

November 2, 2019

BSE Ltd. Corporate Relationship Department 1st Floor New Trading Rotunda Building, P J Towers Dalal Street Fort, Mumbai – 400001	National Stock Exchange of India Ltd 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 November 2, 2019 - Unaudited
Financial Results for the quarter and half year ended on September 30, 2019**

Dear Sir,

Pursuant to Regulation 30 and 33 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Unaudited Financial Results of the Company for the quarter and half year ended on September 30, 2019 along with Limited Review Report issued by M/s BR Maheswari & Co. LLP, Chartered Accountants, Statutory Auditors on the Unaudited Financial Results of the Company for the quarter and half year ended on September 30, 2019.

The Board meeting commenced at 12:00 Noon and concluded at 2.25 P.M.

The same is for your information and record.

Thanking You,

For **Relaxo Footwears Limited,**


RELAXO FOOTWEARS LIMITED
DELHI

Vikas Kumar Tak
Company Secretary

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



RELAXO FOOTWEARS LIMITED

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

Phones : 46800600, 46800700, Fax No. : 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, 2019

(INR in Crore)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited					Audited
INCOME						
Revenue from Operations	621.77	648.30	543.13	1270.07	1105.11	2292.08
Other Income	1.65	1.24	6.26	2.89	8.68	12.98
Total Income	623.42	649.54	549.39	1272.96	1113.79	2305.06
EXPENSES						
Cost of Materials Consumed, including Packing Material	247.68	244.46	230.50	492.14	436.08	910.03
Purchases of Stock-in-Trade	47.91	33.50	57.90	81.41	93.52	217.53
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(23.98)	19.58	(34.36)	(4.40)	(15.02)	(55.24)
Employee Benefits Expense	72.17	72.40	62.05	144.57	126.88	258.66
Finance Costs	4.31	4.66	1.21	8.97	3.15	6.90
Depreciation and Amortisation Expense	27.76	26.55	15.59	54.31	29.57	62.41
Other Expenses	173.27	171.94	153.49	345.21	307.22	636.79
Total Expenses	549.12	573.09	486.38	1122.21	981.40	2037.08
Profit Before Tax	74.30	76.45	63.01	150.75	132.39	267.98
Tax Expense						
Current Tax	14.12	26.42	21.34	40.54	44.21	85.64
Deferred Tax	(10.36)	0.28	2.21	(10.08)	2.77	6.90
	3.76	26.70	23.55	30.46	46.98	92.54
Profit for the period	70.54	49.75	39.46	120.29	85.41	175.44
Other Comprehensive Income						
Items that will not be reclassified to Profit or Loss						
Remeasurement Gains / (Losses) on Defined Benefit Plan	0.02	0.03	0.20	0.05	0.05	0.09
Income Tax effect	-	(0.01)	(0.07)	(0.01)	(0.02)	(0.03)
	0.02	0.02	0.13	0.04	0.03	0.06
Total Comprehensive Income for the period	70.56	49.77	39.59	120.33	85.44	175.50
(Comprising Profit and Other Comprehensive Income for the period)						
Earnings Per Equity Share of INR 1/- each (In Rs.)						
Basic	2.84	2.01	1.64	4.85	3.55	7.07
Diluted	2.84	2.00	1.63	4.84	3.54	7.06

See accompanying notes to the Financial Results



STATEMENT OF ASSETS AND LIABILITIES

(INR in Crore)

Particulars	As at September 30, 2019	As at March 31, 2019
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	748.57	800.45
Capital Work-in-Progress	23.12	10.17
Right of Use Assets	205.50	-
Intangible Assets	44.60	47.69
Intangible Assets under Development	1.56	1.23
Financial Assets		
Investments	0.20	0.20
Loans	18.20	17.09
Other Financial Assets	0.62	0.12
Other Non-Current Assets	15.26	7.50
	1057.63	884.45
Current Assets		
Inventories	394.02	401.54
Financial Assets		
Trade Receivables	193.52	196.59
Cash and Cash Equivalents	2.12	1.88
Other Bank Balances	1.06	0.34
Loans	0.37	0.39
Other Financial Assets	32.41	43.07
Current Tax Assets (Net)	7.60	-
Other Current Assets	115.95	76.30
	747.05	720.11
Total Assets	1804.68	1604.56
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	24.81	12.40
Other Equity	1175.15	1092.67
Total Equity	1199.96	1105.07
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	129.69	-
Other Financial Liabilities	0.01	0.01
Provisions	10.50	9.00
Deferred Tax Liabilities (Net)	24.37	34.44
	164.57	43.45
Current Liabilities		
Financial Liabilities		
Borrowings	71.60	86.92
Lease Liabilities	29.29	-
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	16.59	13.68
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	166.91	177.25
Other Financial Liabilities	81.50	114.27
Other Current Liabilities	65.05	58.18
Provisions	7.16	3.69
Current Tax Liabilities (Net)	2.05	2.05
	440.15	456.04
Total Liabilities	604.72	499.49
Total Equity and Liabilities	1804.68	1604.56

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RELAXO FOOTWEARS LIMITED
Statement of Cash Flows for the period ended September 30, 2019

(INR in Crore)

