November 20, 2026

BSE Limited **Corporate Relationship Department** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	**National Stock Exchange of India Limited,** **Listing Department,** Exchange Plaza, C–1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Code – 530517	**Symbol – RELAXO**

Subject: Transcript of Investors' Conference Call - Unaudited Financial Results for the quarter and half year ended September 30, 2026

Dear Madam/ Sir,

With reference to the captioned subject, we hereby enclose the transcript of investors' conference call regarding the Company's business strategy and outlook, post the declaration of the Unaudited Financial Results for the quarter and half year ended on September 30, 2026, which was hosted by the Company on Monday, November 16, 2026, at 4:00 P.M. (IST).

The transcript has also been uploaded on the website of the Company i.e. https://relaxofootwear.com/pages/transcription-of-analyst-meet

The same is for your information and record please.

Thanking You,

For **Relaxo Footwears Limited,**

AMIT ROY

Digitally signed by AMIT ROY
DN: c=IN, o=Personal, title=4118, pseudonym=qkYrys9bw24zd5h13epIg08jt7xoavnm, 2.5.4.20=037810a0e91ba189f0e770dbef353450998a1d54d46dbf9a0be2364f6273f2e9, postalCode=110019, st=Delhi, serialNumber=26ae843e8fab40fcbfa09ae7f6626a2564f20e724bf6302ab85c0357223d0720, cn=AMIT ROY
Date: 2026.11.20 14:12:00 +05'30'

Amit Roy
Chief Financial Officer

Encl. as above

“Relaxo Footwears Limited

Q2 and H1 FY27 Earnings Conference Call”

November 16, 2026

MANAGEMENT: **MR. RAMESH KUMAR DUA – CHAIRMAN AND MANAGING DIRECTOR**
MR. GAURAV KUMAAR DUA – CO-CEO AND WHOLE-TIME DIRECTOR
MR. RITESH DUA – CO-CEO
MR. AMIT ROY – CHIEF FINANCIAL OFFICER

MODERATOR: **MR. SAMEER GUPTA – IIFL SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Relaxo Footwears Limited Q2 and H1 FY27 Earnings Conference Call, hosted by IIFL Capital Services Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sameer Gupta from IIFL Capital Services Limited. Thank you, and over to you, sir.

Sameer Gupta: Thanks, Anam. Good evening, everyone. At IIFL Capital, it is our pleasure to host the management of Relaxo Footwears Limited. Before we proceed, let me remind you that the discussion may contain forward-looking statements that may involve known or unknown risks, uncertainties, and other factors. It must be viewed in conjunction with business risks that could cause future results, performance, or achievements to differ significantly from what is expressed or implied by such forward-looking statements.

To take us forward through the financial results and developments and to answer your questions today, we have the senior management of Relaxo Footwears Limited, represented by Mr. Ramesh Kumar Dua, Chairman and Managing Director; Mr. Gaurav Kumaar Dua, Co-Chief Executive Officer and Whole-Time Director; Mr. Ritesh Dua, Co-CEO; and Mr. Amit Roy, Chief Financial Officer.

Without taking more time, let me hand it over to Mr. Amit Roy for the opening remarks.

Amit Roy: Thank you, Sameer. Good afternoon, everyone, and thank you all for joining us for Relaxo Footwears Q2 H1 FY27 earnings call. I hope you all have had the opportunity to review our results and investor presentation, which are available on the stock exchanges and website.

I will straightaway take you to the financial performance of the second quarter and the first half of FY27. In Q2 FY27, revenue from operations stood at INR 702 crores compared to INR 629 crores in Q2 FY26, a year-on-year growth of 11.6%. EBITDA was INR 85 crores, up by 5.1% from INR 81 crores in the same quarter last year. EBITDA margin was 12.2% in Q2 FY27. Profit after tax was INR 37 crores, up by 2.2% from INR 36 crores, with PAT margin of 5.3%.

For H1 FY27, revenue from operations stood at INR 1,407 crores compared to INR 1,283 crores in H1 FY26, a growth of 9.6% YoY. Growth was broad-based across channels, with all channels delivering year-on-year growth in H1. General trade maintained steady momentum, supported by our strong distributor and retailer network, while retail benefited from the store expansion and improving productivity. E-commerce, modern trade, and export also contributed positively.

