

RELAXO

16th May, 2018

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|---|--|
| 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: Investor Presentation on Audited Financial Results for the Quarter and Financial Year ended as on 31st March, 2018.

Dear Sir,

Please find enclosed Investor Presentation on Audited Financial Results for the Quarter and Financial Year ended as on 31.03.2018.

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: rfi@relaxofootwear.com
CIN L74899DL1984PLC019097



RELAXO FOOTWEARS LIMITED

Investor Presentation – May, 2018

RELAXO

Safe Harbor

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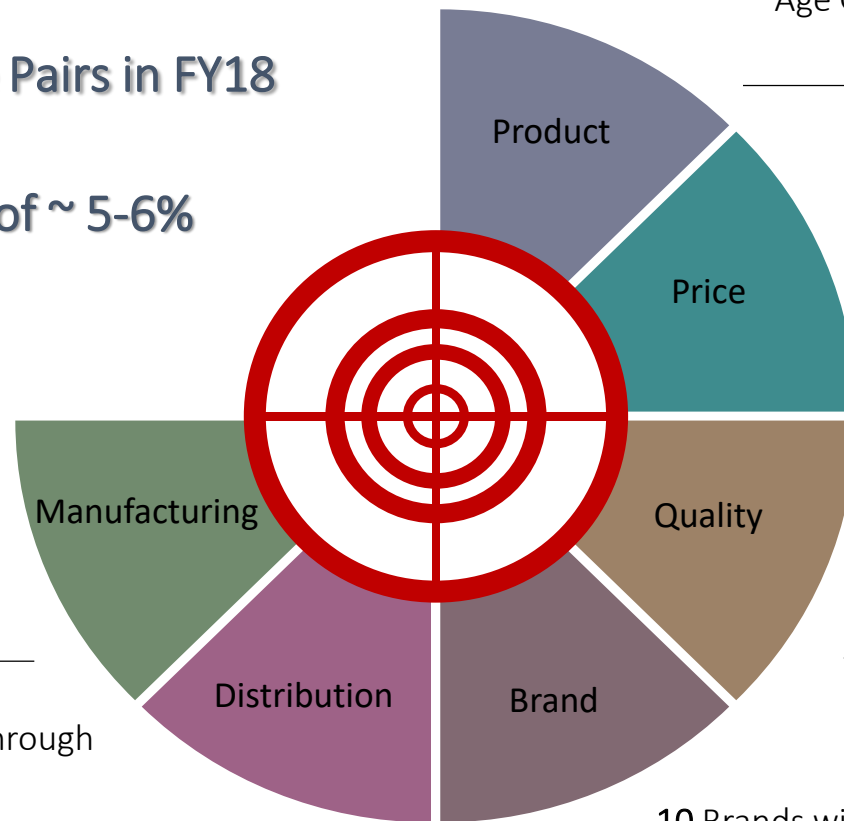
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Our Strengths

Market Leaders

Sold **15.7** crore Pairs in FY18

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

302 Retail Stores
1 Overseas office

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

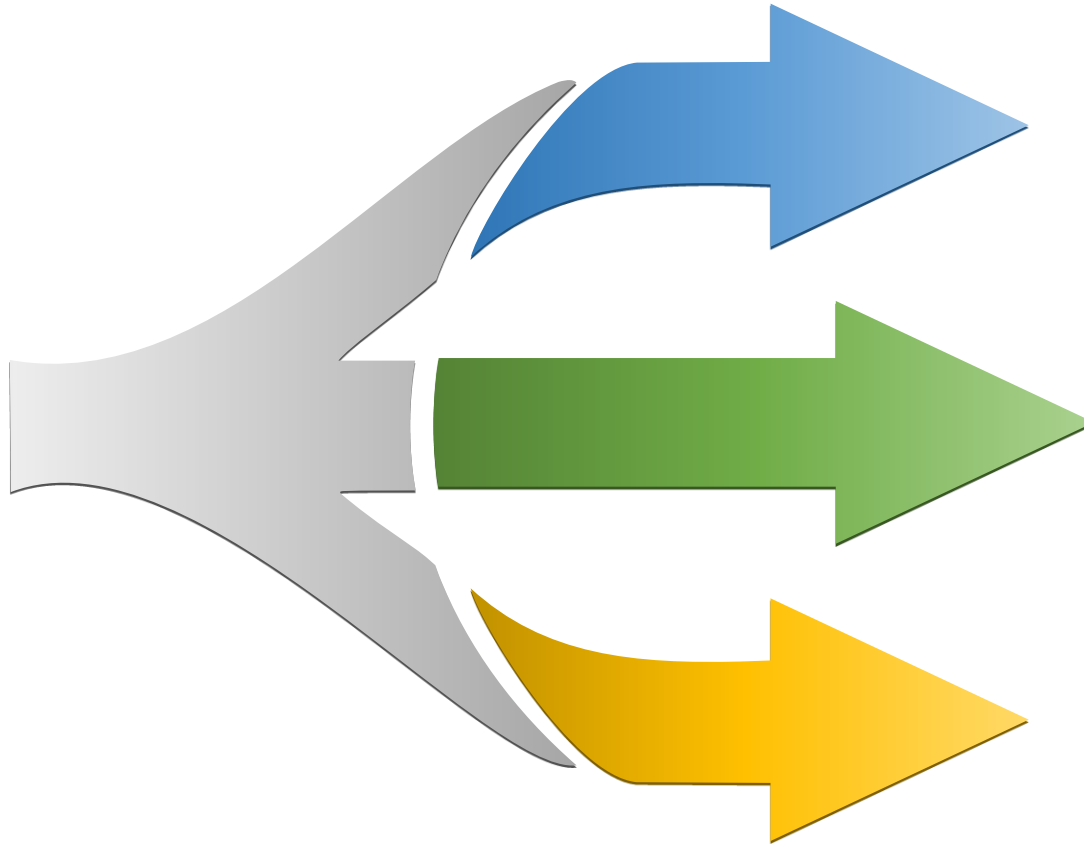


SKUs

Over 6,000 SKUs across Product Designs for Various Sizes



Value for Money



Fashionable

+

Comfortable

+

Affordable

=

“VFM”

