



COMMITTED TO PROVIDE
BEST-IN-CLASS FOOTWEAR

ANNUAL REPORT 2020-21

RELAXO FOOTWEARS LIMITED



BEST IN CLASS

Decades ago, we made a promise to ourselves, of standing true to our commitment to excellence, customer delight and to the environment. Commitment to provide the best-in-class footwear. No matter what hurdles come our way.

At Relaxo, this commitment reflects in rising to the eternal challenge of achieving excellence and contributing to a prosperous, progressive and sustainable society.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ramesh Kumar Dua	Managing Director
Mukand Lal Dua	Whole time Director
Nikhil Dua	Whole time Director
Deval Ganguly	Whole time Director
Vivek Kumar	Independent Director
Pankaj Shrimali	Independent Director
Deepa Verma	Independent Director
Rajeev Rupendra Bhadauria	Independent Director

CHIEF FINANCIAL OFFICER

Sushil Batra

COMPANY SECRETARY

Vikas Kumar Tak

AUDITORS

B R Maheswari & Co. LLP.
Chartered Accountants
M-118, Connaught Circus,
New Delhi - 110001

SHARE TRANSFER AGENT

M/s Kfin Technologies Private Limited
Karvy Selenium Tower-B,
Plot No. 31-32,
Gachibowli Financial District,
Hyderabad, Telangana - 500 032

BANKERS

State Bank of India
HDFC Bank
Standard Chartered Bank
Kotak Mahindra Bank
HSBC Bank

REGISTERED OFFICE

Aggarwal City Square,
Plot No. 10, Manglam Place,
District Centre, Sector 3,
Rohini, Delhi - 110 085
CIN: L74899DL1984PLC019097

WORKS

RFL-I & II	326-327, MIE, Bahadurgarh, Haryana
RFL-III	A-1130 & 1130 (A), RIICO Industrial Area, Phase-III, Bhiwadi, Rajasthan
RFL-IV	30/3/2, Mooja Hasanpur, Tikri Border, Bahadurgarh, Haryana
RFL-V	83-92, SIDCUL Industrial Area BHEL, Haridwar, Uttarakhand
RFL-VI	342-343, Footwear Park, Industrial Estate, Sector 17, Bahadurgarh, Haryana
RFL-VII	328-329, MIE, Bahadurgarh, Haryana
RFL-VIII	37, Sector 4B, Bahadurgarh, Haryana
RFL-IX	Plot No. SP-6 & 7 Kaharani, Bhiwadi Extn., Rajasthan

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FROM THE MANAGING DIRECTOR'S DESK

Dear Stakeholders,

It gives me great pleasure to announce yet another profitable year despite the challenging business environment due to Covid-19 pandemic. Even though revenues in FY 2020-21 dipped marginally by 2.13%, EBITDA and PAT increased by 21.16% and 28.87% respectively. Your Company managed Covid-19 challenges well and sustained strong cash generation during the period. Accordingly, your Board has recommended a final dividend of 250% i.e. ₹2.50/- per equity share of ₹1/- each fully paid up for the Financial Year 2020-21.

Financial Year 2020-21 started with uncertainty and our H1 performance was subdued due to demand constraints and nationwide lockdown. However with resilience and adaptability we were able to recover to a large extent in H2, owing to surge in demand and relaxation of Covid-19 restrictions. The spirited performance in FY-21 was achieved mainly due to grit, determination and agility demonstrated by Relaxo team.

Cognizant of the changing business environment your Company quickly ramped up necessary technological infrastructure, provided access & training and graduated all employees to remote working, putting business operations back on track in record time, all the while reworking strategies across verticals.

Your Company continued its endeavour to integrate retail, wholesale, exports and online business verticals to reap synergies in marketing communications and brand building. With a new, consumer facing transactional website and a refreshed brand presence on leading e-commerce portals, your Company is well poised to drive growth in this channel.

On the exports front, a rationalised product portfolio, strategic credit control measures and a new warehousing facility will fetch greater operational efficiencies to your Company in the times ahead.