EBITDA grew by 7.1% to INR 193 crores from INR 181 crores, with EBITDA margin of 13.8% in H1 FY27. Maintaining profitability was challenging during the period. This was mainly due to raw material prices volatility arising from the continued conflict in West Asia, along with higher labour cost from statutory minimum wages revision. We also made selective investments in brand building and distribution capabilities and retail expansion, which are reflected in our

other expenses. Profit after tax grew by 8.0% to INR 92 crores from INR 85 crores, with a PAT margin of 6.5% in H1 FY27.

Expanding our EBO network and enhancing the retail experience remain key priorities. We added 16 stores during the quarter, taking our network to 445 EBOs and remaining on track to reach 500 stores by year-end. We are also refreshing our store format with better merchandising, product visibility, and dedicated brands zone. Along with retail expansion, we continue to strengthen our presence across e-commerce and modern trade.

Our balance sheet remains strong and well-capitalized, which gives us the flexibility to navigate the current environment and continue investing in the business for the long term. As we enter H2 FY27, we remain cautiously optimistic while staying mindful of input cost volatility and evolving consumer demands. Our focus remains on driving revenue growth, improving product mix, enhancing operational efficiency, and expanding consumer reach.

We also want to share some exciting milestone in our global growth journey. We are partnering with Kenafric Group to establish a joint venture named Relaxo Kenafric Footwears Limited, with total investment of INR 70 crores. Relaxo will hold 51% majority stake up to INR 35.7 crores investment, making RKFL as subsidiary to RFL. This project marks a major step towards the strengthening of our international footprint across Africa.

By combining Relaxo manufacturing expertise, iconic brand, and product portfolio ranging from slippers to gumboot. With Kenafric local operational strength and distribution network, we are hoping to build a strong presence in Africa region.

With that, I would like to hand over the call to the moderator for question-and-answer session. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Mr. Sameer Gupta from IIFL Capital Services Limited. Please go ahead.

Sameer Gupta: Hi, everyone. Thanks for taking the question. Firstly, on the input cost inflation, sir. It continues to be volatile and evolving, and when I look at the ASP growth of 23%, I am presuming it is largely pricing and very little mix. Please correct me if I am wrong. Just wanted to understand, are we done with most of the pricing actions which are foreseeable, or do we expect more in the near term for the covering of overall inflation?

Gaurav Kumaar Dua: Yes. Hi, Sameer. You are right, there was a price increase because of two factors. One was raw material, second one was the labour cost increase. We have already taken price increases in all the categories, and in future, it is very difficult to say any more price increase will happen. But more or less, we have increased the prices of our products.

Sameer Gupta: Got it, sir. Now, just wanted to understand the thought process here. I understand there is inflation, wage as well as RM, but given overall inflationary pressures across the board and our target customer is more price-sensitive. Also, I mean, labour inflation may be peculiar to Relaxo as a company versus most of the peers who are not very Haryana-focused. Are you not risking market share loss here? I remember last time we had a prolonged period of steep volume decline

when such a situation had arisen. Just wanted to understand more on the thought process and strategy.

Gaurav Kumaar Dua: As you have rightly said, there is some pressure in the mass category, which is Hawaii. There is a volume dip also. But because we have changed our portfolio mix in the other categories, that is why we are able to grow in other categories, and that growth in value has come to around 10%. Definitely, this is an evolving category. We are changing the product mix, seeing the demand of the market.

Plus, there is a good growth what we are seeing in sports and sneaker footwear. There we have grown in double digit. So that market is growing, not only for us, but as whole the market is growing for sports and sneakers. We are putting more focus there now.

Sameer Gupta: Got it, sir. Just to follow up. I was more pertaining to the steep price hike that you have taken. One, your peers are not taking such steep price hikes. Two, it could have been a little more calibrated is what I am trying to understand, because sharp price hikes typically will result in market share loss, something that happened last time around. Are you seeing something which is different this time, or it was just too much of a pressure to withstand for coming quarters, and these price hikes were warranted?

Gaurav Kumaar Dua: This time, we have gradually taken the price increase, not just immediately passed on all the price increase. We have launched around 150 new articles. So we are trying to change the product mix so that the consumer does not get hit because of too much of price increase. So it is very calibrated. We have taken time. But definitely in mass market category, there is an issue. In mass market like slippers, where it is very price sensitive, we are feeling that there is not a volume growth, but value growth is there.

