

October 31, 2020

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

**Sub: Outcome of Board Meeting held on October 31, 2020 - Un-Audited Financial Results for the quarter and half year ended on September 30, 2020**

Dear Sir,

Pursuant to Regulation 30 and 33 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Un-Audited Financial Results of the Company along with Limited review report issued by M/s B R Maheswari & Co., Chartered Accountants, Statutory Auditors of the Company for the quarter and half year ended on September 30, 2020.

The Board meeting commenced at 12:00 Noon and concluded at 02:45 P.M.

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  
**CIN L74899DL1984PLC019097**



**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT**

**TO THE BOARD OF DIRECTORS OF RELAXO FOOTWEARS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results ("the Statement") of **RELAXO FOOTWEARS LIMITED** ("the Company") for the quarter and six months ended on September 30, 2020 being submitted by the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulation").
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended and read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement

**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT (continued)**

5. We draw attention to Note 6 of the Statement, which states the impact of COVID-19 pandemic on the operations of the Company. Our conclusion is not modified in respect of this matter.

For **B R Maheshwari & Co LLP**  
Chartered Accountants  
Firms' Registration No.001035N/N500050

*Sudhir*

**Sudhir Maheshwari**

Partner

Membership No.081075

UDIN: *20081075AAAA DX 7934*

New Delhi, October 31, 2020

# RELAXO FOOTWEARS LIMITED

Regd. Office: Aggarwal City Square, Plot No. 10, Manglam Place, District Centre, Sector - 3, Rohini, Delhi - 110085 (India)

Phone : 91-11-46800600, 46800700, Fax : 91-11-46800692, E-mail: rfi@relaxofootwear.com,

Website : www.relaxofootwear.com, CIN : L74899DL1984PLC019097

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(INR in Crore)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited					Audited
<b>INCOME</b>						
Revenue from Operations	575.87	363.58	621.77	939.45	1270.07	2410.48
Other Income	5.04	6.88	1.65	11.92	2.89	9.05
	580.91	370.46	623.42	951.37	1272.96	2419.53
<b>EXPENSES</b>						
Cost of Materials Consumed, including Packing Material	226.89	69.61	247.68	296.50	492.14	930.78
Purchases of Stock-in-Trade	22.96	9.02	47.91	31.98	81.41	162.08
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(27.41)	103.35	(23.98)	75.94	(4.40)	(53.54)
Employee Benefits Expense	73.56	56.70	72.17	130.26	144.57	293.99
Finance Costs	3.81	4.08	4.31	7.89	8.97	16.87
Depreciation and Amortisation Expense	27.78	27.50	27.76	55.28	54.31	109.42
Other Expenses	152.97	67.88	173.27	220.85	345.21	668.22
	480.56	338.14	549.12	818.70	1122.21	2127.82
<b>Profit Before Tax</b>	100.35	32.32	74.30	132.67	150.75	291.71
<b>Tax Expense</b>						
Current Tax	26.67	9.90	14.12	36.57	40.54	74.92
Deferred Tax	(1.42)	(1.80)	(10.36)	(3.22)	(10.08)	(9.46)
	25.25	8.10	3.76	33.35	30.46	65.46
<b>Profit for the period</b>	75.10	24.22	70.54	99.32	120.29	226.25
<b>Other Comprehensive Income / (Expenses) not to be reclassified to Profit or Loss in subsequent period</b>						
Remeasurement Gains / (Losses) on Defined Benefit Plan	1.35	(0.10)	0.02	1.25	0.05	(0.92)
Income Tax effect on above	(0.34)	0.03	-	(0.31)	(0.01)	0.23
	1.01	(0.07)	0.02	0.94	0.04	(0.69)
<b>Total Comprehensive Income for the period</b> (Comprising Profit and Other Comprehensive Income / (Expenses) for the period)	76.11	24.15	70.56	100.26	120.33	225.56
<b>Earnings Per Equity Share of INR 1/- each (In Rs.)</b>						
Basic	3.02	0.98	2.84	4.00	4.85	9.12
Diluted	3.02	0.97	2.84	3.99	4.84	9.10

See accompanying notes to the financial results

Rameen K D



## STATEMENT OF ASSETS AND LIABILITIES

(INR in Crore)

