RELAXO FOOTWEARS LIMITED

Investor Presentation – November, 2017

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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

~**8** State of Art Manufacturing Plants with World Class Concepts

Every stage of manufacturing process monitored with stringent Quality Tests

~50,000 Retailers served through distributors

277 COCO Stores

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

Customer Relevant Products

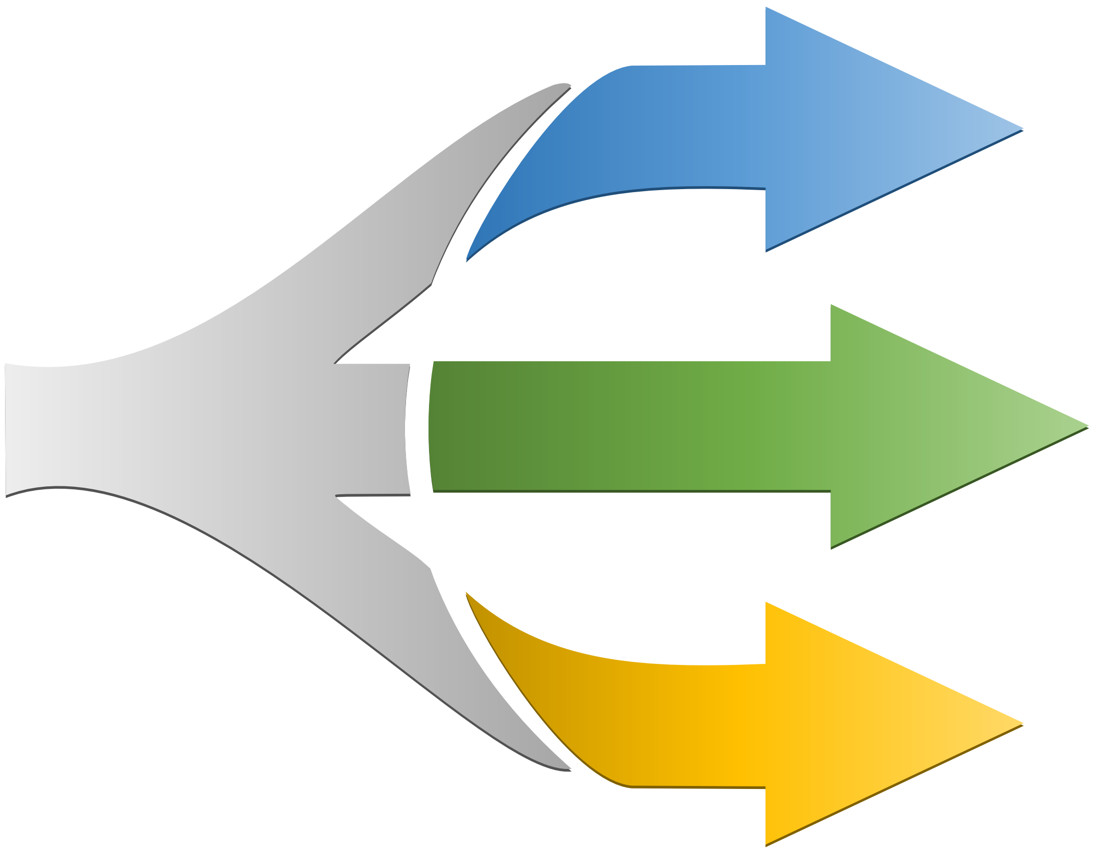
Market Research	Regular Market Sensing Exercises to understand the Consumer Needs across different Regional, Economic and Demographic strata
Product Innovation	In-house design capability enables continuous Product Innovation around functionality. Launched innovative portal for employee engagement to 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

Monitor every stage of manufacturing process
- Raw Materials
- Production Process
- Packaging
- Designing
- Final Products

- ISO 9001:2008
- ISO 14001:2004
- BIS/SATRA Manufacturing Standards
- CLE (Council for Leather Export)

Products are subject to:
- Random Testing
- Batch Testing
- Tactical Wear Testing