Sameer Gupta: Got it, sir. I will come back in the queue for follow-ups. Thank you again.

Moderator: Thank you. The next question comes from the line of Devanshu Bansal from Emkay Global Financial Services Limited. Please go ahead.

Devanshu Bansal: Hi, sir. Thanks for taking my question. Sir, I just wanted to check, realizations have improved more than 20%, yet there is a dip in EBITDA margin, right? Can you help me better understand, despite such a steep increase in prices, what are the key drivers for this margin dip? If you could just help me understand that.

Amit Roy: See, I will tell you, there are other costs which are there, which is indirect cost, which is causing trouble to us at EBITDA level. Though there is increase in top line, but cost has also gone up. Wages, salaries also gone up. That is the main reason to get the hit on EBITDA.

Devanshu Bansal: Can you confirm if there is any change in revenue recognition across any of the channels which might have led to this improved realization? Maybe, are we sort of recognizing full MRP in any of the channels? Is there a change in terms of revenue recognition?

Gaurav Kumaar Dua: Yes, definitely there are two brands where we are able to pass on the price increase and there is a growth coming, which is Sparx Footwear and Flite. So, in that category, we are able to pass on the price impact in the market.

Devanshu Bansal: No, no, I was checking if there is a change in revenue recognition.

Amit Roy: No, as such there is no change in the revenue recognition. I am saying it again, the basis is the same as we have declared in our notes to accounts as well. There is no change in that.

Devanshu Bansal: Okay, got it. Sir, secondly, wanted to check, we are going very aggressive on EBO expansion, right? After a prolonged period. From competitive scenario perspective, all these players, Campus, Asian, Neeman's, Aretto, everybody is sort of indicating a very strong network expansion. Just wanted to check what is actually driving this kind of an expansion in the footwear industry and whether the industry is ready to absorb this kind of an expansion. Just if you could throw some light there.

Gaurav Kumaar Dua: Devanshu, you are absolutely right. We have opened more than 30 outlets if you compare H1 to H1. So, now we are at 445 outlets, out of which we have opened 50 outlets which are called Reimagined Stores. We have changed the look and feel of the outlet. Plus, we are getting at least 23% growth in revenue from the retail channel. So, definitely we are very optimistic about this channel and the growth happening here.

Devanshu Bansal: Sir, I wanted to check what are the key drivers? Is it like general trade channels as such, from a longer-term perspective, you are feeling that this is a channel which is going to suffer? Should we see it in that light that now focus is incrementally shifting towards the own D2C channel?

Gaurav Kumaar Dua: As you are very well aware, whole market is shifting towards the premium portfolio like sneakers and sports shoes. These channels definitely support both the categories - sports shoes and sneakers. These are in line of our growth strategy.

Ritesh Dua: Even we have come up with a premium range in PU, light PU category. That has also helped in giving the growth in retail channel.

Devanshu Bansal: I wanted to check on the Africa opportunity. What is the overall opportunity that we are seeing? Are we going to restrict ourselves to Kenya only, or the plan is to sort of ramp up presence in the entire Africa? Secondly, will this be an export relationship, as in we will manufacture in India and export to Africa, or do you plan to sort of set up manufacturing in the Africa continent? These were the questions on the Africa space.

Ritesh Dua: I will take this question. Earlier, we were having the export-led model to Africa region from India and seeing the challenges which we have been facing over the last so many years on the account of tariff barriers and the logistical challenges. We thought of having our local presence there, manufacturing there.

Whatever we are going to produce there, whether it is range of Hawaii slippers and some gumboots which have good local demand. Those products we are going to manufacture in Kenya, and we will be selling to various countries of Africa. We will start with focusing on the

East Africa region. Eventually, depending on how the response is, we are going to spread out to the other African countries.

As far is potential is concerned, it has huge potential. There's no doubt on that. Because already, we have seen in last few years in export-led model, we have been getting good response from consumers, and the quality standards which we have maintained while exporting, we are going to have the same quality standards when we are producing there and selling from there.

Devanshu Bansal: Got it. Sir, can you help me better understand over next two, three years, across channels, if you could help us better understand what is a reasonable level of growth that we can expect in terms of general trade, new channel, retail, and exports?

