



COMMITTED TO PROVIDE
BEST-IN-CLASS FOOTWEAR

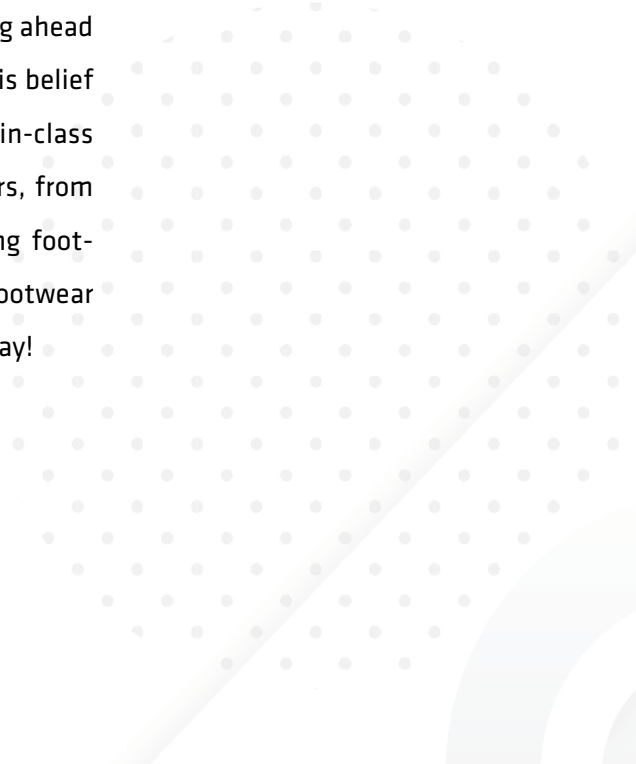
ANNUAL REPORT 2022-23

RELAXO FOOTWEARS LIMITED



COMMITMENT OF BEST IN CLASS

When it comes to achieving the best, we don't rest. We keep striving ahead and stop at nothing, as we believe that the best is always next. This belief and our commitment in moving forward has made us India's best-in-class footwear manufacturer. We continue to excel in all our endeavours, from procuring best raw materials, innovating latest designs to making footprints in new territories. We at Relaxo aim to revolutionise the footwear industry by continuously innovating and excelling each and every day!



CORPORATE INFORMATION

BOARD OF DIRECTORS

Ramesh Kumar Dua	Managing Director
Mukand Lal Dua	Whole time Director
Nikhil Dua	Whole time Director
Gaurav 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
Kuldip Singh Dhingra	Independent Director

CHIEF FINANCIAL OFFICER

Sushil Batra

COMPANY SECRETARY

Ankit Jain

AUDITORS

Gupta & Dua
Chartered Accountants
415, Ansal Chambers-II
6, Bhikaji Cama Place
New Delhi - 110066

SHARE TRANSFER AGENT

M/s Kfin Technologies Limited
Selenium Building 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
Yes Bank

REGISTERED OFFICE

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

PLANTS

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)

CONTENTS

From MD's Desk	2
Financial Highlights	8
Board's Report	9
Corporate Governance Report	38
Management Discussion & Analysis	58
Business Responsibility & Sustainability Report	61
Independent Auditor's Report	88
Balance Sheet	96
Statement of Profit and Loss	97
Statement of Cash Flows	98
Notes Forming Part of Financial Statements	102





FROM THE MANAGING DIRECTOR'S DESK

Dear Stakeholders,

I am pleased to announce that despite market uncertainty, volatile raw material prices and dampened consumer sentiment, your Company managed a moderate revenue growth of 5% to ₹ 2783 Crore with EBITDA and PAT at ₹ 336 Crores and ₹ 154 Crores respectively. Continuing its commitment to shareholders, your Board of Directors has recommended a final dividend of 250%, i.e. ₹ 2.50/- per fully paid up equity share of ₹ 1/- each for FY23.

