

November 17, 2021

The Manager
The Department of Corporate Services
BSE Limited
P. J. Towers,
Dalal Street, Mumbai - 400 001
Scrip Code - 540775

The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Symbol - KHADIM

Dear Sir / Madam,

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Sub: Investor Presentation (Q2 FY22 Results)

This is with reference to our letter dated November 16, 2021 with respect to Investor Meet scheduled to be held today, i.e., November 17, 2021.

Pursuant to the provisions of Regulation 30 of the Listing Regulations, we enclose herewith our presentation on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2021 which would be presented before the investors.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For **Khadim India Limited**

Company Secretary & Head – Legal
Membership No. A21358

Encl: As above



frontoffice@khadims.com



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033-4009 0500

www.khadims.com

KHADIM INDIA LIMITED

CIN : L19129WB1981PLC034337

REGISTERED OFFICE : 7TH FLOOR, TOWER C, DLF IT PARK, 08 MAJOR ARTERIAL ROAD, BLOCK AF, NEW TOWN (RAJARHAT), KOLKATA - 700 156
CITY OFFICE : 7A, LINDSAY STREET, KOLKATA - 700 087



KHADIM INDIA LIMITED

————— Q2 & HI FY22 RESULT – NOV 2021 —————

DISCLAIMER

This presentation and the following discussion may contain “forward looking statements” by Khadim India Limited (“Khadim” or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Khadim about the business, industry and markets in which Khadim operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Khadim’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Khadim.

In particular, such statements should not be regarded as a projection of future performance of Khadim. It should be noted that the actual performance or achievements of Khadim may vary significantly from such statements.







'Affordable Fashion' for the entire family for every occasion

2

Extensive Reach & Presence

- Retail presence across 23 states & 1 union territory
- 762 'Khadim's' branded retail stores (Sep-21)
- Wide network of 606 distributors selling to MBOs across India (Sep-21)

1

Leading Footwear Brand in India

- 2nd largest footwear retailer in India
- Largest presence in East India
- One of the top 3 players in South India
- Largest footwear retail franchise network in India

3

Two pronged Market Strategy

- Two distinct business models – retail & distribution, each with its own customer base, product range, sales channels.
- Ability to capitalize on the growth potential of both the markets and de-risk dependence on any one business.

4

Asset Light Model for Growth

- **Retail business**
72% of retail presence through franchise route
86% of product requirement (FY21)
- **Distribution business**
Highly scalable model on the front end
Mix of in-house and contract manufacturing.

5

Strong Design Capabilities

- Understanding latest domestic & global fashion trends.
- Strong design capabilities have helped create and grow sub-brands, drive premiumisation and target and retain aspirational customers.
- This has led to higher ASP and gross margin.