Gaurav Kumaar Dua: You're talking about the future expansion, right? Channel-wise.

Devanshu Bansal: Yes, sir. Yes.

Gaurav Kumaar Dua: Yes. What we are seeing is that retail is the fastest currently growing channel for us, followed by e-commerce and modern trade, then comes general trade. I think this trend will continue for next two to three years. As I told you before also, that premiumization, sneakerization, plus sports shoes growth will drive this kind of growth in these channels.

Devanshu Bansal: Sir, some bit of numbers, if you could help us better understand. Overall, what growth are we expecting across these channels? How that growth is going to be constructed will be helpful.

Gaurav Kumaar Dua: We can tell you about right now, we are seeing double-digit growth in retail, followed by the e-commerce. Plus, if you talk about general trade, definitely growth will come. Only thing is that it has to be adjusted with the prices and the volumes. What we are expecting is next quarter onwards, now all that raw material and labour cost has been passed on, most of it. So, we expect that summers will be better next year.

Devanshu Bansal: Got it, sir. Thanks for taking my question.

Moderator: Thank you. The next question comes from the line of Prerna Jhunjhunwala from DAM Capital Advisors Limited. Please go ahead.

Prerna Jhunjhunwala: Thank you for the opportunity. First question is on Africa. You wanted to explore Africa region to scale up your supply, but I did not understand the reason for starting a manufacturing facility before that. Can you please briefly explain the reason for setting up this capacity plus exploring that market?

Ritesh Dua: See, the major reason has been the tariff barrier. There has been heavy import duty when we are exporting out of India to African countries. This had been a major tariff barrier, and other strong reason has been the logistical challenges. Whenever we were sending our goods, the timelines were not certain when our customer is going to receive it, because of various logistic challenges at the ports of Africa.

Seeing all these challenges, we have thought of manufacturing there and selling from there. When we are starting with Kenya, and we are focusing on the East Africa region, there is already

a pact that wherever we export in the East African countries, there will be dual duty between these countries. That tariff barrier is gone once we start producing locally in Kenya.

Prerna Jhunjhunwala: Okay. What is the capacity of this facility? Is it operational already?

Ritesh Dua: No, no. Capacity we are eyeing at around 50,000 pairs per day. We are going to start around financial year 2027-2028 first quarter.

Prerna Jhunjhunwala: I understand. Okay. And second question is on the growth in open footwear versus closed footwear for the quarter, and how is the demand in both the categories given the inflationary environment as you pass in the prices to the customers? This is obviously industry-related price hike, but what is the price hike you have taken in both the portfolios separately, if you could help me understand? And how is the growth and demand environment?

Gaurav Kumaar Dua: As you know, we have talked earlier also that open footwear is around 80% of contribution to our total sales, and we have taken around 15%-18% price increase in open portfolio. Now, we talk about closed portfolio here, we have Sparx shoes in which we have taken roughly around 6%-7% price increase. If you talk about growth, quarter three is the period for the Sparx to grow maximum, being closed footwear and winters.

Plus, you will be happy to know that we have appointed Tamannaah Bhatia and Lakshya for Sparx brand, which is now on air from October onwards, and we are getting good results. Plus, in Flite, we have appointed Ali Fazal and Sanya Malhotra, and we came with the new ad here also, which is doing good for the brand.

Prerna Jhunjhunwala: Okay. How do we look at growth from next two to three years perspective?

Gaurav Kumaar Dua: We are definitely hopeful that now what price increase we have taken, it has been adjusted by the trade. Q4 onwards, there will definitely be a double-digit growth coming in. That is what we are seeing.

Prerna Jhunjhunwala: Okay. What is the scenario at the raw material level, whether it has stabilized or still seeing some challenges on inflation?

Gaurav Kumaar Dua: It is still volatile, because some of the material are still going up. For example, rubber, which has cost INR 300 kg, that is the highest ever. It is very volatile. It is very difficult to say how will Q3 turn out. Same thing as you know, war scenario, which can erupt any time. It is very difficult to predict next one or two quarters.

Prerna Jhunjhunwala: Understood. So, margin will continue to remain under pressure in such scenario, for current price levels, is the price hike enough to manage margin?