While our Exclusive Brand Outlets (EBOs) were most adversely affected due to lockdown, your Company took this opportunity to renegotiate long term rentals with the landlords and adopt strategic preventive measures at the outlets to assure a safe shopping experience for its customers even as the restrictions eased.

Keeping pace with the latest during the year, your Company has adopted Pour Moulding Technology for raw materials used in manufacture of EVA slippers and uppers. As a socially responsible corporate citizen, your Company has adopted green fuel technologies by changing all agro/solid fuel based boilers to gas based- PNG & LPG- for a cleaner environment.

Your Company recognises employees among its core assets and has continued to strengthen bond with them through reward & recognition initiatives, trainings and ESOP plans during the year.

Continued efforts in development and a re-aligned product portfolio stood us well to serve the changing consumer demand in these times. With an objective of staying salient in the minds of the consumer, your Company re-aligned its marketing strategies with the tone of communication attuned to being helpful, informative & positive in everyday life while building trust.

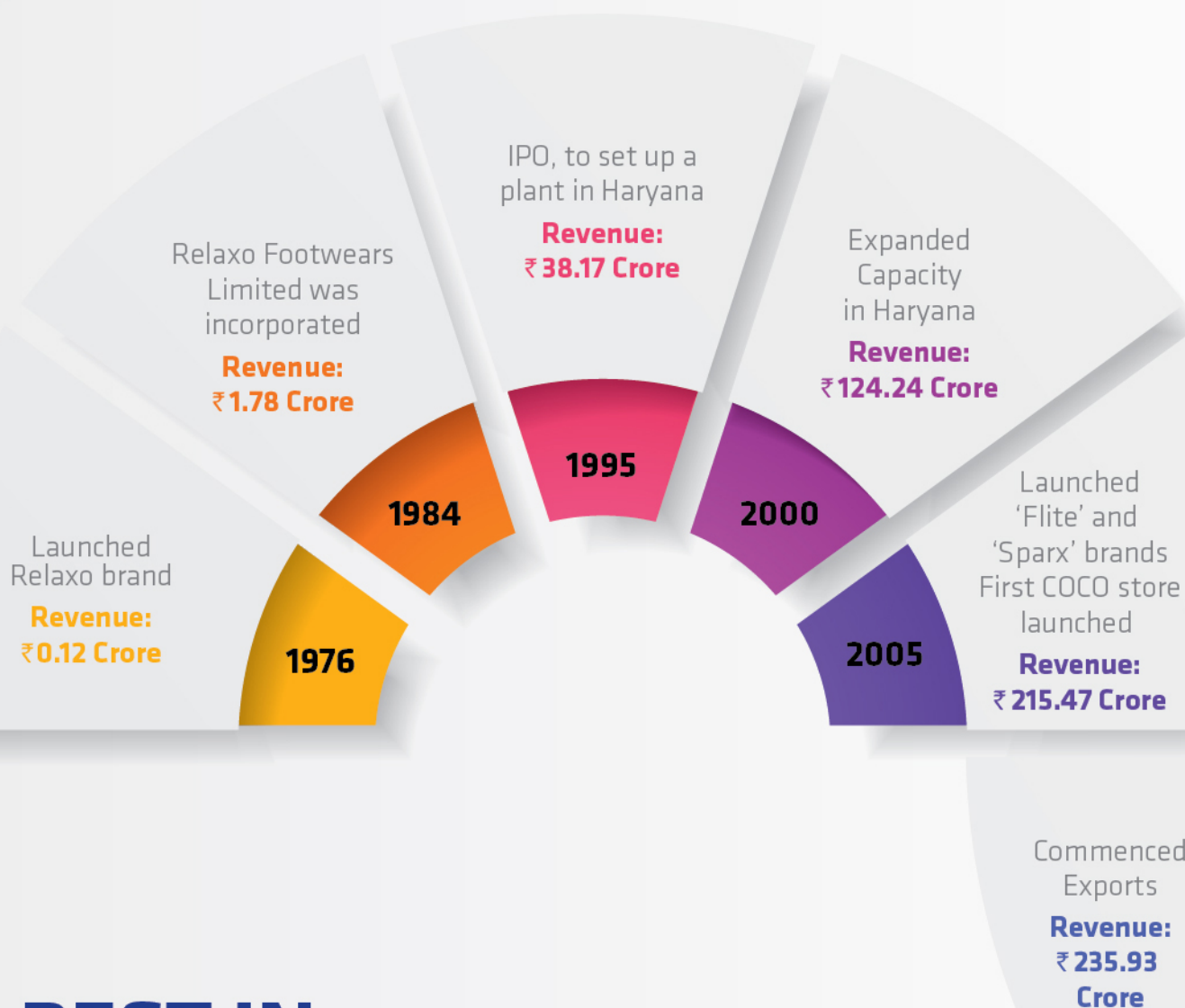
Covid-19 pandemic has brought about the greatest human tragedy in modern history, strongly impacting both lives and livelihood. Even though the Country is on the recovery path and there has been substantial dip in the Covid-19 cases, the negative sentiment and its impact is expected to remain for some time. With more than four decades of experience in manufacturing and marketing of footwear, your Company is better placed than its peers to counter these uncertain times. As India battles the second wave of the virus with another in the offing, we, as a responsible corporate citizen, are committed to support our employees, business partners and communities.