Owing to supply chain disruptions and high inflationary pressures, your Company's performance was subdued in initial quarters of FY23. However, your Company quickly realigned itself in response with a strategic price correction, aided by a mature distribution network and strong brand equity which helped to recover market share during the last quarter of the year without resorting to short term trade incentives.

During the year, your Company continued with efforts to enhance consumer experience at its Exclusive Brand Outlets by building on sales capability and implementation of innovative marketing practices. As of March 31, 2023, your Company's Exclusive Brand Outlet network stands at 387 outlets.

Sustained efforts in strengthening distribution channels and launching new products resulted in significant growth in exports, earning 2 Star Export House status for your Company, encouraging further marketing investments during FY23.

Your company is well aware of the changing ecosystem and has been actively working towards harnessing the digital space, both with respect to brand equity as well as

sales performance during FY23. This will help your Company to quickly transcend geographical boundaries, showcase its latest range and tap into the new age consumer.

To stay relevant to evolving consumer preferences, during the year your Company has regularly conducted market sensing exercises for new product development and adopted latest technological upgrades for improving customer service.

As a socially committed corporate citizen, your Company has continued to adopt various measures to reduce its carbon footprint without compromising operational efficiency.

Your Company recognises employees among its core assets and, during the year has continued to strengthen bond with them through reward & recognition initiatives, training programs while creating and nurturing a talent pool.

With a robust cash flow and debt free operations, we have a positive outlook for the industry and believe that your Company is well-positioned to capitalize on opportunities arising due to the increased per capita footwear consumption and growing share of the organized market. We are confident that our efforts will continue to yield positive results.

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

A journey that has moved upwards and touched many new milestones successfully year after year. This journey comprises a series of possibilities, overcoming challenges and achieving a collective brilliance. And yet, every success is still part of our learning curve.

- Launched 'Flite' and 'Sparx' brands
- First COCO store launched
- Commenced Exports

Revenue:
₹ 235.93 Crore

2005-07

IPO, to set up a plant in Haryana

Revenue:
₹ 38.17 Crore

1995

Launched Relaxo brand

Revenue:
₹ 0.12 Crore

1976

1984

Relaxo Footwears Limited was incorporated

Revenue:
₹ 1.78 Crore

2000

Expanded Capacity in Haryana

Revenue:
₹ 124.24 Crore

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

2012-14

2010

Renewable power capacity of 6.00MW

**Revenue:
₹ 553.70 Crore**

2017

Corporate identity revamped

**Revenue:
₹ 1,651.97 Crore**

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

**Revenue:
₹ 2,782.77 Crore**

2018-23



BEST IN BRANDS

Proud to be the largest footwear manufacturer in India, Relaxo has been helping India strive ahead, since the last four decades. Today it is ranked among the top 250 Most Valuable Companies, an achievement that is no less than an incredible feat.

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

RELAXO

Think of trust and durability. Think of Relaxo. With over four decades of consumer trust across age, gender and economic class has made Relaxo an iconic household brand.

FLITE

When you are confident, when you look stylish, you can achieve the unachievable. Flite, India's leading footwear brand most popular among middle class reflects this spirit and aspiration of today's youth. A popular range of fashionable and semi-formal slippers for everyday wear, Flite enables people to take on the day with style and confidence.

Bahamas

Bahamas are a colourful and cool range of slippers that exude the spirit of freedom, fun and modernity of youth. With Salman Khan being the brand ambassador, Bahamas has become a popular brand amongst the youth looking to make a statement.



Sparx is all about attitude, style, taking on life and coming out as a winner. It connects with the youth and pushes them to challenge their inner potential. Endorsed by Bollywood's fitness hero Akshay Kumar, Sparx offers a range of sports shoes, sandals and slippers.

Mary Jane

Times are changing. So are the styles. Stay ahead with the times with Mary Jane, a range of stylish and comfortable footwear for the modern woman to put her best foot forward, with panache.

Casualz

When every day can be challenging and tiring, you need to give comfort to your feet. Casualz offers foot-hugging, all-day comfort that make your feet cruise along.

BOSTON

When it comes to dressing up as a gentleman, you need to step into Boston, a brand that offers excellent craftsmanship and comfort to men who like to turn heads wherever they go.