Committed to Quality



Monitor every stage of manufacturing process

- Designing
- Raw Materials
- Production Process
- Packaging
- Final Products

Products are subject to:

- Random Testing
- Batch Testing
- Tactical Wear Testing

- ISO 9001:2015
- ISO 14001:2015
- ISO 18001:2007
- BIS/SATRA Manufacturing Standards
- CLE (Council for Leather Export)

Brand Spectrum



Brand for all Categories

Brand Overview

Target Consumer

Brand Ambassador



Most Popular Brand of Rubber / Eva slippers

All strata of the Society

Salman Khan



Fashionable and Light weight footwear

Fashion conscious consumers

Akshay Kumar



A range of sports and canvas shoes, sandals and slippers

Upwardly mobile youth




A trendy and fashionable flip-flops

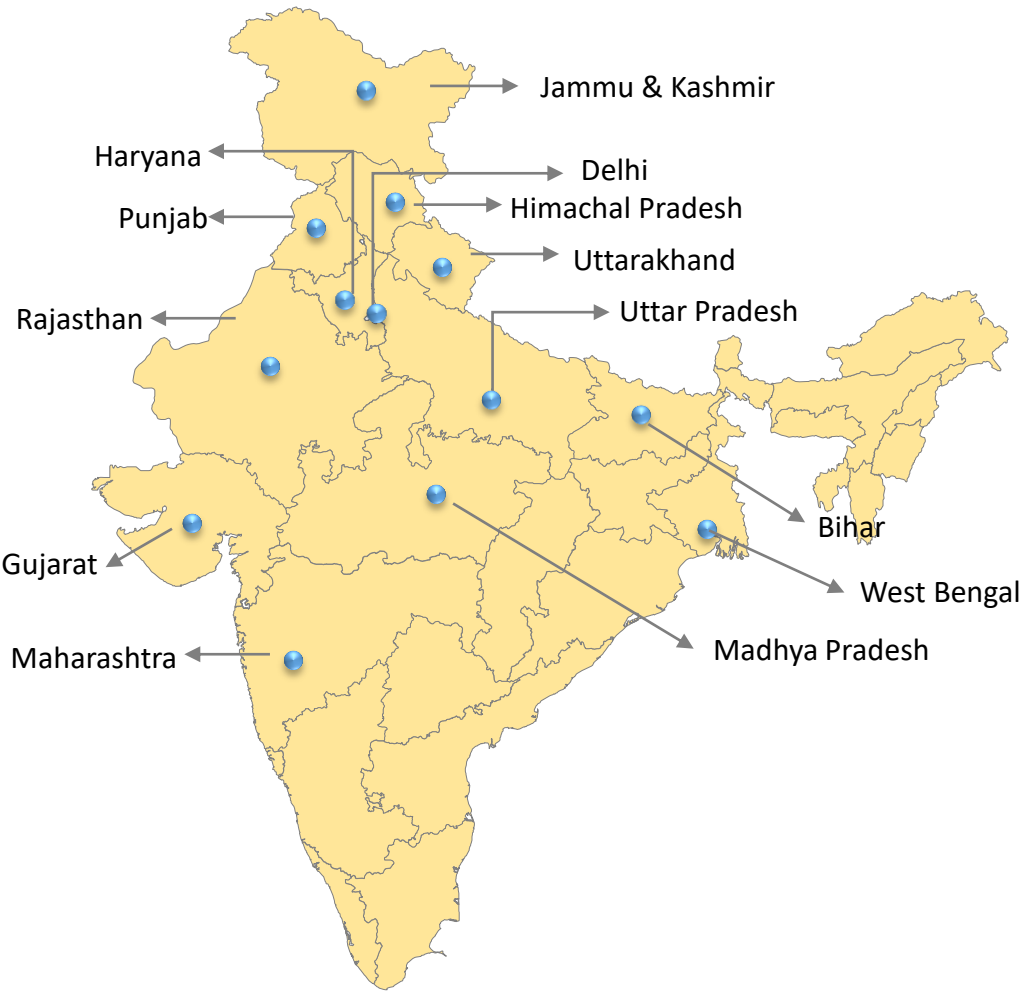
Contemporary generation




A range of school shoes for boys and girls

School Students

Pan India Footprint



- Retail Stores
- Distributors

Relaxo Retail Stores

| State | Number of Stores |
|------------------|------------------|
| Uttar Pradesh | 79 |
| Delhi | 59 |
| Punjab | 38 |
| Haryana | 31 |
| Himachal Pradesh | 7 |
| Rajasthan | 20 |
| Gujarat | 12 |
| Madhya Pradesh | 22 |
| Jammu & Kashmir | 10 |
| Uttarakhand | 8 |
| Maharashtra | 8 |
| Bihar | 5 |
| West Bengal | 2 |
| Chandigarh | 1 |
| Total | 302 |

