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Impact of COVID-19 on the footwear industry of India: With special reference to Bata India Ltd

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Abstract

India is the second largest consumer and producer of shoes in the world after China and it is estimated that this industry in India will see 8 fold increases by 2030. India contributes 13% in production of footwear in the world accounting to 16 billion pairs annually. India stands on 3rd position after China and USA, when it comes to largest footwear consuming countries of the world. India stands far lower than the other global leaders of the world when it comes to having number of footwear per person. Indian consumes nearly 1.66 pairs of footwear on an average while the global consumption stands at 3.0 pairs of footwear annually. There are almost 18,000 units working in footwear manufacturing industry in India, accumulating an estimated total turnover of about Rs. 50,000 crores out of which Rs. 32,000 crores are from the domestic market while rest 18,000 crores comes from the exports. But all this was affected by a pandemic, a pandemic that the world has been witnessing since last 2 years. Each and every industry got affected due to this pandemic and footwear was not an exception to this. Our research paper on this title emphasises the impact of the pandemic (COVID-19) on the footwear industry in India by narrowing article's circumference to Bata India Ltd. Our paper tries to show the effect of pandemic on the company's revenue, net profit, its comparison with other footwear companies, etc. Descriptive research design has been implemented in this research paper, while the data was collected from secondary sources.

Keywords: Footwear industry, COVID-19, Bata India Ltd, financial implications, comparison

1. Introduction

The arrival of the new technology and the modes of communication beside with the lavish modern lifestyle have fuelled the increased income which lead people to present themselves in a more presentable way. This leads the industries to concentrate and produce commodities as per customer need and want. The dynamic competitive scenario of business environment has changed the way the businesses were run once. The increase in awareness of the customers along with the increase in the number of options that are available to the customer has completely changed the marketing task of the companies. But this was the scenario when everything around us was in a normal state. Everything have changed, from the time we are surrounded by this pandemic, whether you take it customer perception, their behaviour, company's interaction with them and even the way the businesses gets connected with the customers.

The COVID-19 pandemic started to don the world around January of 2020 and by the March 11, 2020 the first case of it has been witnessed by India, which lead to a sudden chaos and panic among the people of the country. And on a sudden note on the March 18, 2020 the schools, colleges, institutions and offices started to close. And finally the lockdown for the very first time during COVID-19 was imposed in the last week of March of the year. This lockdown was for a month or so but cost a deep trench in the economy of the country. During this period, people were not allowed to move outside the house due to the spread of COVID-19. The movement of people were completely restricted. So was the case with the 1st, 2nd, and 3rd wave of COVID-19 in the nation. And the impact on the economy was harsh during the 1st and the 2nd wave of COVID-19, where many businesses collapsed and some even does not pull-up itself from that adverse situation ever. But the situation of footwear industry was quite good in comparison to the small businesses, who find this situation very hard to survive. But a shape decline in the revenue of footwear industry in India was noticed during this period. This was due to the uncertainty of the future in the minds of the customers due of the atrocity of the situations and the restriction of movement of the people within their houses because of the lockdown around the nation. Because of all this customers

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prefer to buy goods of necessity rather than buying the footwear. Bata India Ltd has been chosen for this study because of its reach to every section of the society. Bata is a brand that signifies trust by its customers. When it comes to Bata footwear, Indian customers have a special corner for this footwear in their heart. Those were the days when people who wore this brand have its special position in the society of reputed elite class. The durability and sustainability of this brand was remarkable. And by this feature, elderly of the family use to just go for this brand. The Bata Corporation has its link deep into the Czech from where it started its multinational footwear and fashion business. It was founded in the year 1894 of 24 August by Tomáš Bat'a. Company's headquarter is located in Switzerland. The incorporated of Bata shoes Company Private Limited was done in India in the year 1931 and started its operation in the year 1932. The India's first manufacturing unit of Bata was established in Calcutta and today it has its franchise all over the country. Over the years Bata has diversified itself from the exotic product line like the Hush Puppies or CAT to the product for the middle-class people like the Bata Comfit or Scholl etc. And even this almost a 100 year old brand with great reputation in the market cannot defend itself from the adversity of the COVID-19.

Review of Literature

Ashish Jain (2020), in his article talks about the peak season that was enjoyed by the footwear industry before the pandemic but as the pandemic spreads over the country the demand started to shrink for each commodity whether it be FMCG or footwear industry. Everything comes to a standstill whether you take schools, colleges, offices or factories and to this, footwear industry was not an exception. The pandemic has arrived with all new challenges for the country's economy, causing a massive disruptive impact on the demand and supply-side elements and even affected the capacity to derail the growth story of the footwear industry.

Businesswire (2020), the author very beautifully depicted the effect on the footwear industry during the COVID-19 pandemic period all over the world. Though the situation was harsh when it hit the first time but the writer also presented how it (pandemic) acts as an opportunity for some of the nations and industries. The Technavio estimated that a growth by 42.06 billion US \$ during the 2020-2024 in the footwear industry is and will be observed all around the globe. The author also depicted the challenges that have to be managed well to produce a good output for the country that will help the GDP to be on the prosperous side.

Businessline (2020), in this article the loss of revenue by 10-15% is estimated and a pronounced impact on the profit of

the footwear companies was talked about. Footwear companies also reduced the average selling price of the footwear so that the company can liquidate their inventories to get back the stuck working capital. In the article itself it was mentioned that the fall in revenue was due to consumer sentiments, closure of the public places, offices and institution and none the less the lower disposable income of the individuals. And because of this the sale will also be subdued this year (2020-21). It was also estimated that the consumer spending will be more pronounced in the premium segment rather than the value class.

Allied Market Research (2021), this article presents the global scenario of the footwear industry where its growth, trend and forecast was made between the years 2021-2028. The footwear industry will see a slight upward trend gradually besides a positive growth. But the author also presents the hardship that the footwear industry has faced amidst COVID-19 globally due to the sudden lockdown and less people movements (outside home). The pandemic has a vital impact on the growth of the industry, even several of the prosperous market saw a complete altered scenario because of this pandemic and footwear industry was not an exception to this. The lockdown of the cities and the ban on the international travel completely disrupted the revenue as well as the supply chain of some of the companies.

