

August 10, 2022



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 (Q1 FY23 Results)**

This is with reference to our letter dated August 08, 2022 with respect to Investor Meet scheduled to be held today i.e., August 10, 2022.

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 ended June 30, 2022 which would be presented before the investors.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For **Khadim India Limited**

**Abhijit Dan**  
**Company Secretary & Head – Legal**  
ICSI Membership No. A21358

Encl: As above

@  
frontoffice@khadims.com

033-4009 0501

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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

# Q1

# FY23

KHADIM INDIA LIMITED

Q1 FY23 RESULT - August 2022






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.

# BUSINESS OVERVIEW

 KHADIM



**KHADIM**



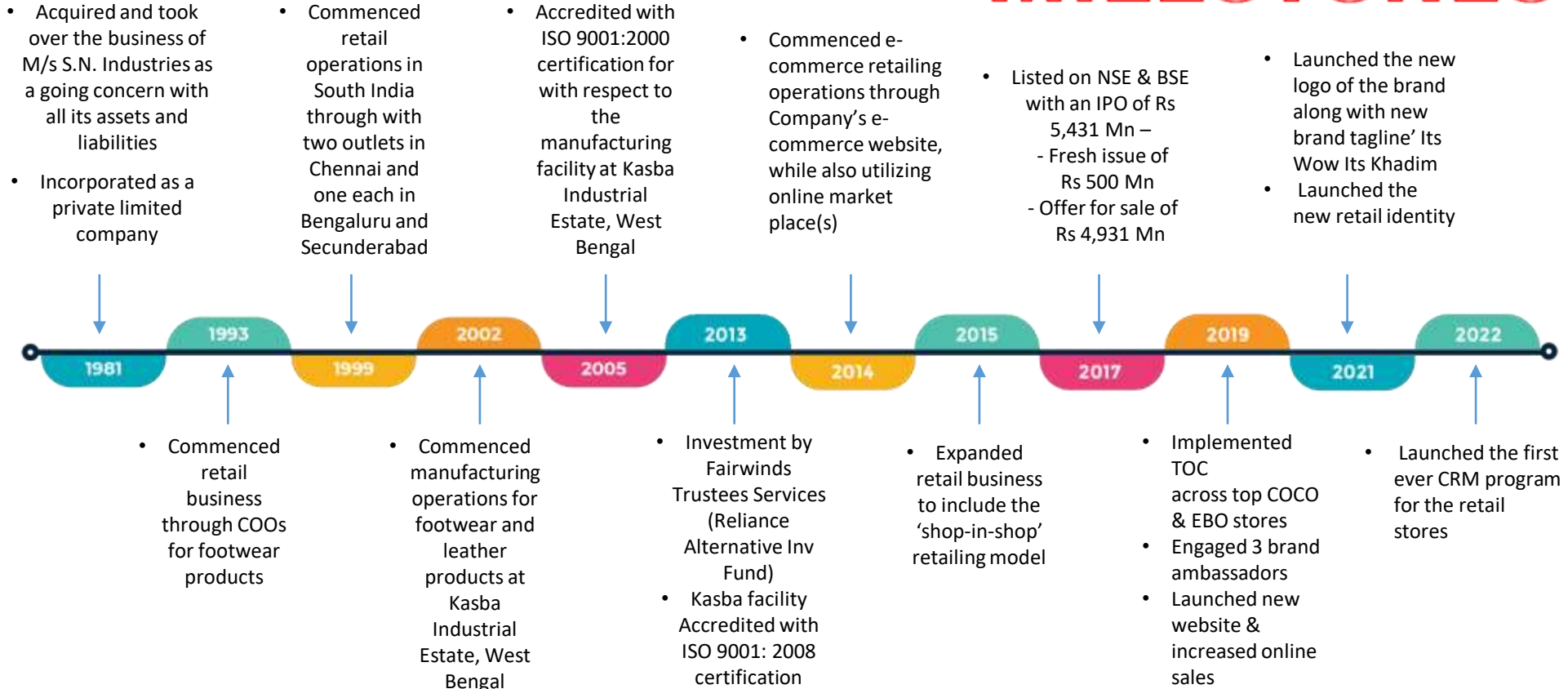


 **KHADIM**





# KEY MILESTONES





'Affordable Fashion' for the entire family for every occasion

# COMPANY OVERVIEW



## 1. Two-pronged Market Strategy

- Two distinct business models – Retail & Distribution.
- Each segment has its own customer base , product range and sales channels.