SOCIAL MEDIA PRESENCE

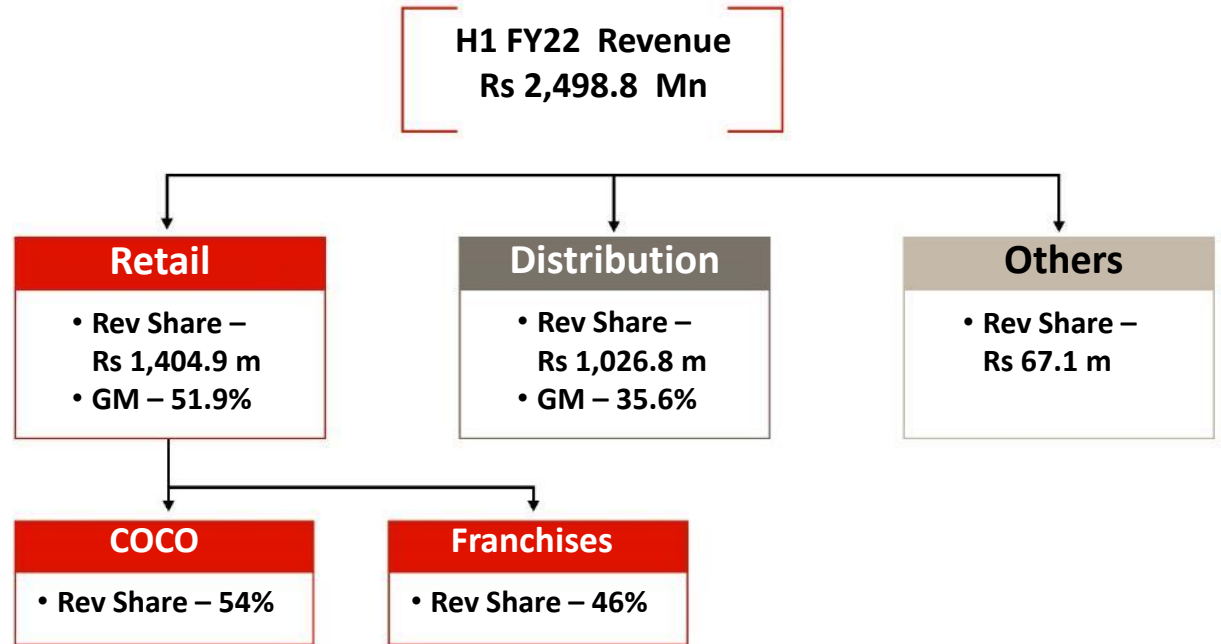


Q2 & H1 FY22 BUSINESS HIGHLIGHT

Key Performance Highlights:

- Revenue grew by 33%, from ₹ 1,217.5 m in Q2 FY21 to ₹ 1,616.5 m in Q2 FY22
- EBITDA reached ₹ 136.9 m in Q2 FY22 with an EBITDA margin of 8.5% (pre-COVID levels) vs an EBITDA loss of ₹ 116 m in Q2 FY21
- Q2 FY22 PAT stands at ₹ 64.7 m with a PAT margin of 4%, compared to a loss of ₹ 223.7 m in Q2 FY21 and a PAT of Rs.1.12 m in Q2FY20.
- Following gradual unlocking after the second wave, Retail business staged a robust recovery with substantial growth in sales clocking 53% growth over Q2FY21
- The retail business achieved an ASP growth of 9% over Q2FY20 and 25% over Q2FY21.
- The Company has achieved highest ever gross margin in retail at ~52%.
- Despite partial lockdown, expansion plans were back on track and the Company opened 25 new franchise stores in Q2FY22.
- The retail network now stands at 762 stores and distributor footprint has increased 606
- Working capital efficiency has improved cash-flow position and strengthened the balance sheet