Brand Spectrum

RELAXO

FLITE
FASHIONABLE & LITE

SPARX
GO FOR IT

SCHOOLMATE
A STEP AHEAD

ELENA

Bahamas

BOSTON

Casualz

Mary Jane

KIDS FUN

Brand for all Categories

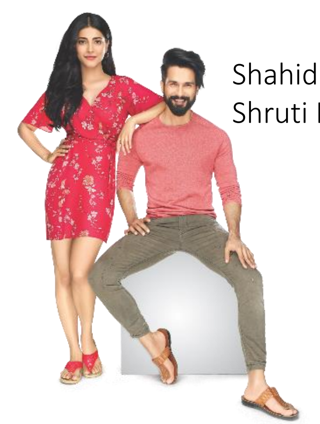
	Brand Overview	Target Consumer
RELAXO	Most Popular Brand of Rubber / Eva slippers	All strata of the Society
FLITE FASHIONABLE & LITE	Fashionable and Light weight footwear	**Fashion conscious consumers**
sparx GO FOR IT	A range of sports and canvas shoes, sandals and slippers	Upwardly mobile youth
Bahamas	A trendy and fashionable flip-flops	Contemporary generation
SCHOOLMATE A STEP AHEAD	A range of school shoes for boys and girls	School Students

Brand Ambassador

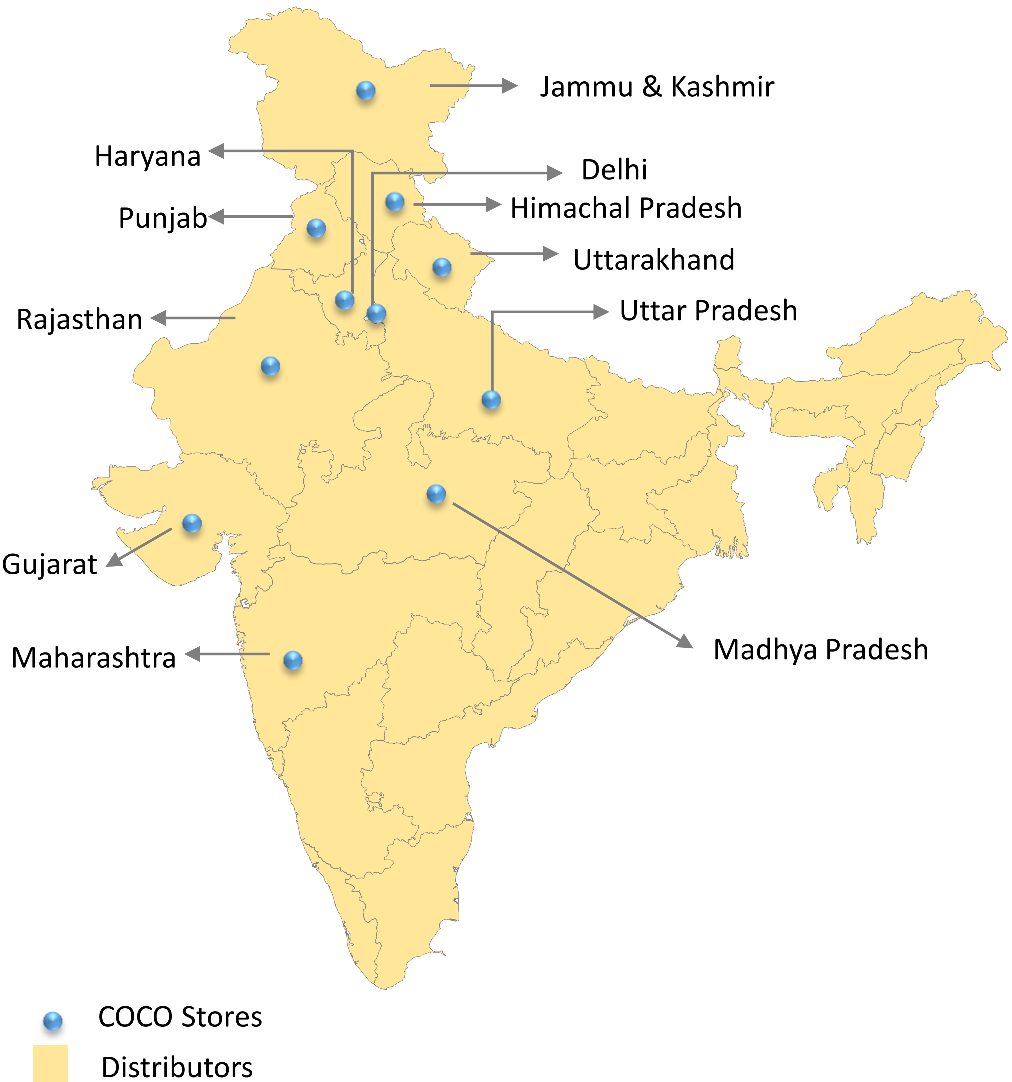
Salman Khan

Akshay Kumar

Shahid Kapoor & Shruti Haasan



Pan India Footprint



Relaxo Retail Stores (COCO)