Ritesh Dua: Actually, on margin front, what we are doing is, already we have taken good price increases in last six months or so. We are going to put lot of focus on the cost front, like productivity increase and all these things are a prime focus for us. It could really help us in bringing our bottom line in a better way and improving track.

Prerna Jhunjhunwala: Understood, sir. I will come back to the question queue if there are any further questions in that issue. Thank you.

Moderator: Thank you. The next question comes from the line of Simran Kumari from Narnolia Financial Services Limited. Please go ahead.

Simran Kumari: Hi, sir. Good evening. My question is related to margin. Could you provide an outlook for the key raw material prices and how much the company will take for the price increase to protect the margin? Do you think this maintains the guidance of 100 basis point margin improvement for FY27?

Amit Roy: The increase in cost and the wage impact is being partly absorbed by us and is partly passed on to the prices. Margins are going to be under pressure. In future also, I am not seeing that unless the war situation is going to gets settled, the margins are going to be further under pressure.

Simran Kumari: Okay. My next question is, could you just provide a revenue breakup between Sparx and Flite portfolio? I mean, percentage-wise is also okay.

Gaurav Kumaar Dua: We do roughly around INR 1,000 crores of Sparx, and around similar with Flite. Rest is from the Hawaii and Bahamas category.

Simran Kumari: Sir, in this Sparx, like, how much is from just shoes?

Gaurav Kumaar Dua: You are talking about only shoes?

Simran Kumari: Yes, in Sparx shoes.

Gaurav Kumaar Dua: Around INR 500 crores only shoes, closed footwear.

Simran Kumari: Okay. Okay. What was the aspiration for shoes?

Gaurav Kumaar Dua: We have grown by 18% in sports shoes, and we try to maintain this in future.

Simran Kumari: No, 18% in shoes?

Gaurav Kumaar Dua: Yes, yes. Growth rate for six months.

Simran Kumari: It will remain same for the next two to three years?

Gaurav Kumaar Dua: See, we are trying. This is the category which is growing the fastest. We'll try to grow in double digit in the shoe category and sneakers.

Simran Kumari: Okay. Thank you so much.

Moderator: Thank you. The next question comes from the line of Jay Gandhi from HDFC Securities. Please go ahead.

Jay Gandhi: Yes, hi. Thank you for the opportunity. Just one thing I missed, you guys mentioned open footwear price hike was how much? Was 15% to 18%?

Gaurav Kumaar Dua: Correct. You're right.

Jay Gandhi: Okay. Sir, also if you could help me understand the working capital increase. I mean, on a YOY basis, it has been quite a steep one. If you could help us understand the components to that.

Gaurav Kumaar Dua: If you talk in terms of days, it has increased by 10 days, from 134 days to 144 days. Primarily because we expected the volume growth will be there, but we could not achieve that. That is one of the reasons that you can see the inventory days have increased by 10 days. Yes, plus there is an inflation effect also because of that 15%-20% increase in price.

Jay Gandhi: Right. No, fair point. Now, since, sir, you mentioned that growth effectively is likely to come from closed footwear over the next foreseeable future. Closed footwear typically requires a sizable retail presence, right? Isn't that we are dislocated in terms of product and channels that we have? Probably a significantly high capex might be needed to probably marry your product portfolio for the next three, four years to the channel mix that you have.

Gaurav Kumaar Dua: You are right. Actually, what we are seeing is that retail is growing fastest, and in retail, the closed footwear contribution is highest. Plus, our focus has been more on the sneakers and sports shoes, seeing that in e-commerce also, again, there is a huge potential for sneakers and sports shoes.

So the company is making more efforts to grow this category. Plus, in open footwear also, we have launched a premium portfolio of Flite, which is also doing very well in the market. So Flite category overall is also growing. It is only the Hawaii where we are feeling little challenged because it is very price sensitive.

Jay Gandhi: Right. Does that make Relaxo a more capex-heavy model going forward?

Gaurav Kumaar Dua: No, no, we do not think a lot of capex is required. We already have good capacities with us, so capex is not required that much to grow this category.

Jay Gandhi: Got it. Just one last question, sir, if I may. Since you brought up capacity, there has been some recalibration in the production capacity, the way you mention it. It used to be 10.5, or it has come down to 9. If you could help me understand what recalibration you have done?