I would like to thank all our stakeholders, customers, business partners, Board of Directors, bankers and employees for their valuable support and belief in the Company.

With Best Regards,

Ramesh Kumar Dua

Managing Director



BEST IN PERFORMANCE

True excellence is a ray that exudes positivity and sets standards for humanity at large. Our mission to rise above mediocrity is as inward as it is an inclusive, outward philosophy. Our journey comprises a series of possibilities, overcoming challenges and achieving a collective brilliance. And yet, every success is still part of our learning curve.

2007

Renewable power
capacity of
6.00MW
Revenue:
₹ 553.70 Crore

2010

2012-14

**Business
Transformation Initiatives**

- Signed top-notch celebrities
as brand ambassadors
- Strengthened distribution
and supply chain management
- Launched e-commerce platform
- Increased people engagement
- New product development
& portfolio strategy

Revenue: ₹ 1,214.61 Crore

2017

Corporate
identity
revamped
Revenue:
₹ 1,651.97 Crore

2018-21

- Set up 8th plant
in Rajasthan
- Merger of 'RRPL' and
'MPPL' with your Company

Revenue:
₹ 2,359.15 Crore

BEST IN BRANDS

At Relaxo, the ethos of excellence is a real experience. It is not just words. We walk the talk.

Our brands offer an array of footwear at competitive prices for customers seeking comfort, style and durability, placing them in a position of reckoning (and) winning trust of millions of customers worldwide.

The Relaxo logo features the word "RELAXO" in a bold, blue, sans-serif font. A small orange and blue swoosh is positioned above the letter "X".

RELAXO

An iconic brand synonymous with rubber slippers, Relaxo has earned decades of trust cutting across genders, age and class making it the most versatile footwear for all segments of society.

The Flite logo consists of the word "FLITE" in a bold, blue, sans-serif font, followed by a stylized graphic of a blue and orange wing or feather.

FLITE

A popular range of fashionable and semi-formal slippers for everyday wear, Flite enables people to take on the day with style and confidence.

The Sparx logo features the word "sparx" in a bold, italicized, black font with a red outline, set against a black rectangular background. Below it, the tagline "GO FOR IT" is written in a smaller, red, sans-serif font.

sparx
GO FOR IT

One of the most loved footwear brands in India, Sparx reflects the attitude, style, dynamism and spirit of young India. Endorsed by Bollywood's fitness hero - Akshay Kumar, it offers sports shoes, sandals & slippers.



For the ever-restless youth, change is the only constant. Endorsed by Salman Khan, the colorful range of Bahamas casual flip flops exude the spirit of freedom, fun and modernity of youth.



A brand that marries craft and comfort with a masterstroke of perfection, Boston stands for elegance for men who are walking towards their success, in their professional life.



MaryJane is the answer to every woman's dream of a footwear wardrobe. Combining style and quality, the stylish footwear makes a woman put her best foot forward, with panache.



Brimming with energy, children need footwear that can be as exciting as their spirit. KidsFun offers a world of footwear to keep pace with the young champs.