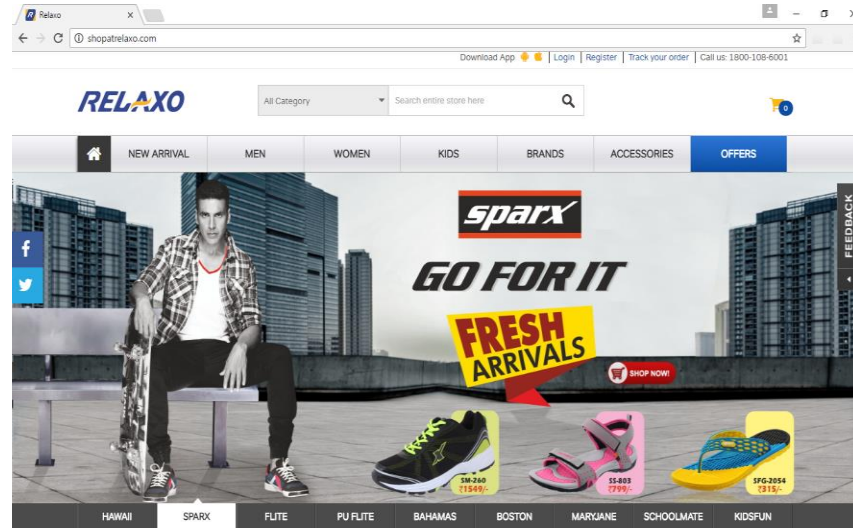
State	Number of Stores
Uttar Pradesh	74
Delhi	57
Punjab	38
Haryana	30
Himachal Pradesh	5
Rajasthan	20
Gujarat	14
Madhya Pradesh	15
Jammu & Kashmir	10
Uttarakhand	7
Maharashtra	6
Chandigarh	1
Total	**277**

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



277 COCO Stores across India

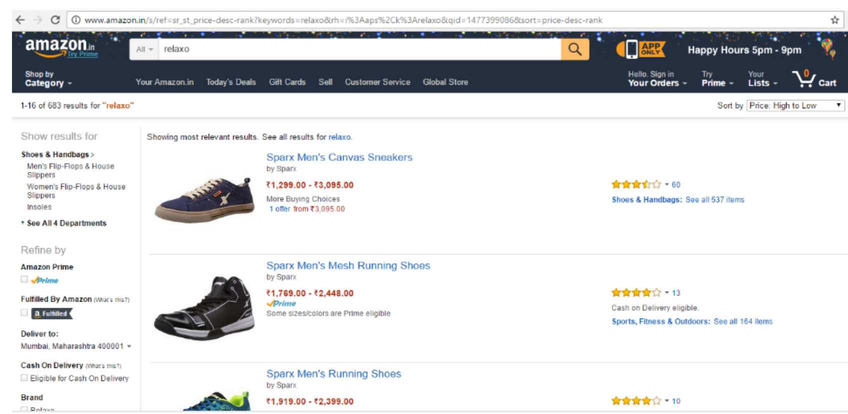
Reach over ~ 50,000 + Retailers

Online Presence – www.shopatrelaxo.com

Online Shopping Websites

amazon flipkart.com snapdeal

JABONG.COM Myntra.com India's Largest Online Fashion Store paytm



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

business today

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

INDIA'S MOST VALUABLE CEOs by BUSINESS WORLD

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

business today

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

business today

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

ET 500 :
Future Ready Company
The Economic Times 2016

CNBC TV18

Making It Big
CNBC TV 18
HSBC 2016

Safety Rating

ICRA

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

Year 2015

BT 500 : 500 India's Most
Valuable Comapany
[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