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



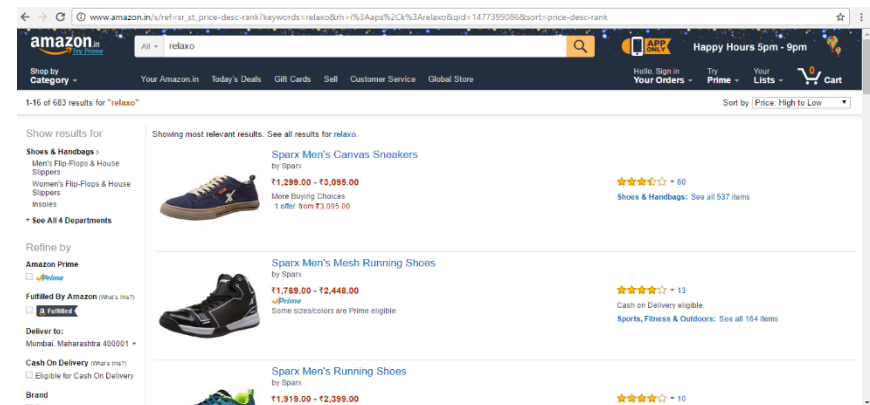
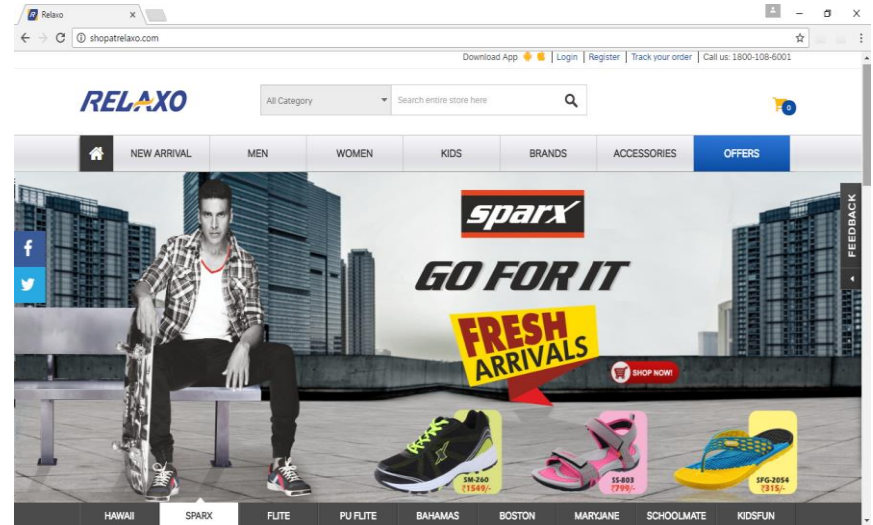
302 Retail Stores across India

Reach over ~ 50,000 + Retailers

1 Overseas office

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
Finalist amongst India's Best CEO-2017 by EY



Mr. Ramesh Kumar Dua
awarded as India's Best CEO (Consumer Goods) :
Business Today - 2017



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



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
2016-17



1st Place for Excellent
Export Performance
Council for Leather Exports
2015-16

Awards & Accolades

Year 2017



Relaxo
India's Top 50 Company
Forbes

dun & bradstreet



India's Top 500 Company
[Total Income]
Dun & Bradstreet 2017

Safety Rating



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

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



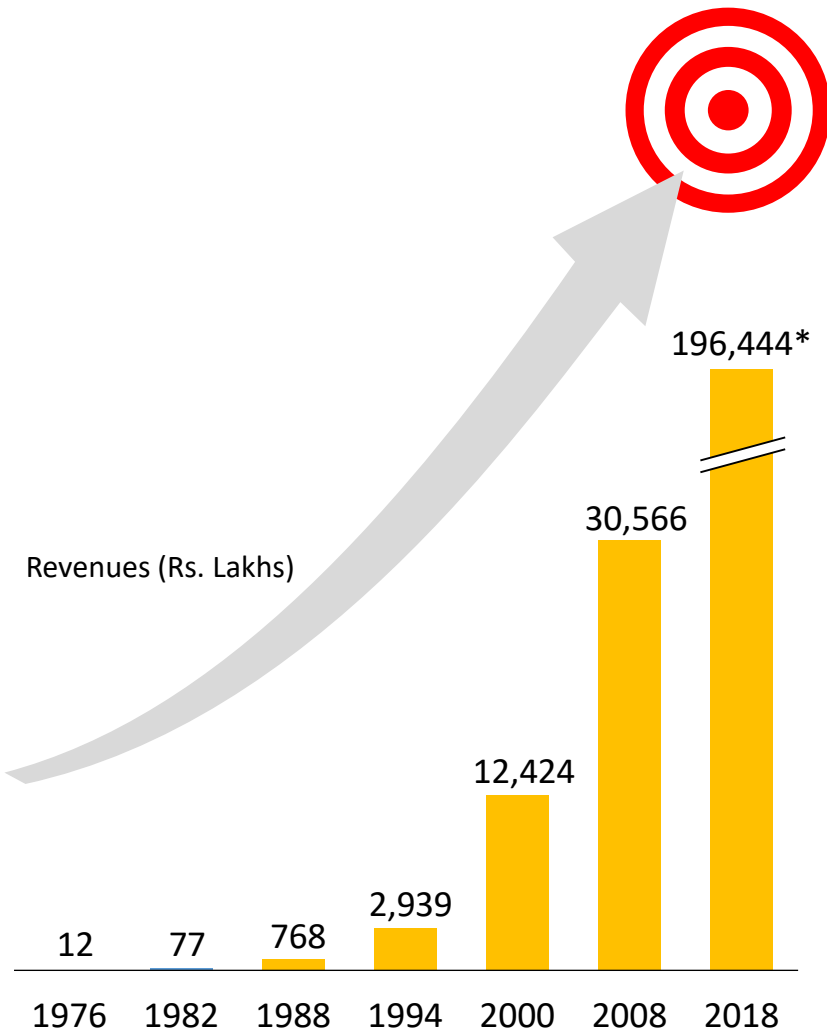
ET 500 :
Future Ready Company
The Economic Times 2016