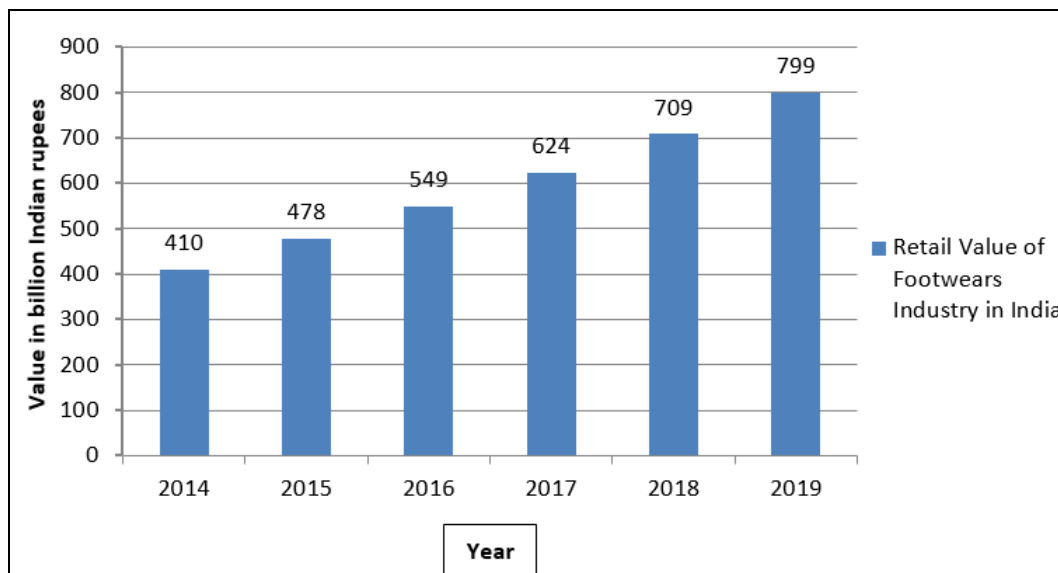
Objectives of the study

1. To study an overview of footwear industry in India.
2. To study the possible impact of footwear industry in India pre and post COVID.
3. To study the financial implications of footwear companies and in specific Bata India Ltd.

Research Methodology

The need of such a study is to depict the effect and the hardship that footwear industry has to face during the pandemic and how it turned those challenges into opportunities. There were many studies that have been conducted on different sectors but very few took the challenge to explore this venue (footwear industry) too. When it comes to footwear industry, it has great strength and potential to produce a new and enhanced dimension for upcoming business to flourish.

For the purpose of the study descriptive research design is used for this article, while the data has been collected through secondary sources. Secondary data which are used for the data analysis purpose are taken from various published sources like- websites, blogs, journal and other related publications.



Source- Statista.com

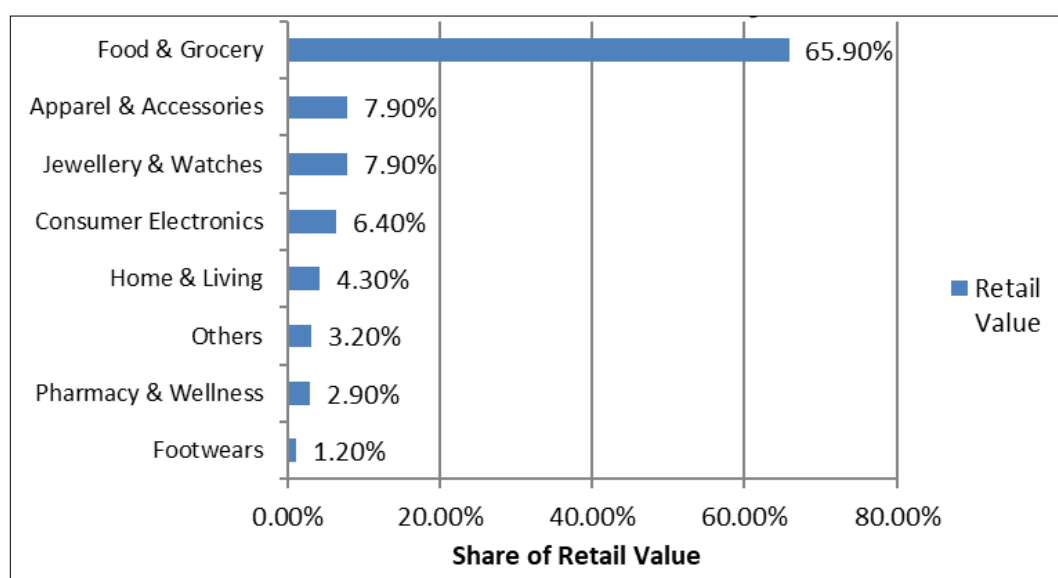
Fig 1: Retail Value of Footwear Industry in India

Inference: In figure-1, the retail value of footwear industry in India between 2014 to 2019 is depicted. Here we observe that the industry was showing an upward trend in the retail value before the COVID-19 (pandemic) scenario.

Data Analysis: In the year 2014 the retail value was 410 billion in Indian rupees which gradually shifted to 478 billion in 2015. The increase in retail value of footwear in percentage in the year 2015 when compared to previous year comes out to be at 14.23%. The year 2016 depicted retail value of footwear industry to be at 549 billion. The same year shows 14.85% increase in retail value of footwear industry when compared with the previous year. The same upward trend in percentage increase in retail value of footwear industry was depicted in the year 2017 and 2018 also, where the increase in retail value of footwear industry

in India was recorded as 13.66% and 13.62% respectively. There is a little fall in percentage increase in retail value of footwear industry in India in the year 2018 which is acceptable in the course of business. The year 2019 sees a jump in retail value by 90 billion which shows the continuing upward trend in retail value of footwear industry which when expressed in percentage increase over the previous year comes out to be 12.69%.

Interpretation: By analysing the figure-1 we come to know that the retail value of footwear industry was in a flourishing phase in the pre-COVID scenario where the retail value of the industry continues to give better year after year. Where the best retail value of footwear industry in India during the above mentioned period was achieved in the year 2017.