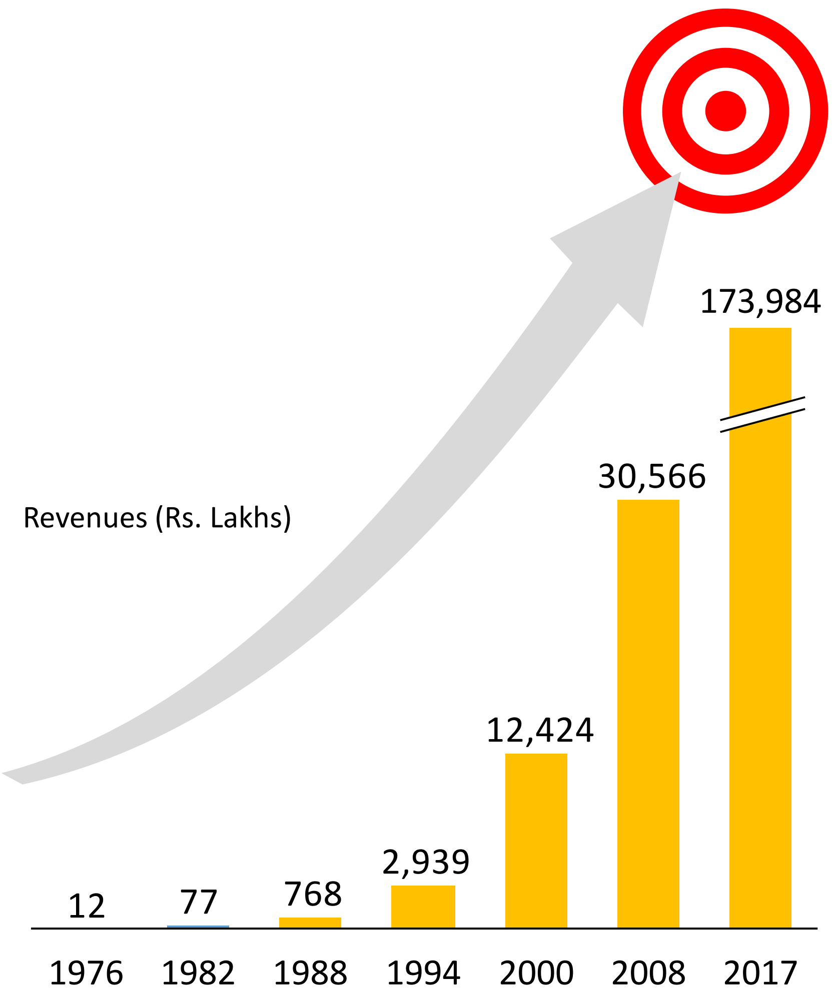
dun & bradstreet

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

RELAXO

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

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

- To Explore National and International Markets
- Maximize Wealth for Shareholders
- Product Innovation through Design and Development
- Meet and Exceed Customer Expectations
- 100% Statutory and Legal Compliance
- Compliance to ISO 9001:2008 and ISO 14001:2004
- Optimum Utilization of Resources
- Developing Human Resource asset through Effective Training & Leadership Development

Growth Potential

Huge Industry Potential

1

Change in Consumer Habits

Footwear industry is turning from being a basic need to Fashion, Comfort & Performance oriented industry

2

Increase in Discretionary Spend

Discretionary spend of Indian households is expected to increase in the next 4-5 years with urban masses emerging as major consumption driver

3

Emerging Role of Digital

Footwear remains one of the highest purchased category online. The emergence of Digital economy with concerted drive from Government presents multiple opportunities across the value chain

4

Huge Export Opportunities

India is the second largest global producer of Footwear after China accounting for 9% of global production. However, India’s share in global exports is just 2% compared to China’s share of ~40% thus presenting room for growth opportunities

Future Ready

Manufacturing Excellence

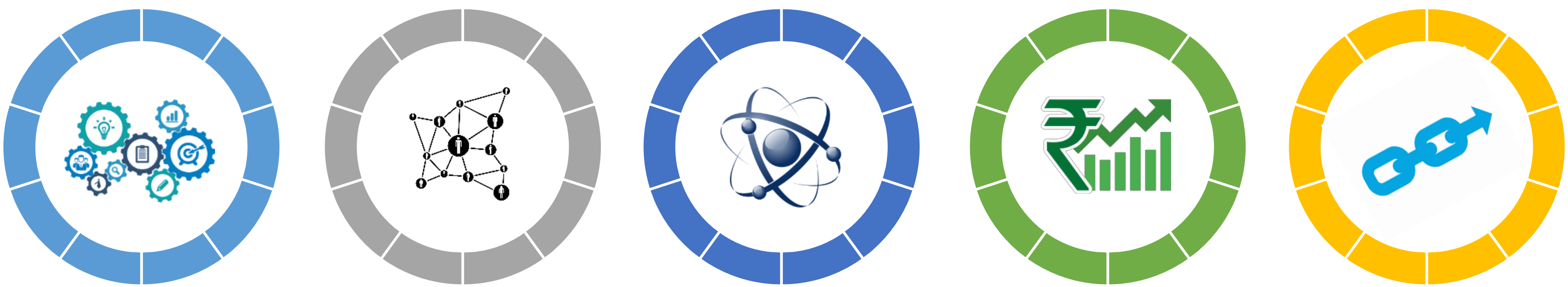
- Lean Manufacturing
- Maynard Operation Sequence Technique (MOST)