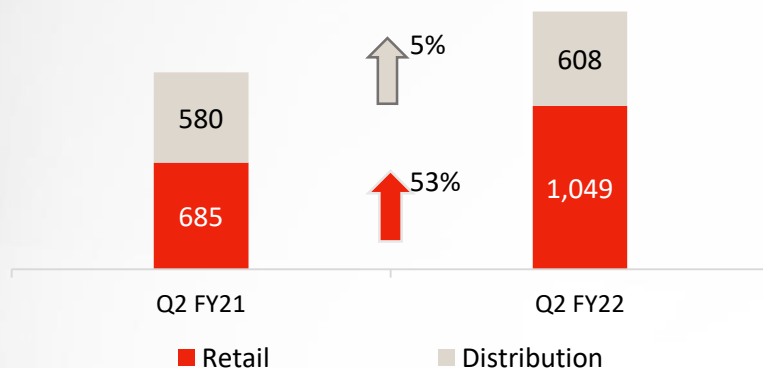
H1 FY22 RESULT HIGHLIGHT



Q2 & H1 FY22 RESULTS: SEGMENT ANALYSIS



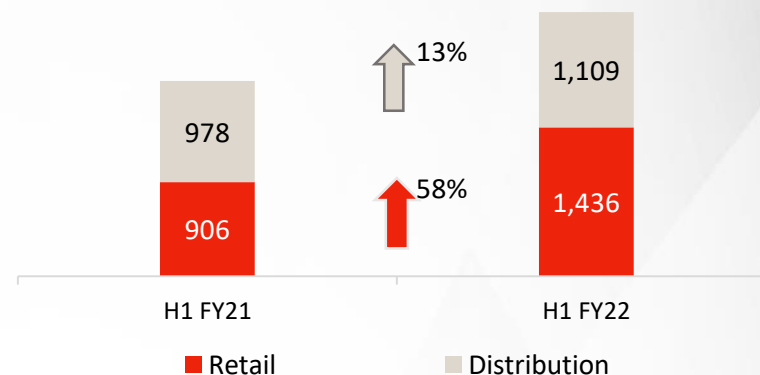
Q2 FY22 YoY ANALYSIS – REVENUE* BREAKUP



Segment Share % *	Q2 FY22	Q2 FY21
Retail	61%	51%
Distribution	36%	43%

Gross Margin %	Q2 FY22	Q2 FY21
Retail	52.4%	44.7%
Distribution	35.1%	37.7%

H1 FY22 YoY ANALYSIS – REVENUE* BREAKUP



Segment Share % *	H1 FY22	H1 FY21
Retail	54%	46%
Distribution	42%	49%

Gross Margin %	H1 FY22	H1 FY21
Retail	51.9%	45.1%
Distribution	35.5%	36.5%

*All figures without IND-AS adjument
In Rs Mn

CONSOLIDATED PROFIT & LOSS STATEMENT

Particulars (In Rs Mn)	Q2 FY22	Q2 FY21	YoY %	Q1 FY22	QoQ %	H1 FY22	H1 FY21	YoY %	FY21
Revenue	1,616.5	1,217.5	32.8%	882.3	83.2%	2,498.8	1,821.5	37.2%	6,261.8
COGS	1,015.4	831.6	22.1%	570.6	77.9%	1,586.0	1,263.4	25.5%	4,458.5
Gross Profit	601.1	385.9	55.8%	311.7	92.9%	912.8	558.0	63.6%	1803.2
Gross Margin %	37.2%	31.7%	549 bps	35.3%	186 bps	36.5%	30.6%	19.2%	28.8%
Employee Expenses	142.1	149.1	-4.7%	120.2	18.2%	262.28	302.37	-13.3%	608.1
Other Expenses	322.1	352.7	-8.7%	195.1	65.1%	517.23	514.28	0.6%	1161.4
EBITDA	136.9	-116.0	-	-3.6	-	133.3	-258.6	-	33.8
EBITDA Margin %	8.5%	-	-	-	-	5.3%	-	-	0.5%
Depreciation	86.3	91.7	-5.8%	91.7	-5.8%	177.98	204.92	-13.1%	392.4
Finance Cost	55.7	54.7	1.7%	54.7	1.7%	110.41	133.34	-17.2%	253.8
Other Income	67.1	38.7	73.4%	38.7	73.4%	105.73	106.11	-0.4%	180.8
PBT	62.0	-223.7	-	-111.3	-155.6%	-49.4	-490.8	-	-431.5
Tax Expense	-2.8	-	-	-2.4	-	-5.21	-1.7	-	-102.1
PAT	64.7	-223.7	-	-108.9	-159.4%	-44.2	-489.1	-	-329.4
PAT Margin %	4.0%	-	-	-	-	-	-	-	-5.3%



CONSOLIDATED BALANCE SHEET

Particulars (In Rs Mn)	Sep-21	Mar-21
Equity		
Equity Share capital	179.7	179.7
Other Equity	1,786.1	1,828.8
Non-Current Liabilities		
Lease liabilities	996.6	1,172.6
Provisions	6.9	5.2
Borrowings	168.4	192.9
Other Non-Current Liabilities	11.9	1.9
Current Liabilities		
Financial Liabilities		
Borrowings	962.4	821.1
Lease Liabilities	169.5	209.7
Trade Payables	1,766.6	1,670.5
Other Financial Liabilities	170.0	166.0
Other Current Liabilities	45.9	54.5
Provisions	1.6	1.5
Income Tax Liabilities (net)	-	-
Total Equity & Liabilities	6,265.4	6,304.4

