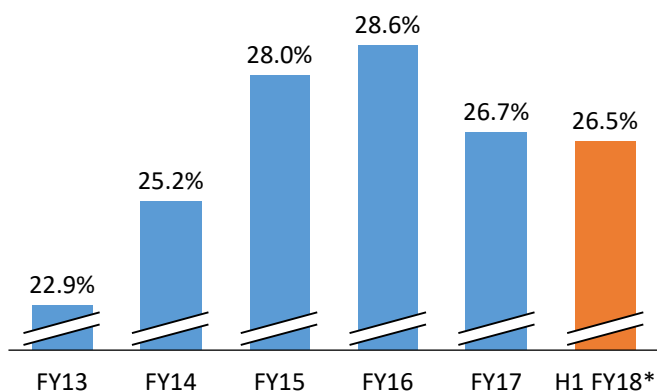
## EBITDA (%)



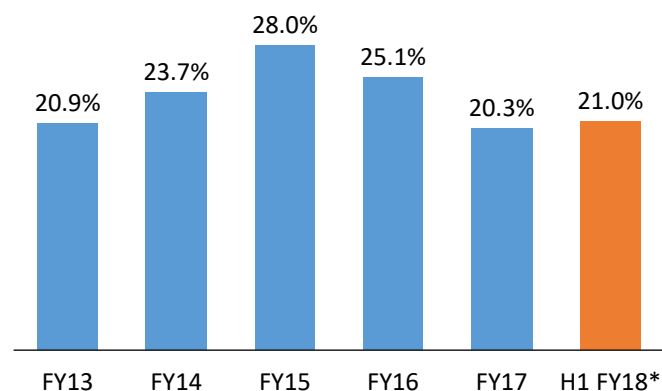
## PAT (%)



## RoCE (%)



## RoE (%)

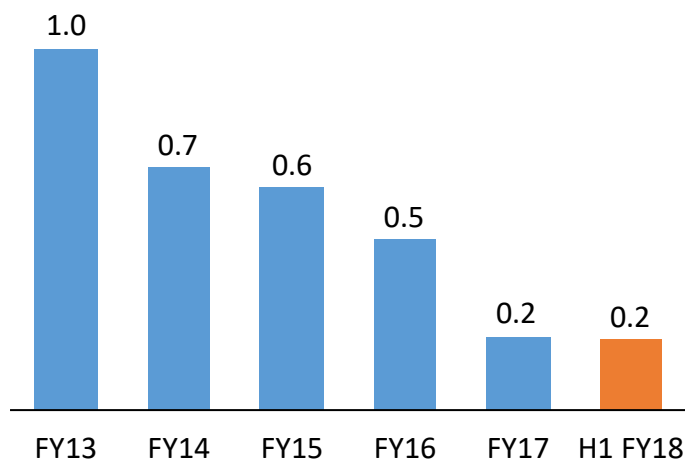


The Financial Results for 9M FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

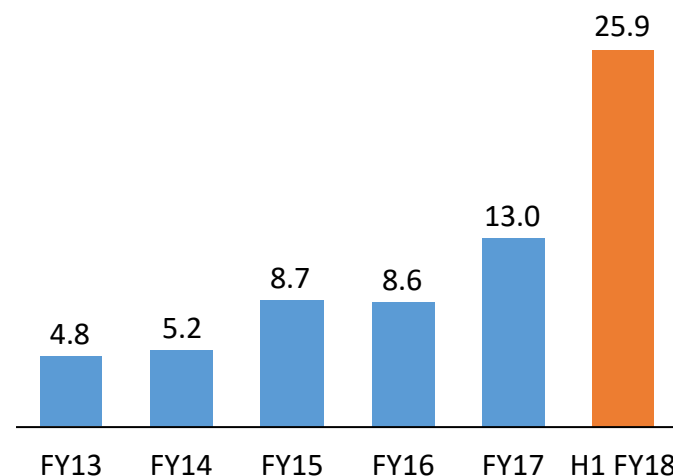
\* On Annualised Basis

# 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	AA- 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 – Q3 & 9M FY18