Making It Big
CNBC TV 18
HSBC 2016

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

2017: Revamp of the RELAXO Brand

- 5S journey initiated in manufacturing locations

2018: 300th Retail Store opens

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

Board of Directors

Ramesh Kumar Dua, Managing Director

- Over 42 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 45 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 22 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 37 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 34 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 Kerala 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 30 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 17 years of experience in Sales & Marketing.

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

MBA having over 18 years of experience in Finance, HR & IT

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

MBA having over 14 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 30 years of experience in Sales & Marketing

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

FCA having over 27 years of experience in Finance, Taxation, Fund raising and Management

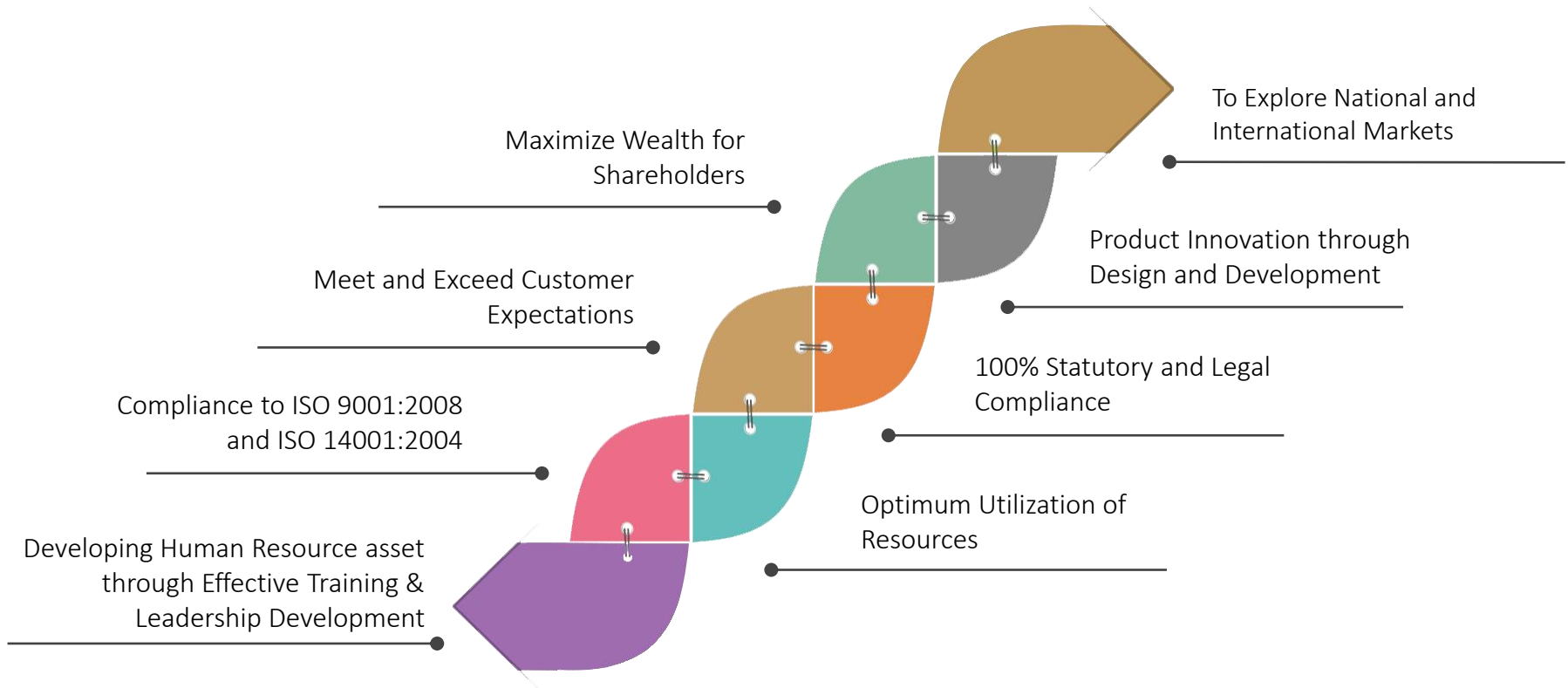
**Mr. HR Sapra,
Sr. VP - Materials**

BE having over 45 years of experience in Materials & Procurement

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

Graduate having over 8 years of experience in Manufacturing

Corporate Objectives



Growth Potential

Huge Industry Potential



Future Ready

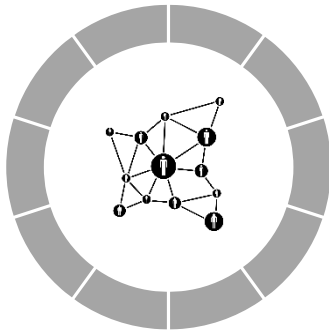
Manufacturing Excellence

- Lean Manufacturing
- Maynard Operation Sequence Technique (MOST)