Particulars	As at September 30, 2020	As at March 31, 2020
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	730.82	750.09
Capital Work-in-Progress	50.34	43.81
Right-of-Use Asset	191.46	189.94
Intangible Assets	36.91	40.98
Intangible Assets under Development	1.48	1.79
Financial Assets		
Investments	0.20	0.20
Loans	18.53	18.49
Other Financial Assets	0.34	0.35
Other Non-Current Assets	15.03	4.23
	<b>1045.11</b>	<b>1049.88</b>
<b>Current Assets</b>		
Inventories	368.61	447.74
Financial Assets		
Investments	251.94	-
Trade Receivables	149.88	172.08
Cash and Cash Equivalents	2.98	2.55
Bank Balances other than Cash and Cash Equivalents	0.79	1.54
Loans	0.23	0.28
Other Financial Assets	19.95	28.03
Current Tax Assets (Net)	6.16	6.16
Other Current Assets	102.73	132.82
	<b>903.27</b>	<b>791.20</b>
<b>Total Assets</b>	<b>1948.38</b>	<b>1841.08</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	24.82	24.82
Other Equity	1349.36	1247.58
	<b>1374.18</b>	<b>1272.40</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Financial Liabilities		
Lease Liabilities	122.39	119.78
Other Financial Liabilities	0.14	0.01
Provisions	11.66	10.84
Deferred Tax Liabilities (Net)	21.84	24.75
	<b>156.03</b>	<b>155.38</b>
<b>Current Liabilities</b>		
Financial Liabilities		
Borrowings	29.17	19.16
Lease Liabilities	30.20	27.61
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	22.99	27.50
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	143.29	156.29
Other Financial Liabilities	89.64	73.50
Other Current Liabilities	67.08	58.59
Provisions	30.31	50.65
Current Tax Liabilities (Net)	5.49	-
	<b>418.17</b>	<b>413.30</b>
<b>Total Equity and Liabilities</b>	<b>1948.38</b>	<b>1841.08</b>

Ramesh K. J.



Particulars	Period ended September 30, 2020	Period ended September 30, 2019	Year ended March 31, 2020
<b>Cash flow from Operating Activities</b>			
Profit Before Tax	132.67	150.75	291.71
<b>Adjustments for</b>			
Depreciation and Amortisation Expense	55.28	54.31	109.42
Finance Costs including Interest on Lease Liabilities	7.89	8.97	16.87
Interest Income on Fixed Deposits and Security Deposits	(0.46)	(0.42)	(0.43)
Net Gain on Sale of Current Investments	(1.88)	(0.55)	(1.07)
Net Unrealised (Gain) / Loss on Foreign Currency Transactions and Translations	0.70	0.66	(0.75)
Net Gain on Lease Modification	(7.23)	-	-
Share Based Payments	1.51	1.47	2.94
Fair Valuation (Gain) / Loss on Derivative Instruments	2.88	(1.85)	(2.76)
Write Down of Inventories to net realisable value related to Raw Materials, Work-in-Progress and Finished Goods	-	-	2.90
Bad debts Written off	0.03	-	0.04
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance)	-	1.03	1.90
Net loss on Disposal / Write off of PPE and Intangible Assets	0.44	0.43	1.10
<b>Operating Profit Before Working Capital Changes</b>	<b>191.83</b>	<b>214.80</b>	<b>421.87</b>
<b>Changes in Working Capital</b>			
<b>Adjustments for (Increase) / Decrease in Operating Assets</b>			
Loans to Employees	0.01	0.02	0.08
Security Deposits	0.00	(1.11)	(1.37)
Other Non-Current Assets	1.76	0.52	(1.17)
Trade Receivables	20.03	3.30	51.38
Other Financial Assets	6.23	13.11	18.43
Other Current Assets	30.09	(39.89)	(56.76)
Inventories	79.13	7.52	(68.21)
<b>Adjustments for Increase / (Decrease) in Operating Liabilities</b>			
Trade Payables	(16.06)	(9.90)	8.46
Other Financial Liabilities	17.11	7.17	7.01
Provisions	(18.27)	5.03	21.90
Other Current Liabilities	8.50	6.87	0.41
<b>Net Cash Flow from / (used in) Working Capital</b>	<b>128.53</b>	<b>(7.36)</b>	<b>(19.84)</b>
<b>Cash Generated from Operations</b>	<b>320.36</b>	<b>207.44</b>	<b>402.03</b>
Taxes Paid (After adjusting Refund)	(31.08)	(48.14)	(83.13)
<b>Net Cash Generated from Operating Activities</b>	<b>289.28</b>	<b>159.30</b>	<b>318.90</b>