Source- Statista.com

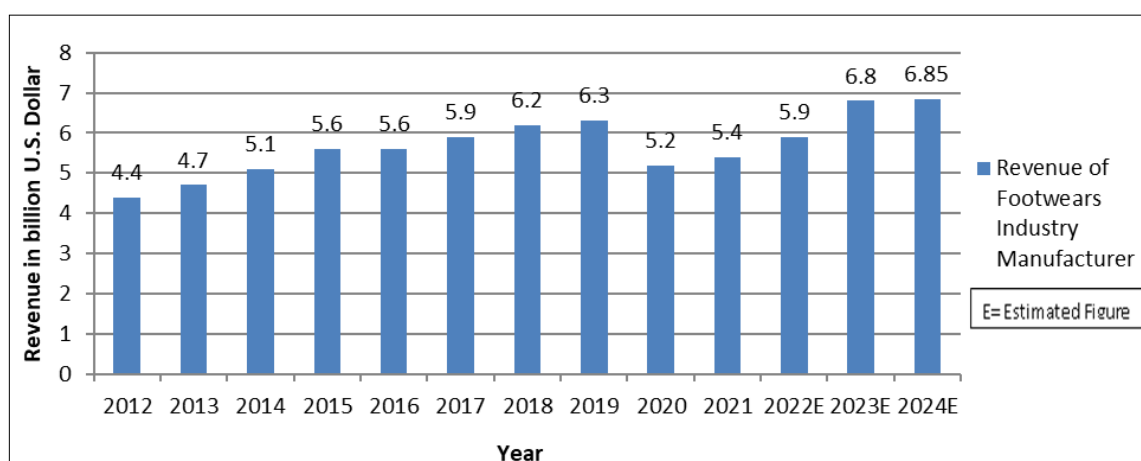
Fig 2: Share of Retail Value in the year 2020

Inference: This figure-2 represents the share of retail value of product categories in India for the financial year 2020. By seeing it one can say that during the pandemic period (2020) people prefer to go in for food and grocery rather than for footwear or any other secondary items.

Data Analysis: The food and grocery recorded 65.9% share of retail value for the period 2020. This whopping lead of food & grocery was followed by apparel & accessories, jewellery and watches which both recorded 7.9% share of retail value of products categories. The consumer electronics recorded 6.4% of share in the retail value. The Home & Living, Others and Pharmacy & Wellness recorded 4.3%, 3.2% and 2.9% in the share of retail value by category. At the end of the figure, we found footwear which was lagging behind a far away from the leader of the category. The footwear recorded a mere 1.2% share of retail

value by categories. The gap between the food & grocery and footwear was recorded a whopping 64.7% share of retail value, which shows the logic behind the fall in the footwear and other industry amidst the pandemic. As the future was uncertain during the mentioned period the people preferred to stock in for food & grocery (goods of necessity) rather than footwear.

Interpretation: The abnormal behaviour of the general public for buying commodities during the pandemic period made such an adverse situation for some businesses to thrive for that period. Because of this pattern of buying behaviour the short growth was seen in some sectors while some experienced a longer recovery period, which was due to the pandemic. This very behaviour of public leads to the fall of share of retail value of footwear industry in India when compared with the estimated.



Source- Statista.com

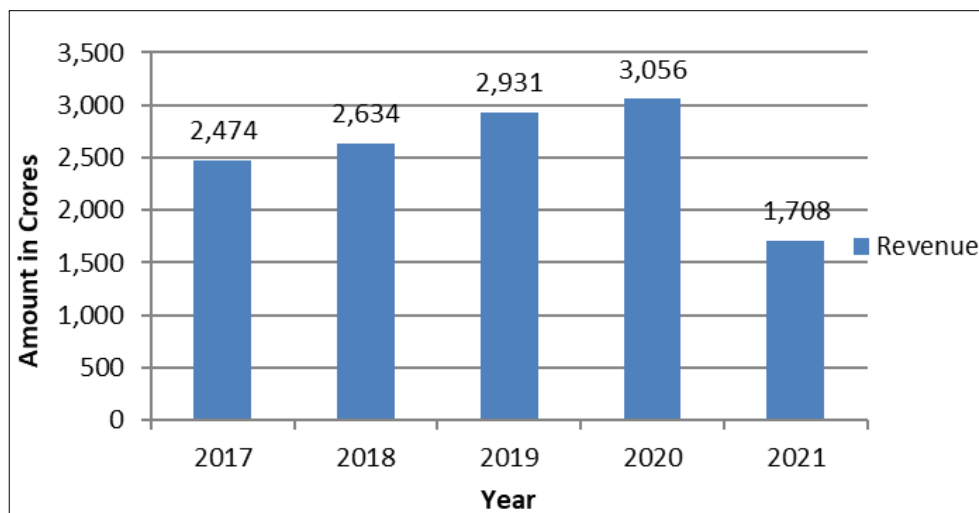
Fig 3: Revenue of Footwear Industry Manufacturer in India

Inference: This figure-3 depicted the revenue of footwear industry manufacturer in India between 2012 to 2024. By seeing this figure we can straight away tell that there is a gradual increase in the revenue of the industry between the 2012 to 2019.

Data Analysis: In the year 2017 the revenue of the industry is at 5.9 billion US dollars which is 5.36% increase in revenue of the industry over the previous year. While the year 2018 recorded 6.2 billion US dollars of revenue for the industry which is 5.08% increase in revenue of the footwear industry over the previous year. Though a little increase in revenue was recorded in the year 2019 but more importantly is the amount of revenue for the period which was 6.3 billion US dollars. From 2012 onwards, the revenue started to increase till 2019 where it reached its zenith in pre-COVID period to depict 6.2 billion US \$ revenue for the footwear industry. The industry's revenue was showing an upward trend before the COVID-19 hit the nation. In the year 2020 a record drop was seen due to lockdown where the revenue touched almost 5.2 billion US \$ which is lesser than when compared from the previous year. The revenue of the industry depicted a fall of 17.46% (1.1 billion US dollars) when compared with 2019. The fall in industry revenue was due to lockdown imposed during COVID-19 as a result less movement of peoples were noticed and shift of

customers' preference. People prefer to buy goods of necessity rather than goods of luxury or in our case footwear. When we compare 2020 revenue with that of previous year then we realise that the pandemic has put the industry almost 6 years back to 2014 mark (in terms of revenue). In 2021 where some restriction was curb or relaxation given in the guidelines for the pandemic, people started to move outside and by this the revenue of the industry was seen to increase gradually in the upcoming year. In the year 2022 the estimated revenue will be somewhere near 5.9 billion US \$ which shows an estimated leap of around 0.6 billion US dollars. The year 2023 and 2024 will estimated to witness 6.8 and 6.85 billion US dollars of revenue of footwear industry which if reached will be the highest revenue of the industry since 2012.