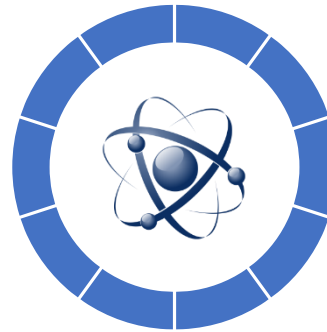
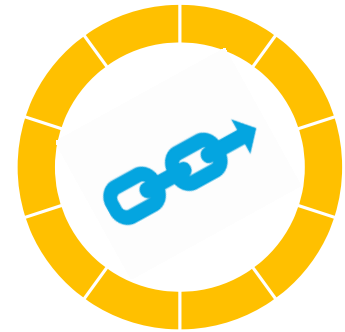
Technology & Innovation

- 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
- Optimised Cost & Ideal SLA's



Sales & Distribution

- Channel Management Initiatives
- Distribution consolidation & footprint expansion
- Modern Trade and E-Commerce Platform

Cost Optimization

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

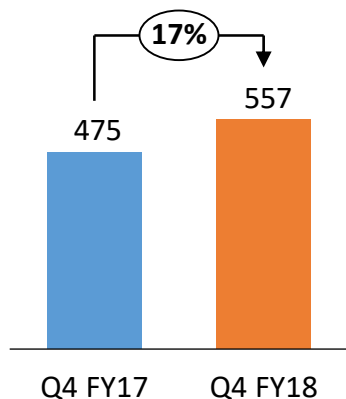


Financial Performance

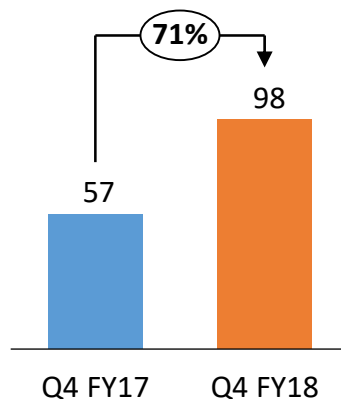
Q4 FY18 : Performance Highlights

Rs. in Crores

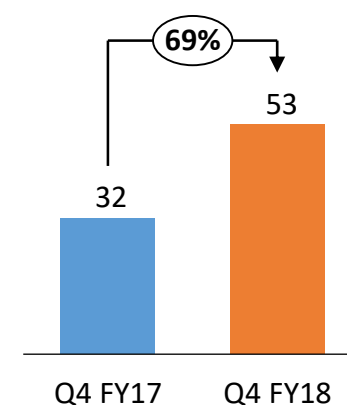
Revenue



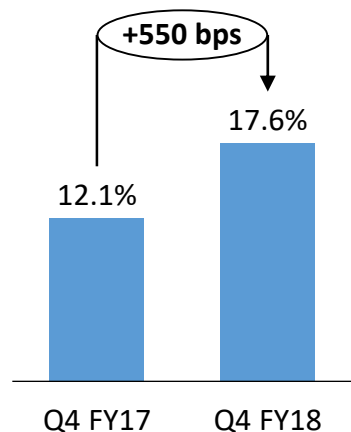
EBITDA



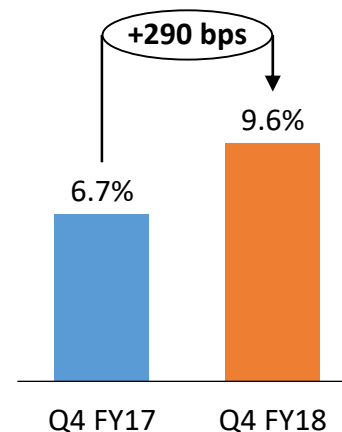
PAT



EBITDA (%)



PAT (%)

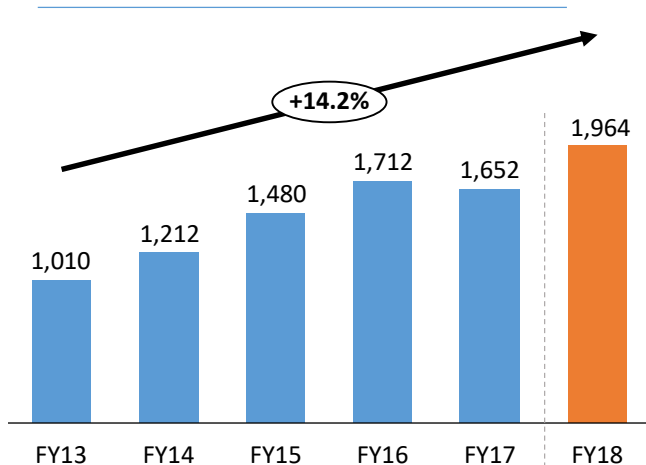


The Financial Results for FY17 and FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