Ramesh Kumar Dua: You know, it is not that we have reduced the capacity, it is only the product mix that has changed. We are launching more and more premium products which are complex, so it will require more of utilization of our machinery. We have not reduced our capacity.

If you go for higher premium article, number of pair and the process or time required for that goes up. So that is why we have revised, optimized our overall capacity. Also demand for premium article will improve, and there we have to be ready for that.

Jay Gandhi: Right. Well, that's all from me, sir. Thank you so much for the opportunity.

Moderator: Thank you. The next question comes from the line of Devanshu Bansal from Emkay Global Financial Services Limited. Please go ahead.

Devanshu Bansal: Yes, sir. Thanks for the follow-up opportunity. Sir, the footwear industry as such has seen very strong tailwinds, right? There was a lot of dumping that used to happen from China that should have ideally stopped with BIS. There was this great big GST difference, right? Earlier we were at almost 12%, now we are at 5%. But still, if we see your volume performance, right, over last two, three years, we have seen your volumes continuously dipping, right? In 2025 also we saw a volume dip, in 2026 also, and now in H1 also.

Despite these tailwinds, what are the key reasons that are sort of driving this volume dip? Because the general expectation in your commentary also, when all these changes sort of happened, we were expecting big tailwinds, but that has actually not played out. Wanted to check whether we will sort of see these tailwinds in the coming periods, or this is coming as a disappointment to us also, versus our earlier expectation. Just your thoughts there.

Gaurav Kumaar Dua: We recognize that we have not delivered the growth that investors expected over the last few years, and we are not satisfied with the performance either. The footwear industry still continues to offer significant opportunities, but the competitive landscape has changed. Consumer preferences are evolving, competition has intensified, digital channels are becoming more and more important, and consumers are increasingly looking for a differentiated product rather than affordable footwear.

We believe the next phase requires us to move beyond this predominantly volume-driven footwear company to become a more consumer-centric and innovation-led footwear organization. I think we are making certain changes in our portfolio which will definitely help us to grow in the future.

Devanshu Bansal: Sir, how should we see this? Is it like the China cheap imports are still happening, or the unorganized players are still sort of there? This is one scenario. The second scenario is that there is a whole new competition that has come in, be it in terms of D2C players who are providing these innovative products in line with evolving consumer needs. Which scenario sort of correctly depicts the current industry state? If you could just throw some light.

Ramesh Kumar Dua: Regarding the China matter, the government has put on quality control standards, and that has only affected 10% of the industry. 90% is still exempt out of it, and rather it has affected our performance a bit because we have to comply with all those quality standards and keep our articles above those specifications.

As far as the market is concerned, they can produce whatever standard they require. That has created some kind of unhealthy atmosphere. These unorganized players, they have been able to significantly reduce their costs, and that has taken some of the share and created the competition intensity. As far as the import from China was concerned, as far as our category like Hawaii, EVA, that was not there.

Maybe there are other segments which were there, and the government wanted to control that. But somehow, those articles still come via the Bangladesh route, no duty. It is a very complicated situation. I do not think that putting all these things has helped the industry. It has made the

things very complicated. People are routing the material through Bangladesh, and there is no duty on it.

The people who are manufacturers here, they are not getting an advantage out of it. We have to be cautious. Keeping in view this kind of scenario, we are trying to see what are the articles which have an opportunity, premiumization which we are focusing on, and other categories where we can have good inroads in the market. All steps we are taking. China has not majorly done any good for the industry.

Devanshu Bansal: Got it. Sir, just one small follow-up. From this INR 50 crore top line exemption that is there for BIS, right? Are we making representations? Do we have any line of sight as in when the government will sort of implement BIS for the smaller SME or MSMEs which manufacture footwear? Do you have some view over there, if you could share?

Ramesh Kumar Dua: 90% people are exempted, so they have no interest. The government does not want to hear from the 10% of the people. When 90% of people are benefitting, why will they want that it should go away? Till that exemption is available to them and not available to us, they are having a little better opportunity for them.

Devanshu Bansal: Okay. Got it. Got it, sir. I understood, sir. Got it, sir.

Moderator: Thank you. The next question comes from the line of Mr. Sameer Gupta from IIFL Capital Services Limited. Please go ahead.