KHADIM



RETAIL

KHADIM



DISTRIBUTION

An all-encompassing reach on the footwear market with focused approach towards each segment provides ability to capitalize on the growth potential and de-risk dependence on any one business.

## 2. Asset Light Model for Growth

- **Retail business** 74% of retail presence through franchise route Outsource 84% of product requirement (FY22)
- **Distribution business** Highly scalable model on the front end Mix of in-house and contract manufacturing.



### 3. 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



### 4. Extensive Reach & Presence

- Retail presence across 23 states & 1 union territory
- 796 'Khadim's' branded retail stores (Jun-22)
- Wide network of 653 distributors selling to MBOs across India (Jun-22)



### 5. Strong Design Capabilities

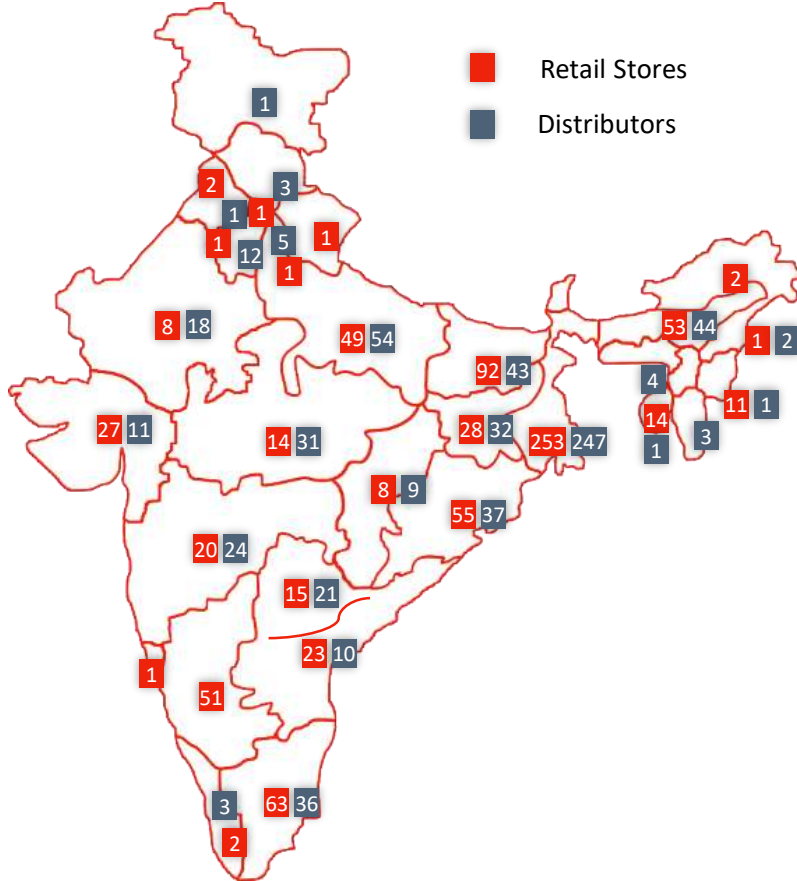
- Understanding latest domestic & global fashion trends.
- Strong design capabilities have helped create and grow sub-brands, drive premiumisation and target and retain aspirational customers.