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

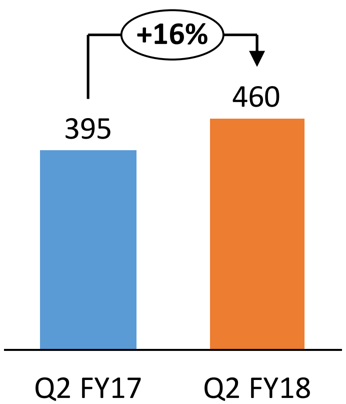
- Optimizing manpower utilisation, material cost & energy Consumption
- Rationalization of expenses

Financial Performance

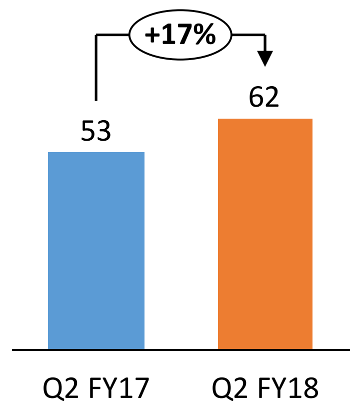
Q2 FY18 : Performance Highlights

Rs. in Crores

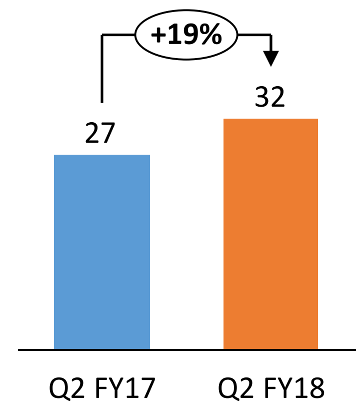
Revenue



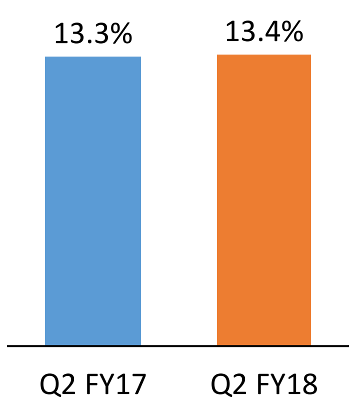
EBITDA



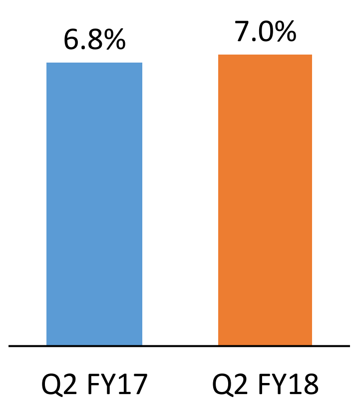
PAT



EBITDA (%)



PAT (%)

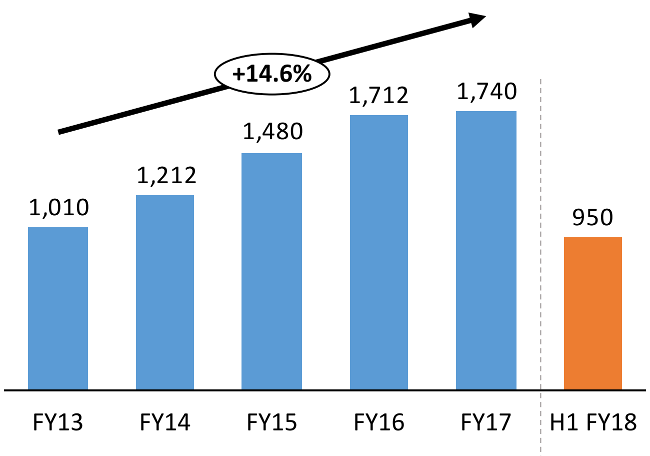


The Financial Results for Q2 FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