Particulars (Rs. Crs)	Q3 FY18	Q3 FY17	Y-o-Y	9M FY18	9M FY17	Y-o-Y
<b>Revenue from Operations</b>	<b>458*</b>	<b>372</b>	<b>23%</b>	<b>1,408*</b>	<b>1,177</b>	<b>20%</b>
Total Raw Material	197	160		625	502	
Employee Expenses	58	40		159	129	
Excise Duty	0	6		8	16	
Other Expenses	130	116		412	356	
<b>EBITDA</b>	<b>72</b>	<b>51</b>	<b>41%</b>	<b>204</b>	<b>174</b>	<b>18%</b>
<b>EBITDA %</b>	<b>15.7%</b>	<b>13.7%</b>		<b>14.5%</b>	<b>14.7%</b>	
Other Income	2	2		4	8	
Depreciation	14	13		41	38	
<b>EBIT</b>	<b>60</b>	<b>40</b>	<b>51%</b>	<b>168</b>	<b>143</b>	<b>17%</b>
<b>EBIT (%)</b>	<b>13.1%</b>	<b>10.6%</b>		<b>11.9%</b>	<b>12.1%</b>	
Finance Cost	2	4		6	12	
<b>Profit before Tax</b>	<b>58</b>	<b>36</b>	<b>62%</b>	<b>161</b>	<b>131</b>	<b>23%</b>
Tax	20	12		54	42	
<b>Profit after Tax</b>	<b>38</b>	<b>24</b>	<b>57%</b>	<b>108</b>	<b>88</b>	<b>22%</b>
<b>PAT %</b>	<b>8.3%</b>	<b>6.5%</b>		<b>7.7%</b>	<b>7.5%</b>	
EPS	3.17	2.02		8.95	7.35	

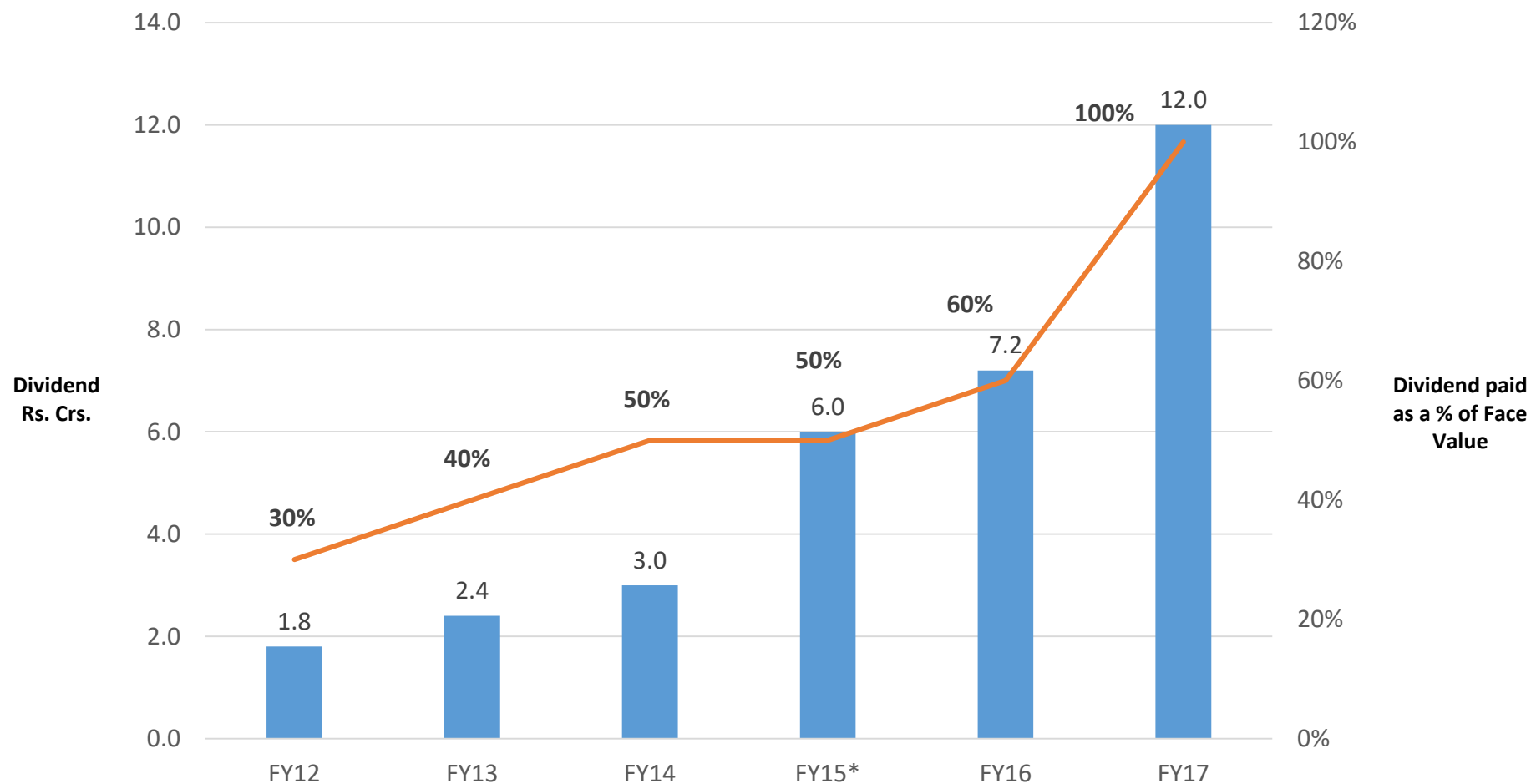
\* Revenue from operations is net of GST