Particulars	Period ended September 30, 2019	Period ended September 30, 2018	Year ended March 31, 2019
Cash flow from Operating Activities			
Profit Before Tax	150.75	132.39	267.98
Adjustments for			
Depreciation and Amortisation Expense	54.31	29.57	62.41
Finance Costs	8.97	3.15	6.90
Interest Income on Fixed Deposits and Security Deposits measured at Amortised Cost	(0.42)	(0.61)	(0.65)
Dividend Income on Current Investments	-	-	(1.15)
Net (Gain) on Sale of Current Investments	(0.55)	(0.78)	(1.06)
Net Unrealised (Gain) / Loss on Foreign Currency Transactions and Translations	0.66	1.03	(1.81)
Share Based Payments	1.47	2.77	4.68
Fair Valuation (Gain) / loss on Derivative Financial Instruments	(1.85)	(3.61)	2.49
Bad debts Written off	-	-	0.02
Allowances for Doubtful Trade Receivables (Expected Credit Loss Allowance)	1.03	0.81	0.55
Net loss on Disposal / Write off of Property, Plant, Equipment and Intangible Assets	0.43	0.24	1.22
Operating Profit Before Working Capital Changes	214.80	164.96	341.58
Changes in Working Capital			
Adjustments for (Increase) / Decrease in Operating Assets			
Loans to Employees	0.02	0.07	0.02
Security Deposits	(1.11)	(0.98)	(0.87)
Other Non-Current Assets	0.52	1.09	0.85
Trade Receivables	3.30	26.67	(24.18)
Other Financial Assets	13.11	(2.90)	(20.11)
Other Current Assets	(39.89)	(22.69)	(29.52)
Inventories	7.52	(16.90)	(87.61)
Adjustments for Increase / (Decrease) in Operating Liabilities			
Trade Payables	(9.90)	(7.26)	18.53
Other Financial Liabilities	7.17	5.60	6.26
Provisions	5.03	3.63	2.66
Other Current Liabilities	6.87	3.85	2.12
Cash Generated from Operations	207.44	155.14	209.73
Taxes Paid	(48.14)	(39.24)	(86.26)
Net Cash Generated from Operating Activities	159.30	115.90	123.47



Statement of Cash Flows for the period ended September 30, 2019 (contd.)

(INR in Crore)

Particulars	Period ended September 30, 2019	Period ended September 30, 2018	Year ended March 31, 2019
Cash Flow from Investing Activities			
Payment for Purchase of Property, Plant, Equipment including Capital Work-in-Progress and Intangible Assets	(73.90)	(45.66)	(92.41)
Proceeds from Sale of Property, Plant, Equipment and Intangible Assets	0.12	0.22	1.01
Net Proceeds from Sale of Current Investments including investments under Scheme of Amalgamation	0.55	0.78	32.05
Interest Income Received	0.42	0.66	0.69
Dividend Income Received	-	-	1.15
Investment in Bank Deposits held as Margin Money	(1.16)	(0.03)	0.60
Net Cash Flow (Used in) Investing Activities	(73.97)	(44.03)	(56.91)
Cash Flow from Financing Activities			
Proceeds from Issuance of Equity Shares under "RFL Employee Stock Option Plan 2014"	-	-	0.01
Securities Premium received on exercise of Equity Shares issued under "RFL Employee Stock Option Plan 2014"	-	-	3.16
Proceeds from Current Borrowings	15.22	-	20.75
Repayment of Current Borrowings	(30.54)	(26.73)	(19.92)
Repayment of Non-Current Borrowings	(17.45)	(21.21)	(42.41)
Repayment of Lease Liabilities	(16.13)	-	-
Dividend and Dividend Distribution Tax Paid	(26.91)	(21.76)	(21.76)
Finance Costs Paid including Interest on Lease Liabilities	(9.26)	(4.06)	(8.07)
Net Cash Flow (Used in) Financing Activities	(85.07)	(73.76)	(68.24)
Net Increase / (Decrease) in Cash and Cash Equivalents	0.26	(1.89)	(1.68)
Cash and Cash Equivalents at beginning of the period	1.88	3.12	3.12
Changes in Cash and Cash Equivalents under Scheme of Amalgamation	-	-	0.43
Exchange Fluctuation Gain / (Loss) on Foreign Currency Bank Balances	(0.02)	-	0.01
Cash and Cash Equivalents at end of the period	2.12	1.23	1.88
Components of Cash and Cash Equivalents (At end of the period)			
Balances with Banks on Current Accounts	1.54	0.37	0.73
Cash on Hand	0.58	0.86	1.15
	2.12	1.23	1.88



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, 2019. 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 & Commercial Paper rating at [ICRA] A1+.
4. The Company has chosen to exercise the option of lower tax rate of 25.168% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognised current tax for the half year ended September 30, 2019 and remeasured the deferred tax liability on the basis of revised rate of tax. The full impact of this change has been recognised in Profit & Loss for the quarter ended September 30, 2019.
5. The Company has given effect of bonus shares in calculating EPS for all comparative periods in accordance with Ind AS 33 "Earnings per Share".
6. Effective April 1, 2019 (transition date), the Company has adopted Ind AS 116 "Leases" using the modified retrospective method, as a result of which comparative information is not restated. Due to adoption of new Accounting Standard, profit before tax for the quarter and half year ended September 30, 2019 is lower by INR 2.07 crores and INR 4.08 crores respectively.

For and on behalf of the Board of Directors



Ramesh Kumar Dua
Managing Director
DIN :00157872

Delhi, November 2, 2019

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, 2019 being submitted by the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulation, 2015). Attention is drawn to the fact that the figures for cash flow for the six months ended on September 30, 2018, as reported in these financial results have been approved by the Company's Board of Directors, but have not been subjected to review.
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, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 specified in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 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 of SEBI including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Sudhir

Sudhir Maheshwari
Partner

Membership No.081075

Delhi, November 02, 2019

UDIN: - 19081075 AAAA CP 2206