Interpretation: The figure-3 shows an upward trend in the revenue of footwear industry manufacturer before the COVID-19. But due to this pandemic the revenue of the industry dips because of the hardships of the pandemic. As the estimated figure shows, the good road ahead for the industry but with sudden and secret road bumps on its way towards recovery and growth. And if this estimated target is achieved then that would be phenomenal for the footwear industry as well as for the GDP of India.



Source- Moneycontrol

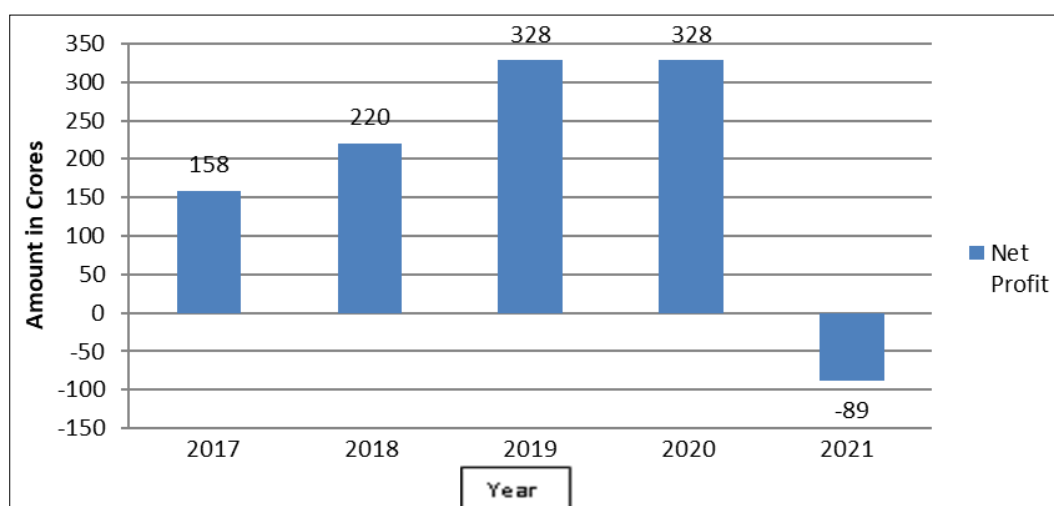
Fig 4: Revenue of Bata India Ltd`

Inference: The figure-4 shows the revenue of the Bata India Ltd over a period of 5 years starting from the 2017 and ending on the 2021.

Data Analysis: If we see the figure, we will come to know that there is gradual increase in the revenue of the company from 2,474 crores in 2017 to 2,634 crores in 2018 which shows 6.47% growth in annual revenue over the previous year. 2019 witnessed a large leap in revenue to 2,931 crores and an annual revenue growth of 11.28% when compared with 2018. And finally before the pandemic hit the nation the company showed 3056 crores revenue in the year 2020 which depicted 4.27% increase in annual revenue. The financial year in which the pandemic enhances its coverage over the nation is the same year the revenue of the company showed a downward trend from the whopping high. Before the pandemic the revenue shows an upward trend in the

generation of it. The pandemic hit period of 2021, shows 1,708 crores revenue for the entire year and this revenue of the year were not even close to the mark as estimated by the company. It shows a fall in growth of revenue by 44.11% from the previous year.

Interpretation: If we compare the pre and during the pandemic period we come to know that in the pre- pandemic period, it was on an average of 152 crores annual growth of revenue from 2017 to 2019 but during the pandemic period, the revenue of 2021 shows a fall to almost half of itself from the revenue of the year 2020. This not only impacted the company but also the revenue of the footwear industry of the nation. The decrease in revenue shows the effect and the impact which the pandemic have on the footwear company of India.



Source- Moneycontrol

Fig 5: Net Profit of Bata India Ltd

Inference: In this figure- 5 the net profit of the Bata India Ltd was depicted from 2017 to 2021 where just by looking, one can tell that the pandemic had hit the company really hard.

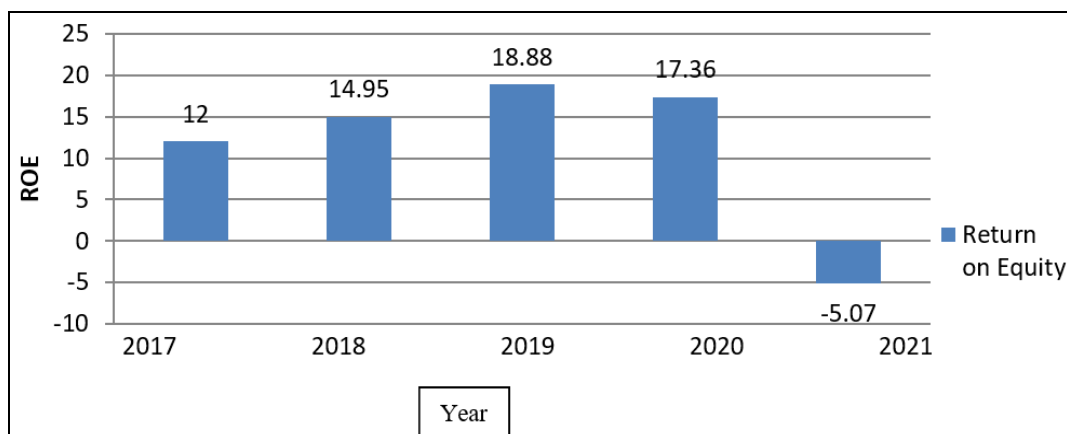
Data Analysis: The year 2017 witnessed 158 crores net

profit and from here onwards the company did not look back in terms of net profit in the pre- pandemic period. 2018 has seen 220 crores of net profit for the year which is 39.24% increase in annual net profit when compared with the previous year. The year 2019 was a good one where the company earned net profit of 108 crores which when

computed in terms of percentage shows 49.09% increase in annual net profit when compared with the previous year. The year 2020 showed a constant 328 crores of net profit for the year. While the pandemic period of 2021 recorded a negative 89 crores of net profit which when calculated shows a sharp fall in net profit by 127.13% over the previous year.