# EXTENSIVE GEOGRAPHICAL REACH & PENETRATION

## Presence in 23 States & 1 Union Territory

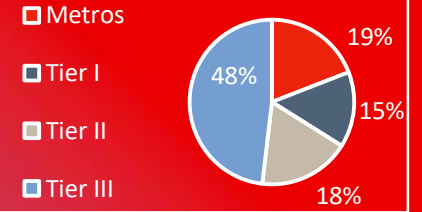
■ Retail Stores
 ■ Distributors



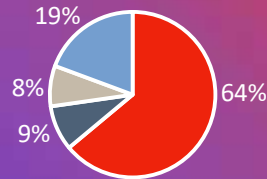
### Brand Network

Retail Stores	796
- COCO	207
- Franchises	589
Distributors	653

### Retail Stores – Tier wise

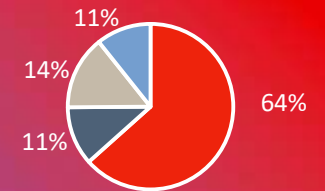


### Retail Stores – Zone wise



■ East
 ■ West
 ■ North
 ■ South

### Distributors – Zone wise



■ East
 ■ West
 ■ North
 ■ South

**KHADIM**



**KHADIM**

**HALLA BOWL. GOLD PEH GOLD!**

WANT THE BEST DEALS ON SHOPPING COSTS

**WOW**

#HallaBowlKhadim

**KHADIM**

**WHO SAID**

TAKE PRIDE IN YOUR **WOW** COLOURS!

**WOW**

**DOESN'T MEAN FUNKY?**

#PRIDEDAY

**KHADIM**

WANT THE BEST DEALS ON SHOPPING COSTS

**WOW**

**WANT THE BEST DEALS ON SHOPPING COSTS**

**WOW**

#HallaBowlKhadim

**KHADIM**

**WOWSOME**

#HallaBowlKhadim

**KHADIM**

ISE KEHTE HAIN **WOWASANA**

#HappyYogaDay

**KHADIM**

**WOW**

*It's Classy*

#HallaBowlKhadim

# MEDIA COVERAGE

## Affordability in Every Step

By Indiamart.com | July 28, 2022

SHARE     

Khadim has been synonymous with providing the nation with affordable footwear that is high on style. Over the years the brand has not only gained a steady following but has changed its course of action too to bring in new strategies for growth.



From to do to done

OPEN

Khadim was established on December 3, 1981, as S.N. Footwear Industries Private Limited, a private limited Company under the Companies Act, 1956, with the Registrar of Companies. Over the next many years, the company was involved in the whole-selling and distribution of

## Khadim Unveils New Range of Footwear in Business Partners' Meet 2022

© June 8, 2022



Khadim India CEO, Namrata A Chotrani, Unveils New Range of Footwear in Business Partners' Meet 2022

Like     

Khadim India Ltd, India's leading footwear retail brand organized their Business Partners' Meet 2022 recently in Kolkata. The meet was attended by around 400 Business Partners from across the country. The occasion was graced by Ms. Namrata A Chotrani, CEO of Khadim India Ltd along with other senior officials of the company. The interactive meet commenced with lamp lighting followed by performance & appreciation basis the last financial year and sharing of future plan and vision of the company for FY 2023 with the business partners.

The meet was designed with lots of glitz and glamour with a fashion walk unveiling the new launch by the company for the upcoming season. The gorgeous employees of Khadim showcased the trendy range from across brands of Sharon, Cleo, Lazard,

## Affordable fashion footwear brand store in Faridabad

**Faridabad:** Home grown affordable fashion footwear and accessories brand Khadim India Ltd has opened a new store in association with franchisee partner SAR Ropar Pvt Ltd in Faridabad.

"We are confident that people of Faridabad will be delighted by our trinity fashionable range of products at a great in store experience and affordable pricing.

We hope to make Khadim the first choice brand footwear for the complete family," said Namrata A Chotrani, CEO, Khadim India Ltd. P

## Khadim India opens its exclusive outlet in Ropar

**R**OPAR : Fashion footwear and accessories brand Khadim India Ltd opens its Exclusive Brand Outlet in Ropar. The store covering an area of around 1000 sq.ft, is conveniently located at Ropar City Centre, Modal Town, Railon Road. The new store will give the shoppers an assortment of trendy, sporty and affordable range of products for every family members. The new Khadim store promises to provide customers a one stop shop destination for fresh, stylish, durable and value for money product line across the footwear and accessories segment. It has dedicated sections for men, women and children under its primary brand Khadim and sub brands British Walkers, Lazard, Turk, Sharon, Cleo, Bonito and others. Speaking on the occasion, Ms Namrata A Chotrani, CEO, Khadim India Ltd, said that North is an important market for us. We have long term view on Punjab and will strategically expanding our base across the state. We are here to change the perception of our valued customers that fashionable footwear is not always expensive, they are affordable with unmatched comfort and style. We are certain that our patrons would love our range of footwear and accessories across our brands designed for every occasion.