Boredom and simple, have no place in the kids world. KidsFun range of footwear is exciting, brimming with colours, full of fun and high on energy just like the Li'l champs.

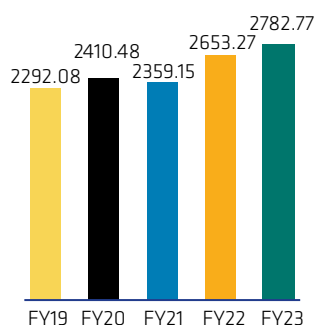
FINANCIAL HIGHLIGHTS

(₹ in Crore)

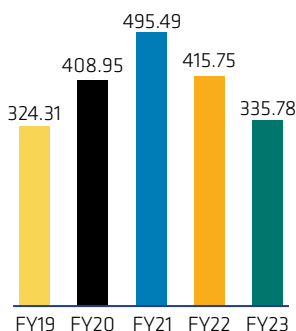
Particulars	FY 23	FY 22	FY 21	FY 20	FY 19
No. of Pairs sold (in Crore)	17.08	17.46	19.07	17.92	18.39
Revenue from Operations	2782.77	2653.27	2359.15	2410.48	2292.08
EBITDA	335.78	415.75	495.49	408.95	324.31
Finance Costs	19.24	15.33	17.08	16.87	6.90
Depreciation and Amortisation Expense	125.10	113.54	110.02	109.42	62.41
Tax Expense	55.54	77.92	99.60	65.46	92.54
Net Profit before OCI	154.47	232.68	291.56	226.25	175.44
Equity Share Capital	24.89	24.89	24.84	24.82	12.40
Net Worth	1855.05	1760.12	1572.41	1272.40	1105.07
Net Fixed Assets (Tangible and Intangible)	1043.60	946.91	872.41	836.67	859.54
Capital Employed	1876.51	1799.97	1595.21	1316.31	1226.43
Capital Expenditure	174.35	145.87	101.36	94.77	258.91
Revenue Growth (%)	4.88	12.47	(2.13)	5.17	17.63
EBITDA (%)	12.07	15.67	21.00	16.97	14.15
Face Value per Share (in ₹)	1.00	1.00	1.00	1.00	1.00
EPS - Basic (in ₹)	6.21	9.36	11.74	9.12	^7.07
EPS - Diluted (in ₹)	6.21	9.35	11.72	9.10	^7.06
Dividend(%)	250	250	250	125	^90
Book Value per share (in ₹)	74.52	70.71	63.29	51.26	89.08
ROCE(%)	12.47	19.20	28.04	24.27	25.70
Market Capitalisation (As on March 31)	21183.43	26544.23	21773.47	14868.72	9561.22

^ Post Bonus

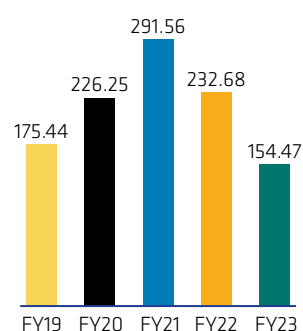
Revenue from Operations (₹ in Crore)



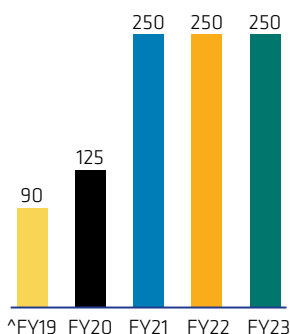
EBITDA (₹ in Crore)



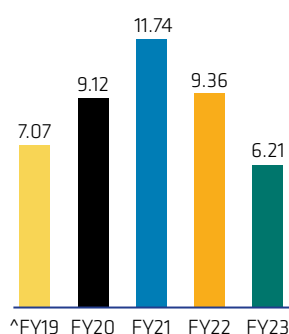
Net Profit (₹ in Crore)



Dividend (%)



EPS - Basic (in ₹)



Net Worth (₹ in Crore)