Interpretation: The year from 2017 to 2019 showed

increase in net profit of the Bata India Ltd, where in the year 2019 the highest growth in revenue was recorded in the pre-pandemic period. The net profit of 2021 depicts the terrifying period of the pandemic when the movements of the people were restricted and the panic is in the environment. The fall in net profit was recorded in the same period when the pandemic was at its peak. So by this, one can say that the COVID-19 affected the net profit of Bata India Ltd with hard.



Source- Money Control

Fig 6: Return on Equity of Bata India Ltd

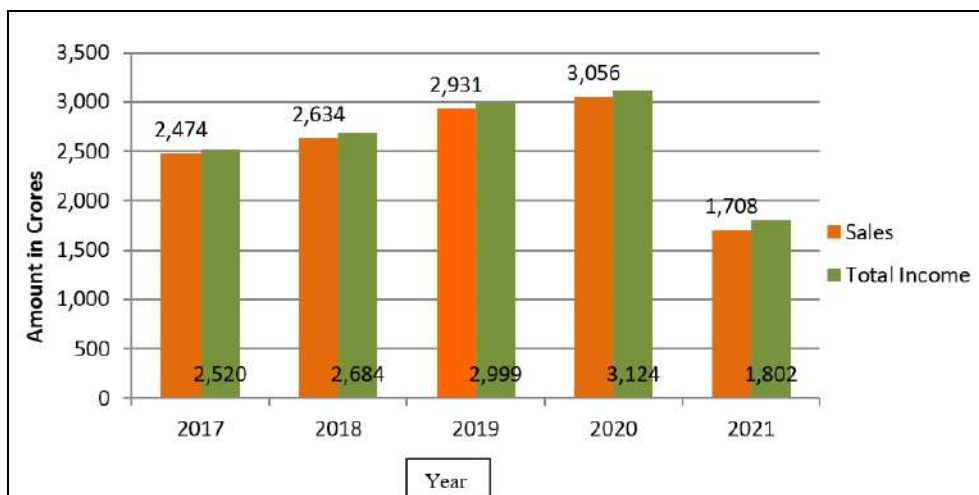
Inference: The figure 6 shows the return on equity which is the return that the equity share holders are receiving from their investment in equity. It is actually a gauge to see how efficient the company is in generating the profits. ROE is a measure of financial performance by the company which is calculated by the formula.

$$\text{ROE} = \text{Net Income} \div \text{Shareholders Equity}$$

Data Analysis: The ROE shows the gradual upward trend before the pandemic has its effect on it. Where the year 2017 shows a favourable 12 ROE followed by 14.95 ROE and 18.88 ROE in the year 2018 and 2019 respectively. The year 2018 witnessed 24.528% increase in ROE when compared with the previous year. The year 2019 shows a jump of about 3.93 ROE which is a good leap when compared with previous years. The percentage increase in ROE in the year 2019 over the previous year was 26.29%.

While the year 2020 shows a slight fall of about 1.52% in ROE making it to be at 17.16 ROE which might be due to the effect of COVID-19 (pandemic) on the financial quarters of the company. But a tragic fall was witnessed from 17.36 ROE to -5.07 ROE in the year 2021 where the impact due to COVID worsens the wound of the company. A large fall of almost 22.43 ROE was seen in the same year, which is a rare thing to happen in the near future of Bata India Ltd.

Interpretation: The pre-pandemic period has given a healthy increasing ROE over the years to the shareholders, where the company enjoys the increasing net profit year after year. But as the pandemic tighten its grip onto the economy the company's net profit sees a sharp decline in the year 2021 which makes the ROE turn negative and finally as a result the company sees a -5.07 ROE for the year.



Source- Self Computed but the data was taken from Money Control

Fig 7: Sales and Total Income Comparison of Bata India Ltd

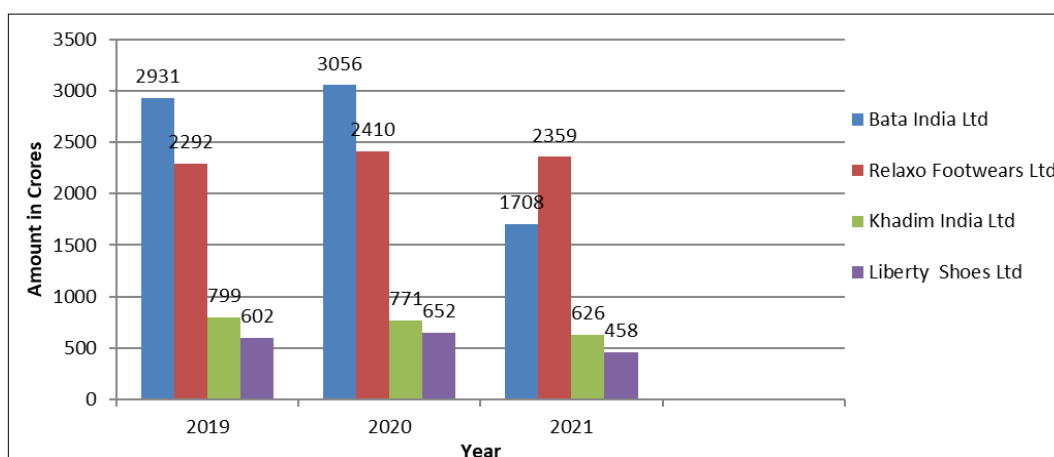
Inference: In figure- 7 the sales and total income of the Bata India Ltd is shown from 2017 to 2021 where the sales and total income presented a gradual and upward trend over the pre-pandemic period. While the year 2021 shows a fall in both sales and total income.