*Ramesh K D*

Relaxo Footwears Limited

Statement of Cash Flows for the period ended September 30, 2020 (contd.)

(INR in Crore)

Particulars	Period ended September 30, 2020	Period ended September 30, 2019	Year ended March 31, 2020
<b>Cash Flow from Investing Activities</b>			
Payment for Purchase of PPE including Capital Work-in-Progress and Intangible Assets	(32.96)	(73.90)	(116.10)
Proceeds from Sale of PPE and Intangible Assets	0.03	0.12	0.24
(Purchase) / Redemption of Current Investments (Net)	(250.06)	0.55	1.07
Interest Income Received	0.50	0.42	0.41
(Purchase) / Maturity of Bank Deposits held as Margin Money (Net)	0.72	(1.16)	(1.29)
<b>Net Cash Flow (used in) Investing Activities</b>	<b>(281.77)</b>	<b>(73.97)</b>	<b>(115.67)</b>
<b>Cash Flow from Financing Activities</b>			
Proceeds from Issuance of Equity Shares under Employee Stock Option Plan	-	-	0.02
Securities Premium received on exercise of Equity Shares issued under Employee Stock Option Plan	-	-	3.13
Proceeds from / (Repayment) of Current Borrowings (Net)	10.01	(15.32)	(67.76)
Repayment of Non-Current Borrowings	-	(17.45)	(23.65)
Repayment of Principal Lease Liabilities	(9.18)	(16.13)	(32.61)
Dividend Paid (Including Dividend Distribution Tax)	-	(26.91)	(64.32)
Finance Costs including Interest on Lease Liabilities	(7.89)	(9.26)	(17.37)
<b>Net Cash Flow (used in) Financing Activities</b>	<b>(7.06)</b>	<b>(85.07)</b>	<b>(202.56)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>0.45</b>	<b>0.26</b>	<b>0.67</b>
Cash and Cash Equivalents at beginning of the period	2.55	1.88	1.88
Exchange Fluctuation Gain / (Loss) on Foreign Currency Bank Balances	(0.02)	(0.02)	0.00
Cash and Cash Equivalents at end of the period	<b>2.98</b>	<b>2.12</b>	<b>2.55</b>
<b>Components of Cash and Cash Equivalents (At end of the period)</b>			
Balances with Banks on Current Accounts	2.49	1.54	2.21
Cash on Hand	0.49	0.58	0.34
	<b>2.98</b>	<b>2.12</b>	<b>2.55</b>

0.00 represents amount less than INR 50000/-

*Ramesh K Dey*



## 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 October 31, 2020. 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 reaffirmed Long term rating of the Company at [ICRA] AA with Stable outlook and also reaffirmed Short Term rating at [ICRA] A1+.
4. Other Income for the quarter and half year ended September 30, 2020 includes INR 1.86 crores and INR 6.99 crores respectively on account of lease rent waiver/reduction agreed by lessors for our rented premises.
5. Tax expenses for the quarter and half year ended September 30, 2020 reflect changes made vide Taxation Laws (Amendment) Ordinance 2019 as adopted by the Company. Therefore, effective tax rate of quarter ended September 30, 2020 is not comparable with previous comparative period of September 30, 2019 as the Company had recognised the full impact of this change in Profit & Loss for the quarter ended September 30, 2019.
6. With the easing out of COVID -19 related restrictions, the demand of our product's is on an upward trend, therefore the company is able to achieve 93% sales, as compared to corresponding quarter of previous year. The Company's operations are almost at pre covid levels and the liquidity position also is quite good.

For and on behalf of the Board of Directors



**Ramesh Kumar Dua**  
Managing Director  
DIN :00157872

Delhi, October 31, 2020