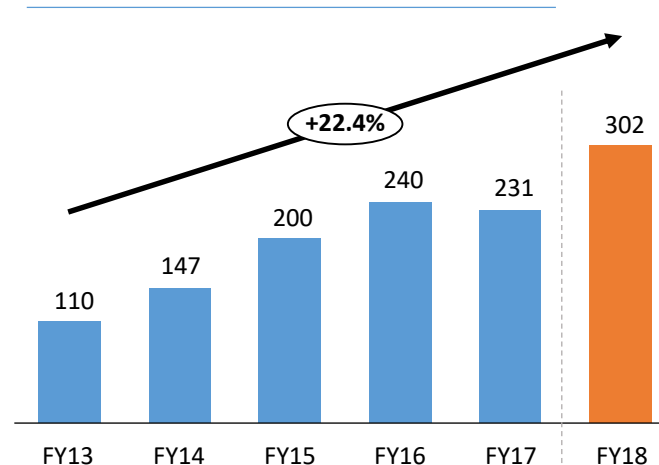
Annual Performance Highlights

Rs. in Crores

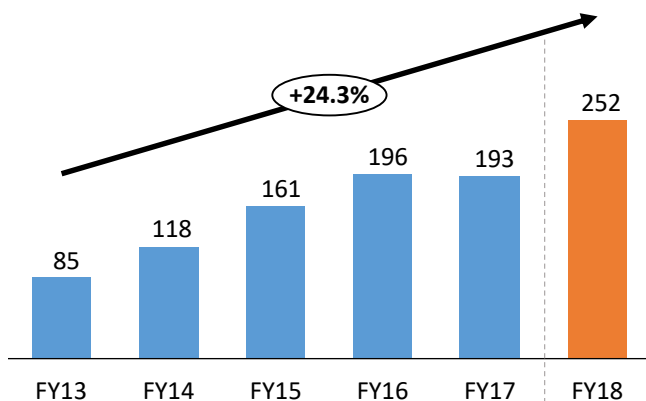
Revenue



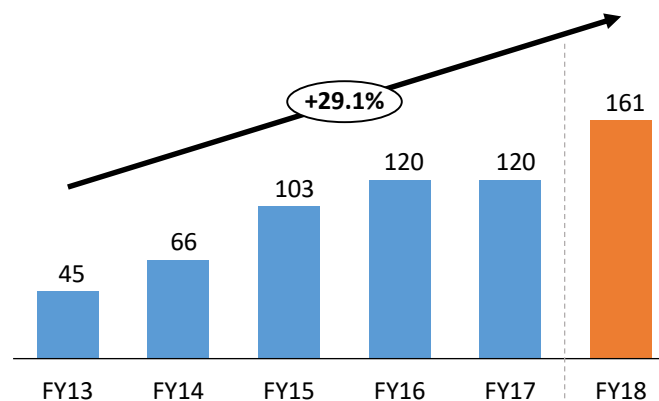
EBITDA



EBIT



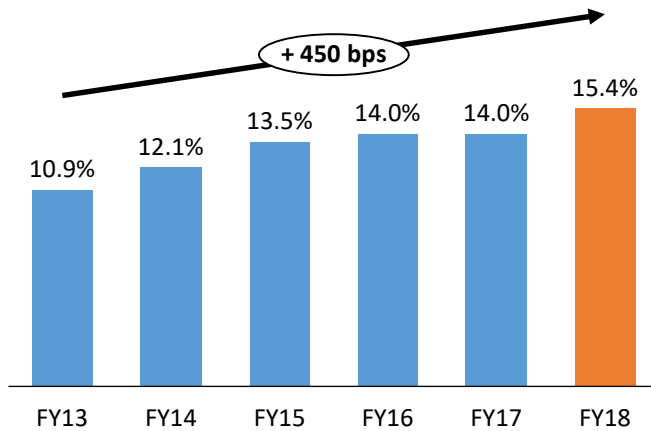
PAT



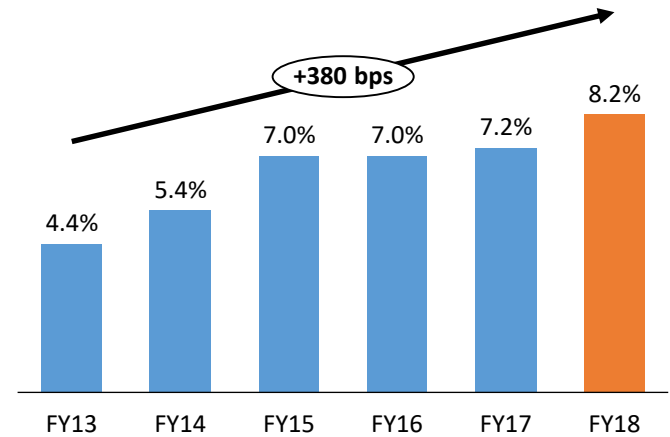
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Operational Efficiencies

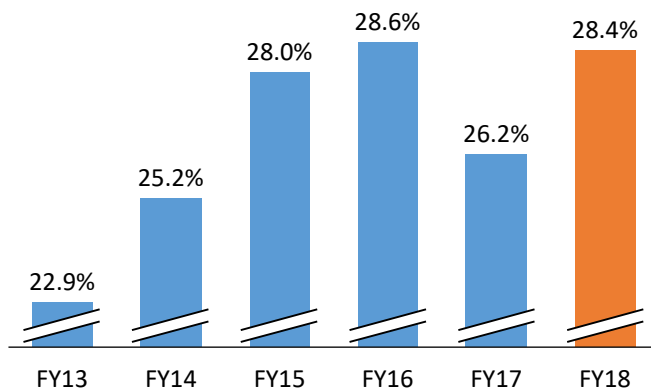
EBITDA (%)