# Balance Sheet – H1 FY18

Particulars (Rs. Crs.)	Sept – 17
Equity Share Capital	12
Other Equity	650
<b>Equity</b>	<b>662</b>
Financial Liabilities	
Borrowings	53
Other Financial Liabilities	0
Provisions	10
Deferred Tax Liabilities (Net)	24
<b>Non Current Liabilities</b>	<b>87</b>
Financial Liabilities	
Borrowings	98
Trade Payables	157
Other Financial Liabilities	90
Other Current Liabilities	75
Provisions	17
Current Tax Liabilities (Net)	6
<b>Current Liabilities</b>	<b>442</b>
<b>Total Equity and Liabilities</b>	<b>1,191</b>

Particulars (Rs. Crs.)	Sept – 17
Property, Plant and Equipment	454
Capital Work-in-Progress	90
Other Intangible Assets	73
Intangible Assets under Development	1
Financial Assets	
Investments	1
Loans	15
Other Financial Assets	1
Other Non Current Assets	12
<b>Non Current Assets</b>	<b>646</b>
Inventories	321
Financial Assets	
Trade Receivables	162
Cash and Cash Equivalents	1
Other Bank Balances	0
Loans	0
Other Financial Assets	3
Other Current Assets	57
<b>Current Assets</b>	<b>546</b>
<b>Total Assets</b>	<b>1,191</b>

# Consistent Dividend Paying



\* Post Bonus

**For further information, please contact:**

**Company :**

**Relaxo Footwears Limited**  
CIN: L74899DL1984PLC019097

Mr. Vikas Tak  
[vikastak@relaxofootwear.com](mailto:vikastak@relaxofootwear.com)

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

**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**  
CIN: U74140MH2010PTC204285

Ms. Payal Dave / Mr. Deven Dhruva  
[payal.dave@sgapl.net](mailto:payal.dave@sgapl.net) / [deven.dhruva@sgapl.net](mailto:deven.dhruva@sgapl.net)  
[+91 22 61146679](tel:+912261146679) / [+91 9833373300](tel:+919833373300)

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