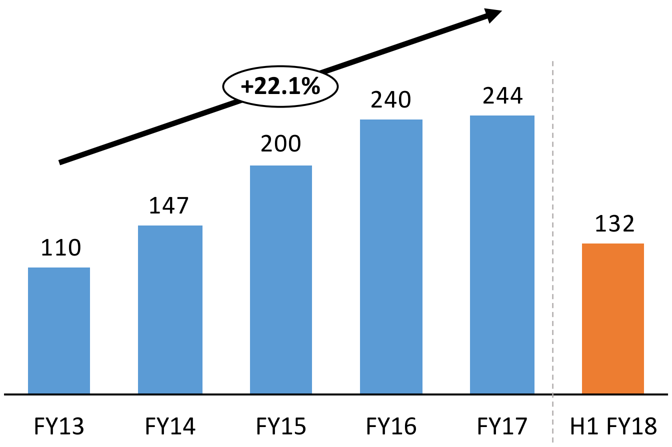
Annual Performance Highlights

Rs. in Crores

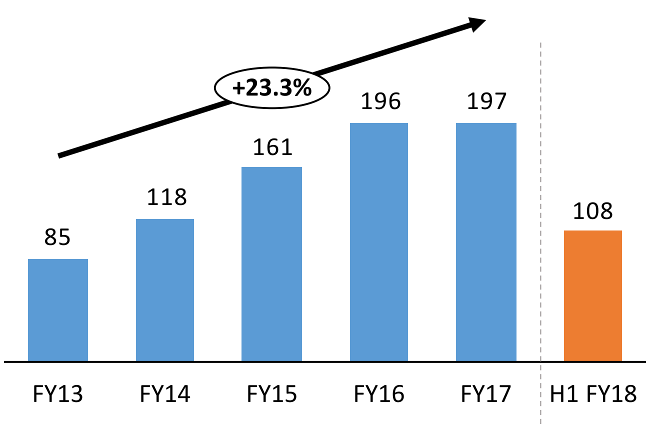
Revenue



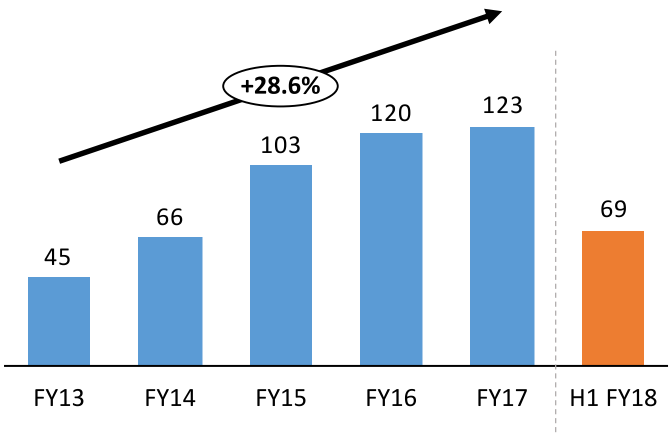
EBITDA



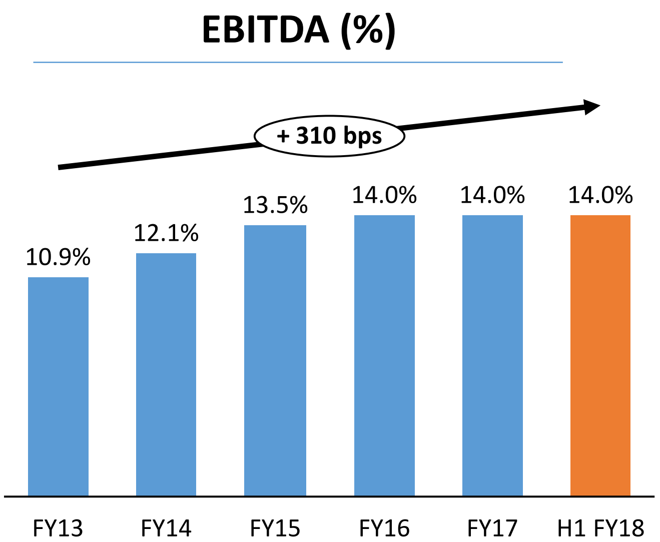
EBIT

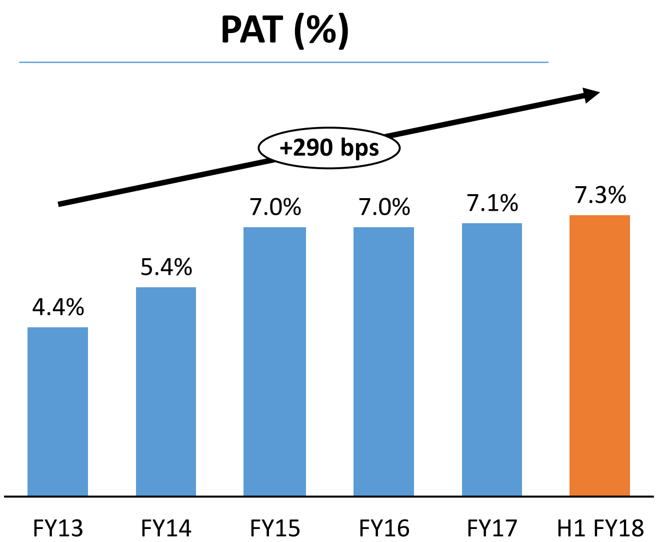


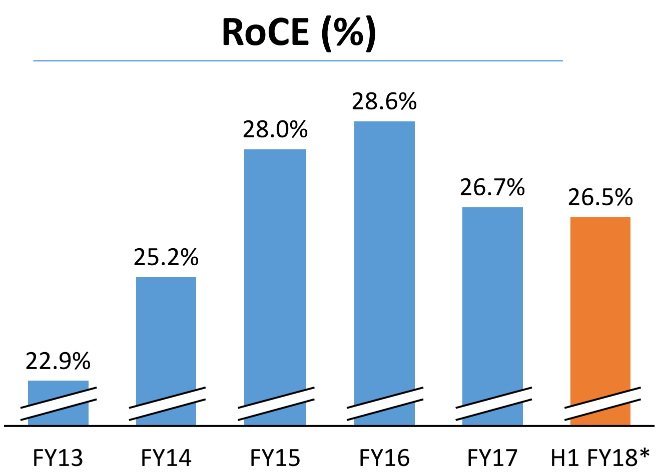
PAT

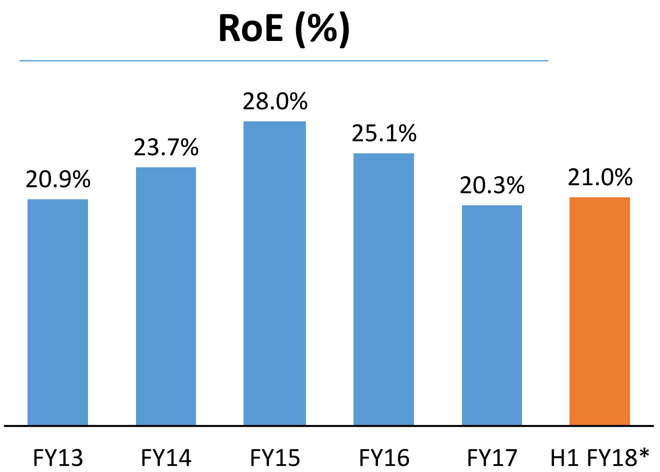


Operational Efficiencies





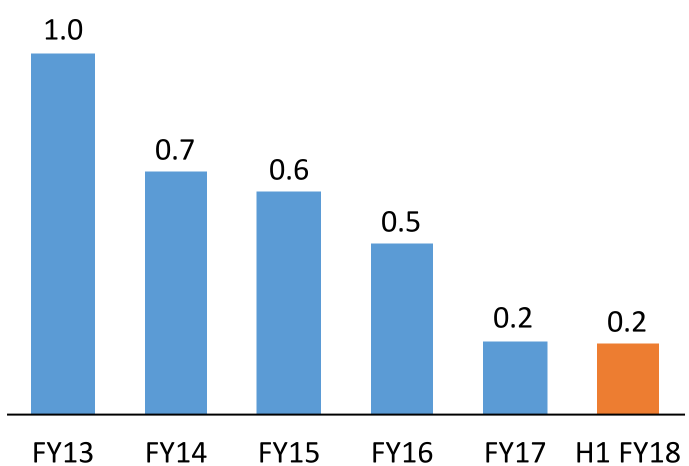




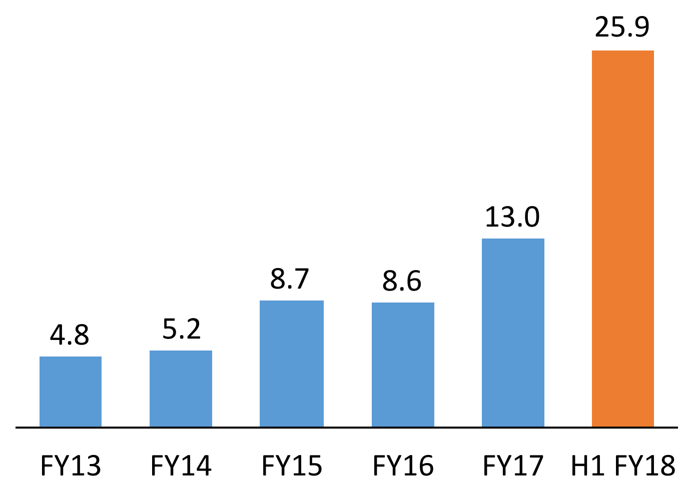
* On Annualised Basis

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	A+ with positive outlook	Indicates adequate degree of safety for long term debt instruments Instruments rated in this category carry low credit risk

P&L Statement – Q2 FY18

Particulars (Rs. Crs)	Q2 FY18	Q2 FY17	Y-o-Y
Revenue from Operations	**460***	**395**	**16%**
Total Raw Material	207	176	
Employee Expenses	52	43	
Excise Duty	0	5	
Other Expenses	139	119	
EBITDA	**62**	**53**	**17%**
EBITDA %	**13.4%**	**13.3%**	
Other Income	1	3	
Depreciation	14	13	
EBIT	**49**	**43**	**15%**
EBIT (%)	**10.8%**	**10.8%**	
Finance Cost	2	4	
Profit before Tax	**48**	**39**	**22%**
Tax	16	12	
Profit after Tax	**32**	**27**	**19%**
PAT %	**7.0%**	**6.8%**	
EPS	2.67	2.25	