Particulars (In Rs Mn)	Sep-21	Mar-21
Non-Current Assets		
Property, Plant and Equipment	1,061.2	1,140.7
Capital work - in - progress	4.8	9.5
Right of Use Assets	975.3	1,153.5
Intangible assets	2.6	3.2
Intangible assets under development	1.3	1.5
Financial Assets:		
Others	170.7	179.3
Deferred tax assets (net)	202.9	198.0
Income Tax Assets (net)	64.3	47.0
Other non-current assets	97.4	97.9
Current Assets		
Inventories	1,514.8	1,406.8
Financial Assets:		
Trade Receivables	1,299.1	1,207.0
Cash & Bank Balances	71.2	39.3
Others	105.9	101.3
Other Current Assets	693.9	719.6
Total Assets	6,265.4	6,304.4



**BUSINESS
STRATEGY
& OUTLOOK**

**MOVING
YOU
MORE**



TWO-PRONGED BUSINESS MODEL & GROWTH STRATEGY

- Reach
- Target Segment
- Price & Product Range
- Sourcing

RETAIL BUSINESS

762 'Khadim's exclusive branded outlets

Middle & upper middle income consumers in metros (incl. mini metros), Tier I – III cities

Rs 105 – Rs 4,199

Leather / non-leather sandals, slippers, boots, ballerinas, stilettos, moccasins, sports shoes and accessories*

86% outsourced (FY21) – smaller quantities of premium high quality products

DISTRIBUTION BUSINESS

606 distributors supplying to MBOs across India

Lower & middle income consumers in Tier I – III cities, who shop in MBOs

Rs 75 – Rs 999

EVA, basic and premium Hawaii, PVC, PVC DIP and PU and Stuck On products

Own manufacturing and contract manufacturing facilities




Expand Store Network pan-India with focus on Premiumisation, Asset Light Model & optimum capacity utilisation

RETAIL BUSINESS

- Expanding retail footprint in markets across South India, West India and in Uttar Pradesh in North India
- Focus on entering into new markets through COCOs and further augment presence in such markets through franchisees

DISTRIBUTION BUSINESS

- Focus on penetration in existing markets in Eastern and Southern India and capitalise on retail brand recall and target markets in West and North India
- Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

*Accessories includes socks, shoe polishes, brushes, leather belts, wallets, laptop bags etc.



**WIDE PRODUCT
RANGE ACROSS
VARIOUS
CATEGORIES & PRICE
POINTS**

**'Affordable Fashion' brand catering to
the entire family for all occasions**



MEN / WOMEN / KIDS
Fashionable & casual footwear
for value conscious customers



Menswear
Formal shoes &
sandals using
premium quality leather



LAZARD

Menswear Semi-formal &
casual shoes / sandals, using
premium quality leather and faux leather



Men & Women wear
Sports / activity sneakers / floater
sandals in mesh / synthetic / canvas uppers



softouch™

Men & Women wear
Closed & open shoes / sandals
using premium quality soft leather
and faux leather