Sameer Gupta: Hi, good evening, everyone. Thanks for taking my question again. Just during the course of this call, I have picked up on the EBOs which are being reimagined. Just wanted some details here. What kind of changes are we making here in terms of, are these larger store sizes? Is it materially higher capex needed? Are the portfolio of products which is sold here materially different than what we sell in other EBOs?

You mentioned 15 reimagined stores. If I can know where exactly are these located? Is it largely in the northern part of India, or is it well spread out so that it gives you a flavour of the entire India before you strategize on expansion going forward? Anything that you can give or share around these details would be helpful, sir.

Gaurav Kumaar Dua: Basically, what we have done is we have opened 51 outlets. Out of that, 30 were absolutely new outlets. This reimagined means there is more display, there is more prominence given to the premium article. The square feet area is almost similar. There is not increase in the square foot area.

We have started with North India first, and wherever we open new outlet, it is coming with that format only. South also, we have come in Bangalore and around 10 outlets in Karnataka. These are all new format, new reimagined stores. More prominence is given to sneakers and sports shoes with a good display.

Sameer Gupta: What would be the total number of new reimagined stores out of the 450-odd that we have?

Gaurav Kumaar Dua: We have total 51 right now. I think within this year we will add 50 more in next six months.

Sameer Gupta: Got it, sir. Are there any in Mumbai?

Gaurav Kumaar Dua: We have 10 outlets in Mumbai, but we have not changed into Reimagined Stores yet. That will also be changed.

Sameer Gupta: We will wait for it, sir. No worries. The capex material is not very different, I am assuming, given the area is similar, unless you have putting more fit-outs or more premium stuff in the look and feel of the store.

Gaurav Kumaar Dua: Definitely there is increase in the capex because there is more display, the outside boards are much more attractive. So slight increase, not much.

Sameer Gupta: What would be typically the capex per store for us?

Gaurav Kumaar Dua: Roughly around INR 22 lakh per store.

Sameer Gupta: Got it, sir. Another question, sir, on the strategic aspect. You are saying that the market is moving towards premium sports sneaker and not necessarily value-oriented, but differentiation-oriented. But if I look at Relaxo's journey over time, I would imagine that our core strength would still be on the manufacturing side. This new set of challenge probably requires a different set of skill set in terms of trying to find out new trends in the market, marketing your product in a different way.

So, are we planning to change our way of working here? Are we looking at hiring any consultant in the near term to chalk out this journey? Like some time back, we had hired consultants. Are we thinking on those lines? Are we hiring new people, new teams to help us out with this new journey, or are we still going with the same set of people that we have?

Gaurav Kumaar Dua: In general trade, we have divided the team into two parts. One is Sparx and the other one is the Hawaii and Flite division. This is the big thing what we have done to give more focus towards the closed and the Sparx portfolio. We are appointing distributors also in this category separately.

Plus, regarding the consultant, we are always in touch with the people who guide us how to make a shift from mass to premium articles. Plus, we are launching exclusive articles in e-commerce, and in our retail shop also. So it is a gradual process, but we have to be there in line in the market, whatever market expects or demands, we have to follow accordingly.

Sameer Gupta: Sure. This splitting of sales team in Sparx and Hawaii, when has this been affected from?

Gaurav Kumaar Dua: From 1st April.

Sameer Gupta: This year, 2026?

Gaurav Kumaar Dua: This year, correct.

Sameer Gupta: Got it, sir. That is all from me, sir. Thanks and all the best.

Moderator: Thank you. Ladies and gentlemen, we will take this as the last question for today. I now hand over to the management for closing comments. Over to you, sir.

Amit Roy: Thank you very much. This is all from our side. We thank all of you for joining us on the call. Looking forward for taking it further in case you need any help in this for the next call. Thank you very much.

Moderator: Thank you. On behalf of Relaxo Footwears Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Disclaimer: *This is a transcription and may contain transcription errors. The Company takes no responsibility of such errors, although an effort has been made to ensure high level of accuracy. Some minor editing may have been done for better readability. In case of discrepancy, the audio recordings uploaded on the stock exchanges on November 16, 2026, will prevail*

Contact details:
Registered Address: Aggarwal City Square, Plot No.10, Manglam Place,
District Centre, Sector-3, Rohini, Delhi-110085 (India) CIN: L74899DL1984PLC019097
Website: https://relaxofootwear.com/