* Revenue from operations is net of GST

The Financial Results for Q2 FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

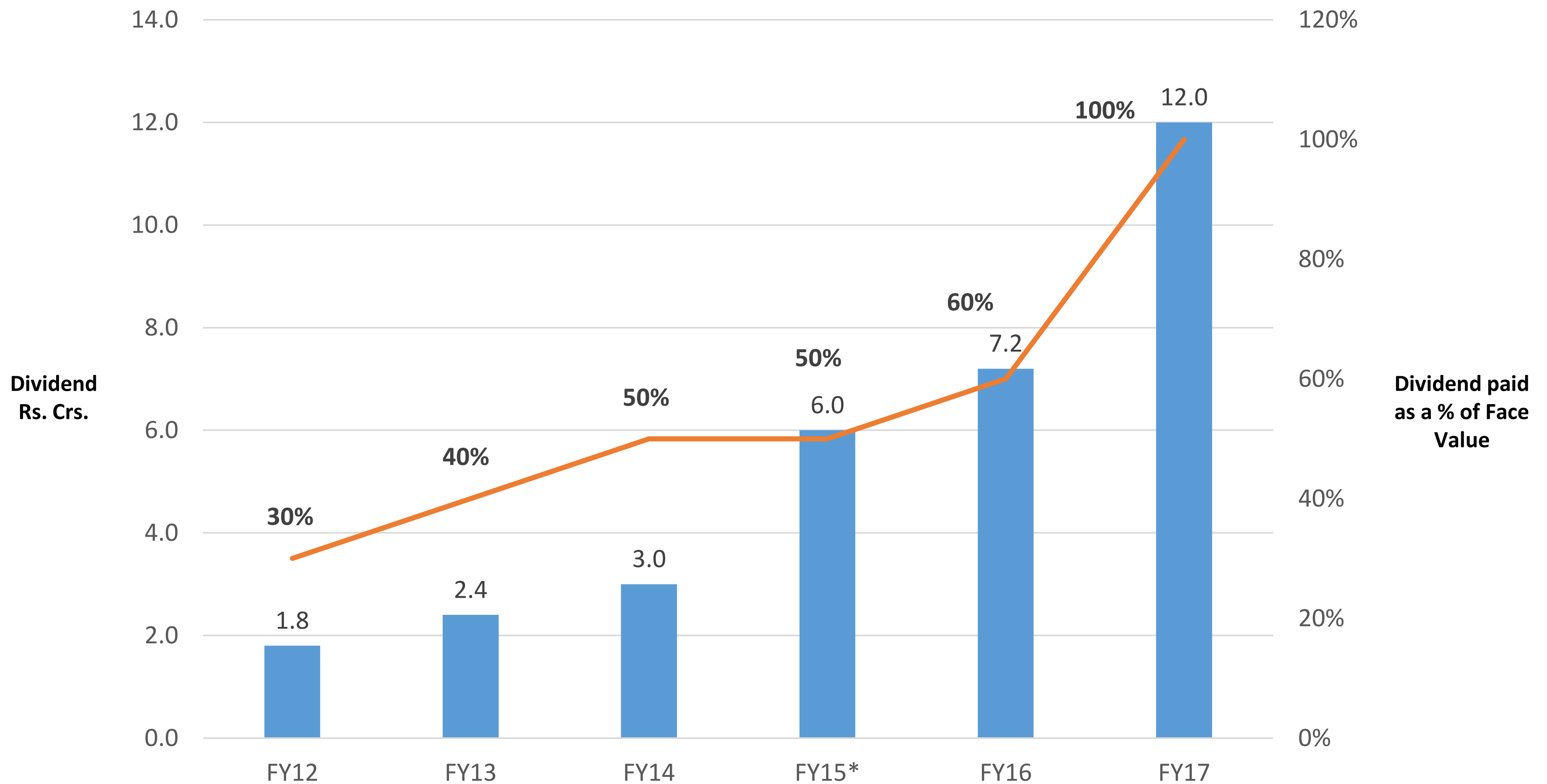
Balance Sheet – H1 FY18

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

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
Non Current Assets	**646**
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
Current Assets	**546**
Total Assets	**1,191**

The Financial Results for H1 FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

Consistent Dividend Paying



* Post Bonus

For further information, please contact:

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