SHARON™
EASERS

Womenswear
Fashionable yet functional sandals using
premium quality faux leather



cleo™
THE STYLE STORY

Womenswear
Light & trendy sandals using premium
quality faux leather



TURK™
Super Style

Menswear
Outdoor boots / sandals using
premium quality faux leather



adrianna™
walk like a princess

Womenswear
Comfortable and fashionable
footwear for pre-teen and
teenage girls



bonito™
fun together

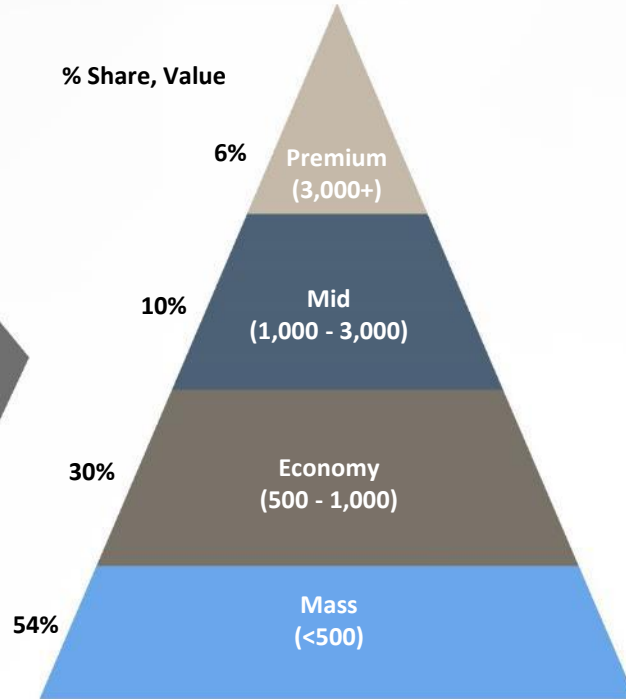
Kidswear
Range of fun and colourful shoes for
toddlers and children



DISTINCT BRAND POSITIONING FOR VARIOUS MARKET SEGMENTS

Khadim's brand presence and product range makes it capable to address ~85% of the total Indian footwear market potential

Footwear Market Segmentation
(MRP at retail stores in Rs)



Khadim's is well positioned to tap the industry growth potential across both retail and distribution segments

Distinct brand positioning to target customers

Across all price segments

MENSWEAR	WOMENSWEAR	KIDS



**PROMOTER, BOARD OF DIRECTORS
&
MANAGEMENT TEAM**

www.khadims.com



Siddhartha Roy Burman
Chairman &
Managing Director

- Associated with the Company since its incorporation. He has 34 years of experience in the footwear industry
- Responsible for the overall strategic decision making and provides leadership to all operations



Dr Indra Nath Chatterjee
Non-Executive,
Independent Director

- 42 years of experience in multi-national companies
- Earlier worked with Hinduja Group, Jindal Drilling & Industries, ONGC, Tata Motors, Indian Airlines, Calcutta Business School, IFFCO- Tokio General Insurance Co.



Alok Chauthmal Churiwala
Non-Executive,
Independent Director

- Over 20 years experience in capital markets, IIM-A & ISB alumnus
- Former Vice Chairman of BSE Broker Forum, Board member of ICSA (Int. Council for Securities Assoc.) & advisory Board of ICCL (Indian Clearing Corporation Ltd)



Prof. (Dr.) Surabhi Banerjee
Non-Executive,
Independent Director

- 37 years of experience as an academican
- Earlier associated with Netaji Subhas Open University as the vice chancellor, with Gour Banga University as the vice-chancellor, and with the Central University of Orissa as vice-chancellor



Ritoban Roy Burman
Non-Executive, Director

- He is a graduate in Mass Communication from St. Xavier's College, Kolkata.
- He joined Khadim India Limited in 2013 as Manager-Marketing and worked till 30th November 2017. He has gained exposure in various aspects of footwear marketing during his tenure



Rittick Roy Burman
Wholetime Director

- Bachelor's degree in commerce from University of Calcutta
- Management Graduate from University of California
- He has taken charge of driving long-term strategy, new initiatives and merchandising

EXPERIENCED MANAGEMENT TEAM



Namrata Chotrani
CEO

- She was associated with KPMG & Fairwinds Asset Managers Limited (since 2012) and has a total experience of over nine years in tax, private equity and mergers.
- She was previously on board of the company representing Fairwinds



Indrajit Chowdhury
CFO

- 20+ yrs of experience in finance & accounts, taxation and strategic planning
- Responsible for all commercial & strategic planning and has assisted in providing the corporate structure of the company as it stands today
- Earlier associated with P. G. Shah and Co



Tapas Ghosh
GM, Business Development
& Systems

- 21+ years of experience in accounts, strategic planning, IT, business development and sales
- He is responsible for the COO sales in the company
- Earlier worked with K.M. Khadim & Co