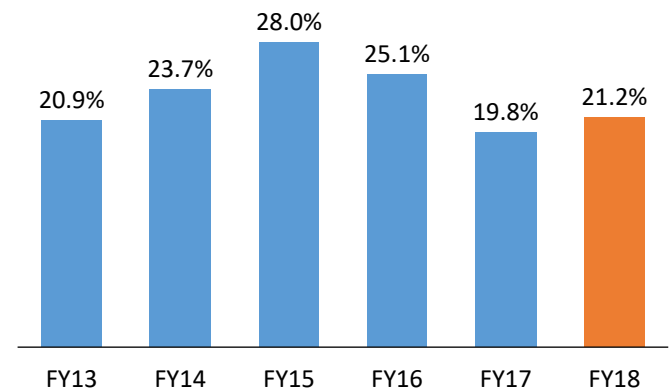
PAT (%)



RoCE (%)



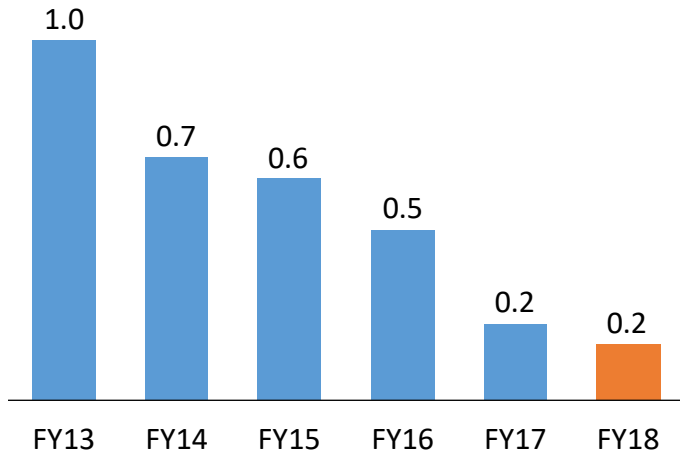
RoE (%)



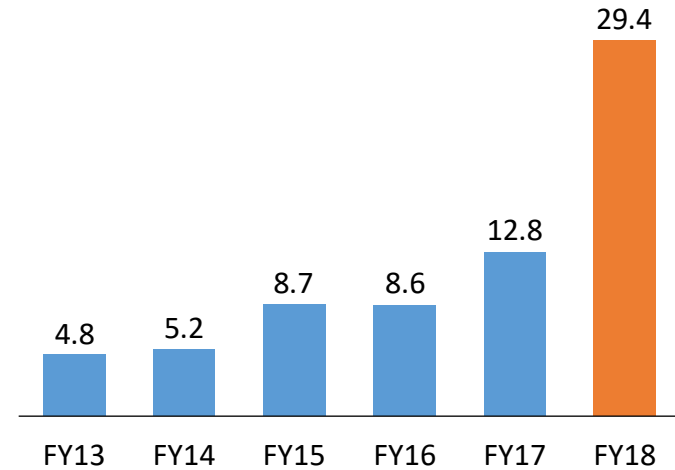
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Debt Ratings & Profile

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 – Q4 & FY18

| Particulars (Rs. Crs) | Q4 FY18 | Q4 FY17 | Y-o-Y | FY18 | FY17 | Y-o-Y |
|--------------------------------|--------------|--------------|------------|---------------|--------------|------------|
| Revenue from Operations | 557* | 475 | 17% | 1,964* | 1,652 | 19% |
| Total Raw Material | 258 | 223 | | 883 | 726 | |
| Employee Expenses | 55 | 48 | | 214 | 177 | |
| Excise Duty | 0 | 5 | | 8 | 21 | |
| Other Expenses | 146 | 141 | | 558 | 497 | |
| EBITDA | 98 | 57 | 71% | 302 | 231 | 31% |
| EBITDA % | 17.6% | 12.1% | | 15.4% | 14.0% | |
| Other Income | 1 | 6 | | 4 | 14 | |
| Depreciation | 14 | 13 | | 54 | 51 | |
| EBIT | 85 | 50 | 69% | 252 | 193 | 31% |
| EBIT (%) | 15.2% | 10.6% | | 12.8% | 11.7% | |
| Finance Cost | 2 | 3 | | 9 | 15 | |
| Profit before Tax | 82 | 47 | 74% | 244 | 178 | 37% |
| Tax | 29 | 16 | | 83 | 58 | |
| Profit after Tax | 53 | 32 | 69% | 161 | 120 | 34% |
| PAT % | 9.6% | 6.7% | | 8.2% | 7.2% | |
| EPS | 4.45 | 2.64 | | 13.40 | 9.99 | |

* Revenue from operations is net of GST

The Financial Results for FY17 and FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