Data Analysis: In the year 2017 total income were recorded 2,520 crores from which it moved up by 164 crores or 6.51% to 2,684 crores in the year 2018. The year 2019 witnessed a good jump in the total income of the company by about 315 crores or 11.74% from previous year. When we see the preceding 2 years this comes out to be a massive leap in total income of Bata India Ltd. The year 2020 shows a total income of 3,124 crores of which 125 crores increase in total income over the previous year has been recorded but the percentage of increase has shown a decline by about 7.57% of total income when compared to the year 2019 this makes the total revenue in percentage increase for the year to be at 4.17%. The company might have given more total income if the pandemic does not hit the company in the year 2020. This is the possible reason to the company for not putting up the expected total income for the period in our opinion. The year 2021 shows a sharp decline in the total

income of the company by about 1,322 crores or 42.32% of fall over the previous year's total income. This is almost 50% fall in the total income of the company which is not a small thing in the life cycle of a business. The fall in total income is in the period when the pandemic is at its peak and as the people preferences more for food & grocery than for footwear, adding one more reason to it is the lockdown which restricted the movement of people might be the possible reason for the fall in total income of Bata India Ltd. While 1,802 crores of total income was recorded during the same year, which is far lesser than preceding years.

Interpretation: If we compare this total revenue with that of the above-mentioned years then we come to know that the total income has fallen to the levels below the year 2017 and by this we can say that the pandemic made the company to lag behind even far back then those above mentioned 5 years.

The fall in sales as well as the total income was seen in the year in which COVID-19 was at its peak so as a result the fall in both was due to the pandemic. So this makes very clear that the pandemic has affected the company's sales and the total income both.



Source- Self Computed but the data was taken from Money Control

Fig 8: Revenue of Footwear Companies

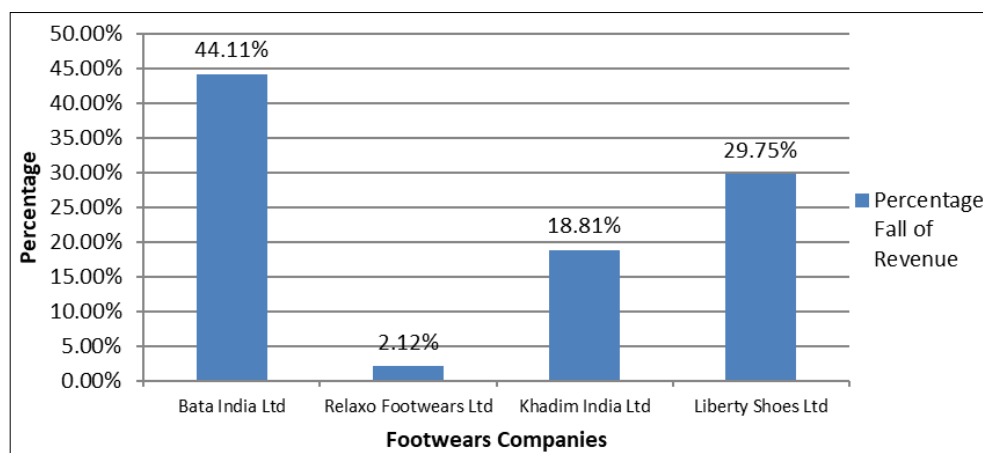
Inference: In this figure the revenue of different footwear companies was depicted where we compare Bata India Ltd with that of its peer company to show that this is not the only company which was affected by the pandemic, there was some more companies during this period which also get affected. Figure- 8 shows such comparison between Bata India Ltd with some of its rival like the Relaxo Footwears Ltd, Khadim India Ltd and Liberty shoes Ltd. The comparison was made on the basis of revenue of these companies from the period 2019 to 2021.

Data Analysis: The Bata India Ltd shows 2,931 crores revenue in the year 2019 while Relaxo Footwears Ltd shows 2,292 crores revenue during the year, followed by Khadim India Ltd which depicted revenue of 799 crores and finally Liberty Shoes Ltd shows the revenue for the year 2019 to be at 602 crores. The year 2020 was the year when the pandemic started to deepen its legs deep into the soil of the nation. The year witnessed revenue of 3,056 crores by Bata India Ltd. While Relaxo Footwears Ltd sees the revenue to be at 2,410 crores followed by Khadim India Ltd which shows the revenue of 771 crores and Liberty Shoes Ltd presented its revenue to be at 652 crores for the year. The

decrease of revenue when compared to the estimated figure over the previous year might be due to the suffering from the pandemic which affected the financial quarters of the company. The year 2021 comes out to be a villain in the books of the company. The Bata India Ltd shows 1708 crores revenue while Relaxo Footwears Ltd presents its revenue to be at 2,359 crores, followed by Khadim India Ltd whose revenues comes out to be 626 crores. While the Liberty Shoes Ltd depicted its revenue to be at 458 crores for the period.

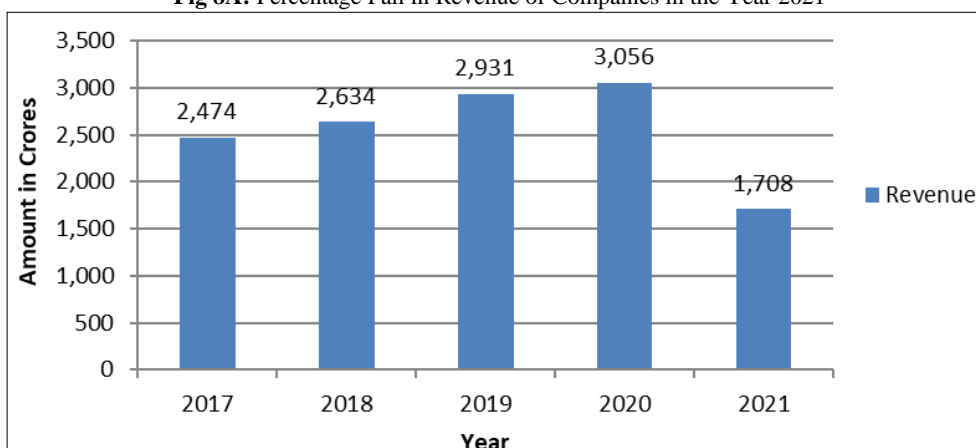
Interpretation: All the companies shows a fall in the revenue of the year 2021 when compared to the previous year (2020) revenue of the companies. The main reason for the fall in the revenue of the company is due to the pandemic and also the effect which made the customer behaviour to change for that particular time frame (shift of preferences to goods of necessities). Even these big footwear companies cannot be able to maintain growth aspects of the company during COVID-19. The fall in the year's revenue of 2021 in percentage of the companies is given below when compared to its own revenue of the penultimate year. The percentage of fall in revenue are:

S. No.	Footwear Companies	Figure- 8-A
1	Bata India Ltd	44.11%
2	Relaxo Footwears Ltd	02.12%
3	Khadim India Ltd	18.81%
4	Liberty Shoes Ltd	29.75%



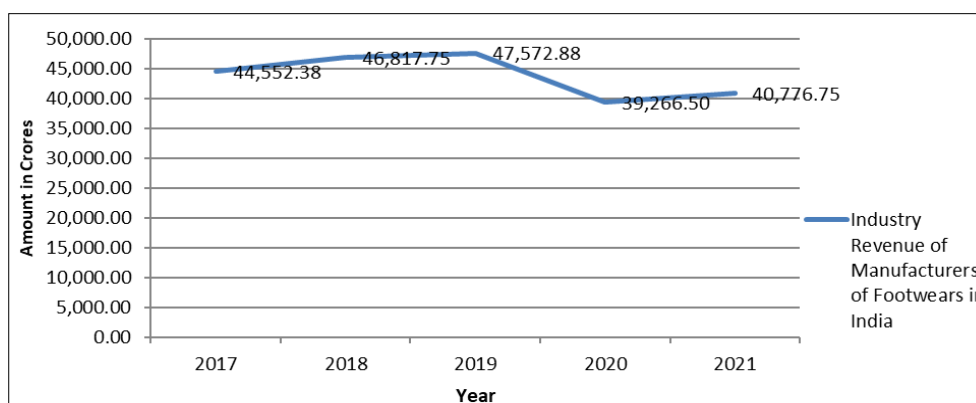
Source- Self Computed

Fig 8A: Percentage Fall in Revenue of Companies in the Year 2021



Source- Money Control

Fig 8B: Revenue of Bata India Ltd



Source- Self Computed [1 US Dollar= 75.51 Indian Rupees (06th of April, 2022 at 10:15 AM)]

Fig 9: Industry Revenue of Manufacturers of Footwears in India

Inference: This figure-9 shows the comparison of the revenue of Bata India Ltd with that of Industry Revenue of Manufacturers of Footwears in India from 2017 to 2021.

Data Analysis: The year 2017 shows 2,474 crores as the revenue of Bata India Ltd whereas; the footwear industry

reflected 44,552.28 crores as the revenue for the year. So, the Bata India Ltd has contributed 5.55% in the revenue of the industry for the same year. Followed by the year 2018, where Bata India Ltd presented its revenue to be at 2,634 crores while the footwear industry presented its revenue to be at 46,817.75 crores. When we compare the revenue of the

company with that of the industry, it comes out to be at 5.63%. The year 2019 witnessed a great jump in the revenue of Bata India Ltd. The revenue of the company was 2,931 crores which reflected a growth of 11.28% from the previous year. When this revenue of the company is compared with the revenue of the industry which was 47,572.88 crores then the contribution of Bata India Ltd in revenue of the footwear industry comes out to be at 6.16%. When we see all the previous 3 years we witnessed an upward trend in the contribution of Bata India Ltd to the revenue of the footwear industry from 5.55% to 5.63% and finally to 6.16%, on an average annual percentage contribution of Bata India Ltd was 5.78% in these 3 years in the revenue of the footwear industry. But when we move on the next year i.e., 2020 we have witnessed a fall in industry revenue by 17.46% from previous year. The year recorded 3,056 crores of revenue of Bata India Ltd while the footwear industry shows the revenue to be at 39,265.50 crores. Though the industry revenue falls in this period but the contribution of Bata India Ltd has increased by about 1.62% while making it to be at 7.78% of total contribution in the revenue of the footwear industry in the year 2020. This fall in industry's revenue in 2020 was witnessed by an increase in the revenue of footwear industry in the year 2021. The year sees revenue of 1,708 crores by Bata India Ltd. This fall in revenue was due to the pandemic, while the footwear industry recorded 40776.75 crores of revenue during the same year. Though the fall in company's revenue was witnessed but the company managed to contribute 4.19% in the industry revenue for the year. There is a fall of 3.59% in the contribution of Bata India Ltd to the revenue of the footwear industry in the pandemic periods.

Interpretation: By this figure, we can say that the company's average percentage contribution towards the footwear industry remained at 5.86% during these 5 years. But the company and the industry as a whole was impacted by the pandemic.

Findings

- The footwear industry shows an upward trend in the retail value before the COVID-19 (pandemic) scenario.
- The biggest increase in retail value of footwears industry in India was recorded in the year 2015 at 14.23% when compared with the previous year.
- The year 2019 shows the retail value to increase at 12.69% which is the lowest amongst the pre-COVID (pre-pandemic) period.
- The pandemic period of 2020 depicted its retail value to fall by 2.36% when compared with the previous year thus curtailing its annual growth of retail value by 11.206%
- The share of food and grocery in retail value in India was recorded 65.9% for the year 2020.
- The share of footwear industry of India in retail value was recorded at 1.2% for the year 2020.
- The huge gap of 64.7% between these above two is because of the consumer abnormal behaviour to purchase the goods of necessity because of the uncertainty of the future during the pandemic and the imposition of the lockdown amidst strict regulations for the general public.
- The highest increase in pre-COVID period in revenue of footwear industry was recorded in the year 2015

where the leap in revenue was measured at 8.93% as compared to the previous year.