The ideal walking companion for people bracing the pressures of everyday life. Casualz offers foot-hugging, all-day comfort that make your feet cruise along.

FINANCIAL HIGHLIGHTS

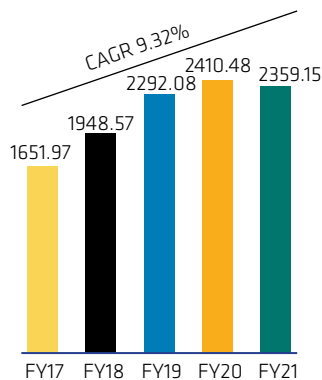
(₹ in Crore)

Particulars	FY 21	FY 20	FY 19	FY 18	FY 17
No. of Pairs sold (in Crore)	19.07	17.92	18.39	15.74	13.46
Revenue from Operations	2359.15	2410.48	2292.08	1948.57	1651.97
EBITDA	495.49	408.95	324.31	302.09	230.91
Finance Costs	17.08	16.87	6.90	8.59	15.03
Depreciation and Amortisation Expense	110.02	109.42	62.41	54.34	51.46
Tax Expense	99.60	65.46	92.54	82.55	58.08
Net Profit before OCI	291.56	226.25	175.44	161.07	119.95
Equity Share Capital	24.84	24.82	12.40	12.03	12.01
Net Worth	1572.41	1272.40	1105.07	761.21	606.37
Net Fixed Assets (Tangible and Intangible)	872.41	836.67	859.54	662.44	603.44
Capital Employed	1572.41	1291.56	1191.99	886.56	738.20
Capital Expenditure	101.36	94.77	258.91	112.85	96.31
Revenue Growth (%)	(2.13)	5.17	17.63	17.95	*1.64
EBITDA (%)	21.00	16.97	14.15	15.50	13.98
Face Value per Share (in ₹)	1.00	1.00	1.00	1.00	1.00
EPS - Basic (in ₹)	11.74	9.12	^7.07	13.40	9.99
EPS - Diluted (in ₹)	11.72	9.10	^7.06	13.38	9.98
Dividend(%)	250	125	^90	150	100
Book Value per share (in ₹)	63.29	51.26	89.08	63.25	50.48
ROCE(%)	28.51	24.85	26.45	31.05	27.18
Market Capitalisation (As on March 31)	21773.47	14868.72	9561.22	7727.91	5992.10

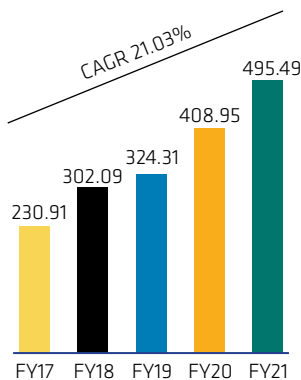
* Growth in sales as per IGAAP

^ Post Bonus

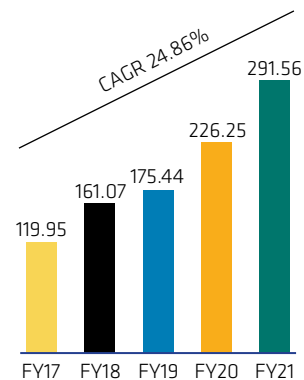
Revenue from Operations (₹ in Crore)



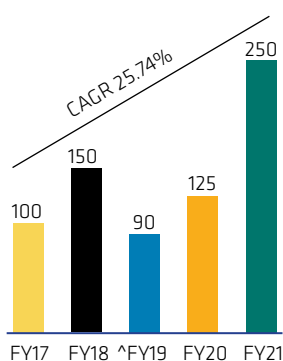
EBITDA (₹ in Crore)



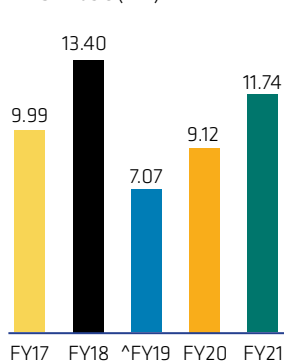
Net Profit (₹ in Crore)



Dividend (%)



EPS - Basic (in ₹)



Net Worth (₹ in Crore)