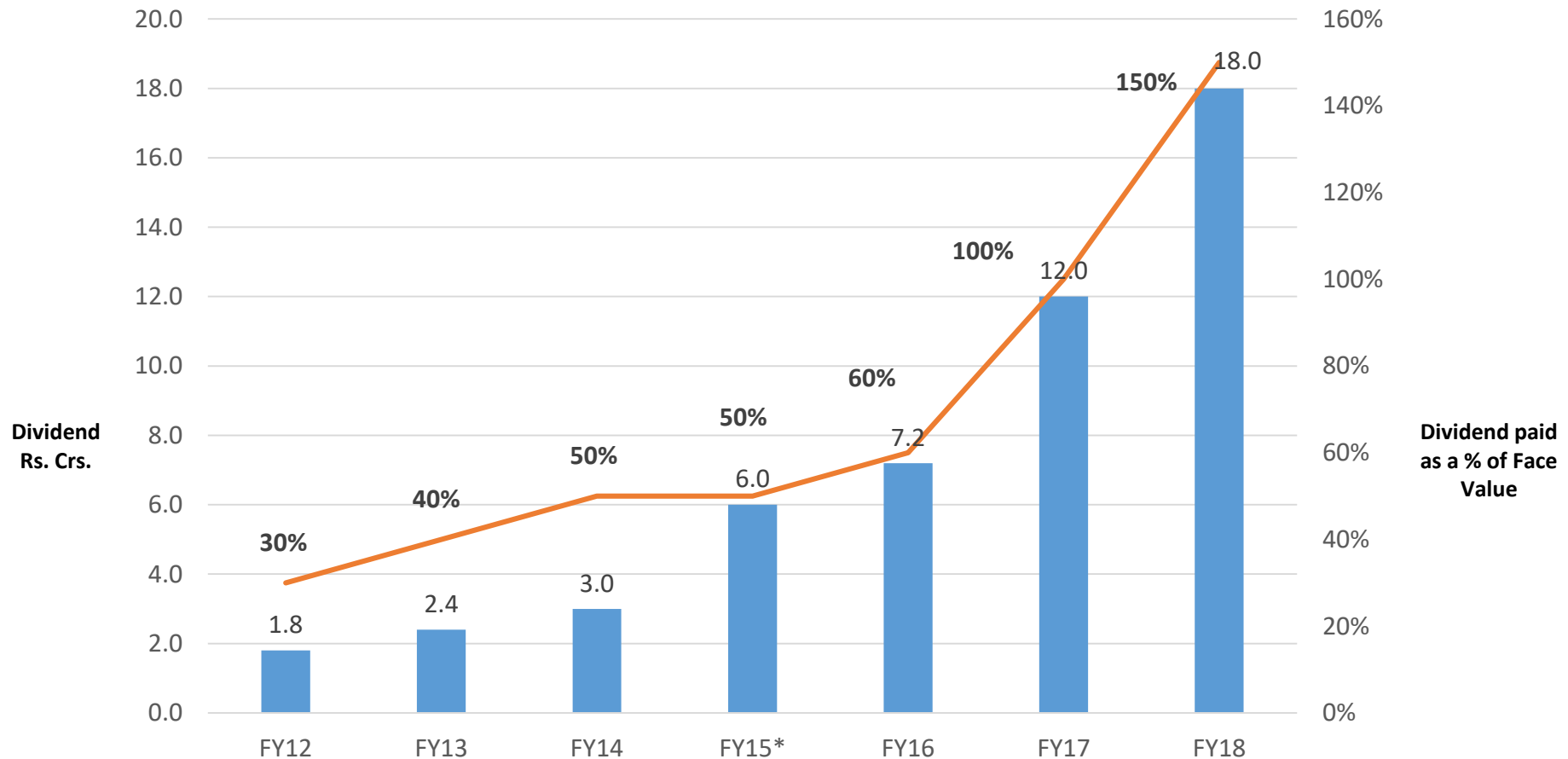
Balance Sheet

| Particulars (Rs. Crs.) | March – 18 | March-17 |
|-------------------------------------|--------------|--------------|
| Equity Share Capital | 12 | 12 |
| Other Equity | 749 | 594 |
| Equity | 761 | 606 |
| Financial Liabilities | | |
| Borrowings | 39 | 71 |
| Other Financial Liabilities | 1 | 0 |
| Provisions | 8 | 7 |
| Deferred Tax Liabilities (Net) | 26 | 26 |
| Non Current Liabilities | 74 | 104 |
| Financial Liabilities | | |
| Borrowings | 86 | 61 |
| Trade Payables | 175 | 126 |
| Other Financial Liabilities | 93 | 99 |
| Other Current Liabilities | 70 | 70 |
| Provisions | 7 | 2 |
| Current Tax Liabilities (Net) | 3 | 1 |
| Current Liabilities | 433 | 360 |
| Total Equity and Liabilities | 1,269 | 1,070 |

| Particulars (Rs. Crs.) | March – 18 | March-17 |
|-------------------------------------|--------------|--------------|
| Property, Plant and Equipment | 470 | 480 |
| Capital Work-in-Progress | 136 | 62 |
| Intangible Assets | 55 | 61 |
| Intangible Assets under Development | 1 | 1 |
| Financial Assets | | |
| Investments | 0 | 1 |
| Loans | 16 | 15 |
| Other Financial Assets | 1 | 1 |
| Other Non Current Assets | 9 | 4 |
| Non Current Assets | 688 | 624 |
| Inventories | 314 | 290 |
| Financial Assets | | |
| Investments | 1 | 0 |
| Trade Receivables | 192 | 123 |
| Cash and Cash Equivalents | 3 | 4 |
| Other Bank Balances | 1 | 0 |
| Loans | 0 | 0 |
| Other Financial Assets | 1 | 3 |
| Other Current Assets | 68 | 26 |
| Current Assets | 581 | 447 |
| Total Assets | 1,269 | 1,070 |

The Financial Results for FY17 and FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

Consistent Dividend Paying



The Board has recommended Final dividend of Rs. 1.50 per share of the face value of Re. 1/- each (150%) for FY18 subject to approval by the Members at the forthcoming Annual General Meeting

* Post Bonus

For further information, please contact:

Company :

Relaxo Footwears Limited
CIN: L74899DL1984PLC019097

Mr. Vikas Tak
vikastak@relaxofootwear.com

www.relaxofootwear.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.
CIN: U74140MH2010PTC204285

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

www.sgapl.net

The logo for RELAXO, featuring the word "RELAXO" in a bold, blue, sans-serif font. A stylized orange and yellow swoosh is positioned under the letter "A".