

Footwear major Bata continues business revival, posts 258 million net profit

New Delhi, 12 February 2021: Footwear major Bata India Limited today announced results for the quarter ended 31st December 2020. Backed by improving sales during festive season, revenue from operations for the quarter stood at 6147 million, and the company clocked in net profit of 258 million.

Owing to the various customer-centric measures adopted in the wake of Covid-19, Bata India has been successful in getting back on its recovery path, with improvement in sales through its retail outlets and e-commerce platforms, and hyperlocal digital channels- Bata ChatShop and Bata Store on Wheels. Sales through digitally enabled platforms now make up 15% of the total sales, growing by 3 times in the last one year. In terms of portfolio-mix, the Formals (incl. School business) & Fashion categories continued to be subdued as expected due to prevailing market conditions, the Casual, Fitness & Essentials categories bounced back leading to company's overall volume reaching 88% of pre-Covid levels.

To spread positivity, Bata launched its first big campaign of the year – Kick Out 2020, along with its new collection – 'Ready Again.' The launch helped the brand in uplifting customer sentiment and getting them to shop from its retail & online store during festive season. It also rolled out its first ever 'Sneaker Fest', which helped drive younger consumers to shop from its North Star & Power brands.

Sandeep Kataria, CEO — Bata Brands, stated: *"Owing to decline in Covid cases and vaccine rollout, the overall market sentiment is improving significantly. Backed by good festive sales and our targeted consumer outreach, our sales have recovered to 74% of pre-Covid levels. As a result of our focus on omni-channel retailing and scaling up our digital presence via online marketplaces and our online store, 60% of our marketplaces' orders today are fulfilled by Bata stores and 100% for bata.in. As we witnessed demand for footwear steadily grow over the last 3-6 months, we kept expanding our reach through new franchise & multi-brand outlet stores. While we focused on reviving sales, we also kept focus on cost-savings measures across our network and enhancing productivity. Overall, we're encouraged by the increasing momentum during the December quarter and we continue to launch new ways to serve our customers better, offering them greater convenience and flexibility. All these measures have enabled us to revitalize the business and soon we expect to get into the thrive phase of our recovery plan."*

Bata India also continued to strengthen its brick and mortar presence in tier 3 & 4 cities by opening new franchise stores across the country, with 221 Franchise stores at the end Dec 2020.

Key Highlights:

- Bata continued to double-down on its focus on cost-savings measures by working closely with landlords for store rentals optimization, controlling discretionary spends and looking for productivity-enhancing measures



- Sales through digitally enabled platforms like Bata website, online marketplaces, Bata ChatShop, Bata Home Delivery and Bata Store on Wheels contributed over 15% of total revenues. Bata set-up its presence on all major marketplaces & drove demand by in-market audiences' campaigns
- In Institutional & Distribution business, as the economy started opening up, Bata won orders to supply safety & industrial shoes to companies in cement, steel & railways sectors. In addition, it continued its expansion drive in smaller towns by appointing new channel partners
- Manufacturing: From Jan 2021 onwards, as demand picked up, production inched back to pre-Covid levels
- Bata opened a total of 45 new franchise stores in the quarter, taking its total to 221 Franchise stores. Some of the new towns include Itanagar(known as the land of dawn-lit mountains), Varkala(known as The Pearl of the Arabian Sea), Sivakasi(known for its firecracker, matchbox & printing industries), Pali(known as textile hub of Rajasthan) and Ratnagiri(known for its touristy monuments, temples & beaches), all having population between 50K to 3 lakh.
- Bata won first awards in 'Quality', 'Best HR Practices' and 'Cost Competitive Organization' categories at the 13th CII National Competitiveness & Cluster Summit 2020 ceremony
- CSR: As part of its globally announced shoe donation-drive to benefit local communities and support Covid heroes, Bata India has donated 1.23 lakh pairs to medical workers & their families, police & children across 34 cities, with its overall commitment to donate 2 lakh pairs

About BATA:

Bata has held a unique place in the hearts of Indians for more than 85 years. Probably the only footwear brand that offers footwear and accessories for the entire family, Bata has redefined the modern footwear industry in India. It has established a leadership position in the industry and is the most-trusted name in branded footwear. It sells more than 47 million pairs of footwear every year and serves 120,000-plus customers almost every day.

Bata India is the largest footwear retailer in India, offering footwear, accessories and bags across brands such as Bata, Hush Puppies, Naturalizer, Power, Marie Claire, Weinbrenner, North Star, Scholl, Bata Comfit and Bubblegummers, to name a few. It retails in more than 1600 Bata own and franchisee stores, on bata.in and in thousands of multi-brand footwear dealer stores pan-India. To make its products accessible to millions of Indians, Bata has evolved its channels and has recently launched new channels like Bata Chat Shop, Bata Home Delivery and Bata Store-on-Wheels for neighborhood communities.

For more information on Bata India, please visit www.bata.in