- The lowest increase in pre-COVID period in revenue of the footwear industry was recorded in the year 2019 where the increase was 1.61% when compared with the previous year.
- During the pandemic, the year 2020 shows a fall in the revenue of the footwear industry by 17.46% as compared to the previous year.
- The footwear industry shows some initial increase in the revenue of the industry. But the road ahead is full of speed bumps.
- If the estimated figures for the upcoming years are met in time then it will be beneficial both for the industry as well as for the nation.
- The year 2023 and 2024 is estimated to witness 6.8 and 6.85 billion US dollars of revenue which if reached will be the highest revenue of footwear industry in India since 2012.
- In the pre-pandemic period the average annual revenue growth of the Bata India Ltd was 152 crores between 2017 to 2019.
- The highest jump in revenue of Bata India Ltd was recorded in the year 2019, where the revenue increased by 11.28% over the previous year.
- In the year 2021 the revenue of Bata India Ltd sees a fall of 44.11% from the previous year's revenue.
- The year 2018 has witnessed an increase of 39.24% in net profit of the Bata India Ltd over the previous year's net profit.
- The highest net profit of Bata India Ltd was witnessed in the year 2019 and 2020, where in 2019 the highest increase was recorded in the net profit of 108 crores over the previous year.
- The year 2019 depicted 49.09% increase in net profit of Bata India Ltd when compared with the previous year.
- The year 2021 recorded negative increase in net profit to 89 crores by Bata India Ltd.
- The year 2021 also depicted a fall of 127.13% in the net profit over the previous year of the company.
- The Bata India Ltd recorded increasing ROE in the pre-pandemic period.
- The highest increase in ROE was witnessed in the year 2019 where an increase of 26.29% was recorded over the previous year.
- The year 2020 depicted a fall of 1.52% in the ROE making it to stand at 17.16 ROE.
- The year 2021 has witnessed a fatal effect of the pandemic where the company sees its ROE drop to -5.07 while accounting its fall in percentage to be at 129.21%
- The Bata India Ltd depicted a gradual increase in both sales and total income in the pre-pandemic period.
- The highest increase in total income in the pre-pandemic period was recorded at 11.74% in the year 2019.
- The year 2020 sees a decline in total income by 7.57%.
- The year 2021 reflected a fall in total income by 1,322 crores or 42.32%.
- Bata India Ltd recorded the highest revenue collection during the year 2019 in comparison to its rivals like Relaxo Footwear Ltd, Khadims India Ltd and Liberty Shoes Ltd.
- In the year 2020, the Bata India Ltd again leads by a

margin of 646 crores from its subsequent follower in the rivalry i.e., Relaxo Footwears Ltd.

- In the year 2021, Bata India Ltd showed a big fall in its revenue to 1708 crores while its next rival Relaxo Footwears Ltd shows a slight decline in revenue by 51 crores from the previous year.
- Khadims India Ltd and Liberty Shoes Ltd also show a slight decline in the revenue of the company in the year 2021. The fall in revenue is depicted as: Bata India Ltd shows 1,348 crores, Relaxo Footwears Ltd shows 51 crores, Khadim India Ltd reflected 145 crores, while Liberty Shoes Ltd Liberty Shoes Ltd shows 194 crores.
- In the pre-pandemic period the average annual contribution of Bata India Ltd to the footwear industry revenue in India was 5.78%.
- The contribution of Bata India Ltd in footwear industry was highest in the year 2019, where it was recorded 6.16%.
- There is a fall of 17.46% in the footwear industry revenue in the year 2020.
- The year 2020 recorded 3,056 crores of revenue of Bata India Ltd while the footwear industry shows the revenue to be at 39,265.50 crores. Though the industry revenue falls in this period but the contribution of Bata India Ltd has increased by about 1.62% while making it to be at 7.78% of total contribution in the revenue of the footwear industry.
- Taking all the 5 years from 2017 to 2021 the Bata India Ltd on an average has contributed 5.86% in the revenue of the footwear industry.

Suggestions

- The Indian footwear companies will have to enhance its market coverage even to the foreign countries. The target market should be those countries which have footwear consumption close to global consumption per person annually (i.e., 3 pairs)
- Indian footwear industry (especially those units in Agra) should have to produce and sell the footwear by their own name rather than taking orders from the foreign countries, to make the footwear but in the name of some foreign popular brands. The Indian industries have enough machinery capacity and skilled labourers to run a successful business and if still there arises a need it can be outsourced from other agencies to compete with the foreign market. By doing this Indian footwear industry can establish proper brand equity in the foreign market.
- Footwear companies of India have great potential to generate big brand name in the world. But for this proper Research & Development units have to be step up with the help of government and for that government should have to help both financially and in terms of experience wise too so that even the small units of the country having big capabilities can flourish and make their name on the global platform.
- Indian footwear companies should also have to try their hands in leather products like wallets, handbags, clutches, etc. besides only the footwear category in the European Union and U.S market with own brand name. As studied that some of the big brand of the European Union and U.S market made their shoes from India but with their tag (brand name). This proves that Indian footwear production units only need to focus on

establishing a brand for themselves.

- The government should have to provide proper guidance and some financial support to these small units so that they can recover from this adverse situation.
- The Indian footwear companies should have to learn from Relaxo Footwears Ltd. because even in those adverse situations of a pandemic the company showed a very marginal fall in the revenue for that period. The company managed to do this by increasing their sales by providing discounts to the customers and even to wholesaler, also heavy cut-off in other expenses of the company was seen, purchases of stock-in trade was also reduced over the previous year and even a slight decrease in cost of materials consumed was also observed. While on the other hand, other income showed an increase crores over the previous year.
- Even Khadim India Ltd and Liberty Shoes Ltd can contribute more in the revenue of the footwear industry. But due to shortage of resources whether it be labour, capital or raw material supply, these companies contribute less what they would have if properly managed. By proper management strategies and techniques companies like Khadims Indian Ltd, Liberty Shoes Ltd, etc, can contribute much more to this industry.

Conclusion

Though the pandemic have hit the whole world and especially India hard, but we have learnt how to convert challenges into an opportunity to prosper. It is very clear that the major economies of the world have fallen but all stand up tall to face this situation with full determination. And India in such adverse situation proves out to be a leader. Be it the vaccines, food supply, and infrastructure, India has never lagged behind anywhere. It is the industries and services sector which helps the economy to boost and made it on track with the thought of nation's prosperity and sustainable future in mind. In the words of our Honourable Prime Minister Narendra Modi Ji, "Sab Ka Sath Sab Ka Vikas" will work very well at this time when industry should come up with new ideas and innovations to help the economy to cope up with the adversities of the pandemic.

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