Aranya Ray
GM - Supply Chain Management

- 17 years of experience in supply chain operations, buying and merchandising
- He is responsible for supply chain, logistics, procurement and merchandising in the company
- Earlier worked with ICI India Limited and ITC Limited

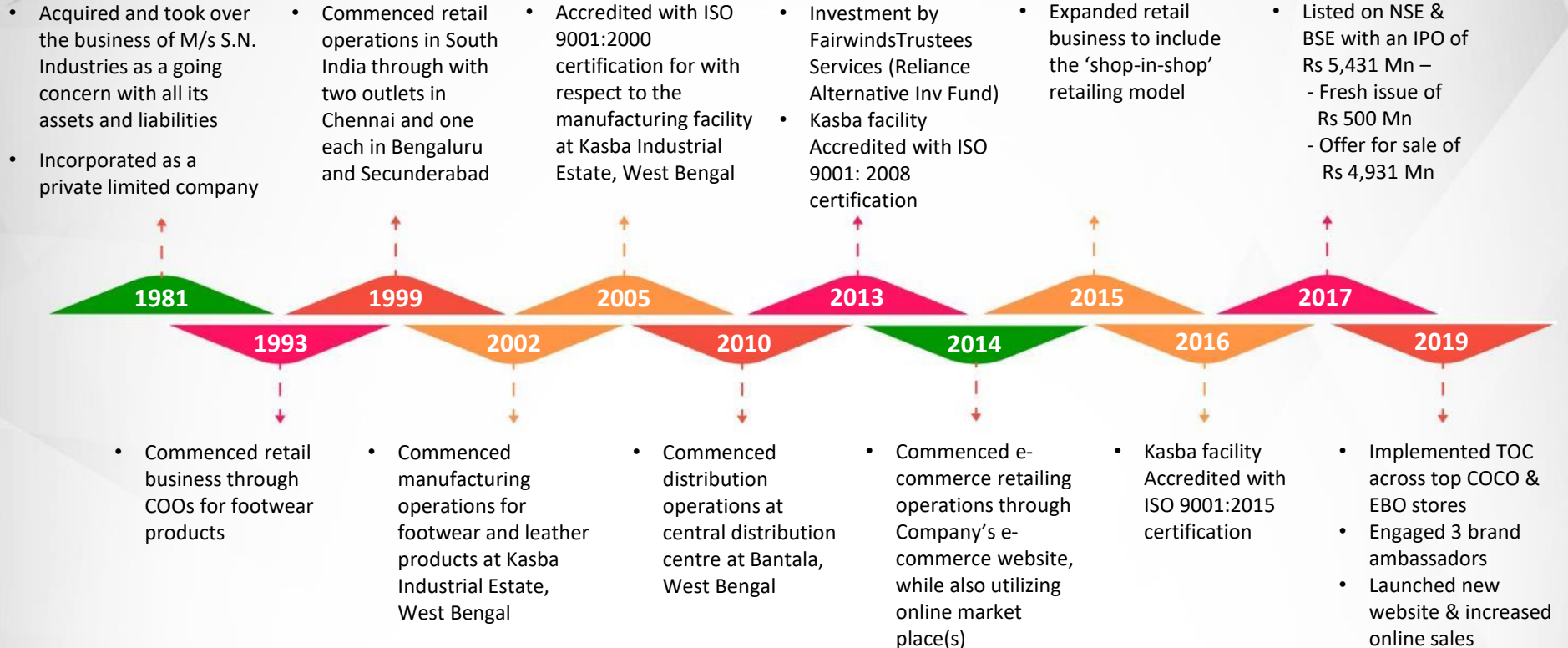


Kaushik Dutta
AGM - Sales

- PGCBM from XLRI Jamshedpur.
- Joined Khadims in March 2007. Recently promoted from Zonal Head and is now heading EBO/BO vertical
- Rich experience of 15 years in footwear domain across retail sales



KEY MILESTONES





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