**KHADIM**



New outlet at Sealdah Railway Station





## Q1 FY23 BUSINESS HIGHLIGHTS

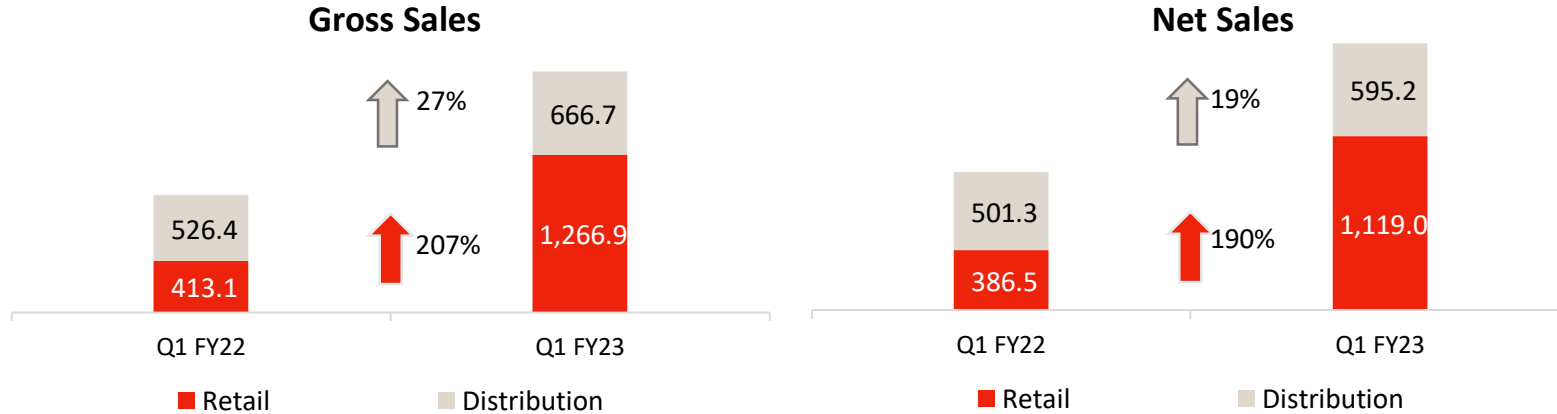
### Key Performance Highlights : Q1 FY23

- Revenue at Rs 1,661 mn, a significant y-o-y growth of 88.23% on the back of strong sales growth of 190% in the retail business. The key driving factors were growth in volumes and increased ASP across retail channel.
- Distribution business grew at 27% (on gross basis) and 19% (on net basis) in Q1FY23 vs Q1FY22
- Gross Margin stands at 41.3%, an increase of 596 bps y-o-y from 35.3% in Q1FY22. Retail gross margins have improved from 50.6% to 54.1% during the same period.
- EBITDA stood at Rs 170.8 mn, exhibiting an encouraging recovery from Rs (3.6) mn in Q1 FY22. EBITDA margin at 10.3% has improved both y-o-y and q-o-q.
- The asset light model expansion strategy of the brand continues to strengthen its retail presence in Tier II & III cities by net addition of 25 retail stores during the fiscal taking the total retail presence to 796 stores. Current distributor count stands at 653.

# Q1 FY23 RESULTS: SEGMENT ANALYSIS



## Q1 FY23 YoY ANALYSIS – REVENUE\* BREAKUP



Segment Share %	Q1 FY22	Q1 FY23
Retail	41.7%	62.6%
Distribution	54.1%	33.3%

Gross Margin %	Q1 FY22	Q1 FY23
Retail	50.6%	54.1%
Distribution	36.2%	36.7%

\*All figures In Rs Mn, without IND-AS adjustment

## CONSOLIDATED PROFIT & LOSS STATEMENT

Particulars (In Rs Mn)	Q1 FY23	Q1 FY22	YoY %	Q4 FY22	QoQ %	FY22
<b>Revenue from Operations</b>	<b>1,660.7</b>	<b>882.3</b>	<b>88.2%</b>	<b>1,561.6</b>	<b>6.3%</b>	<b>5,910.8</b>
Cost of Materials consumed	533.2	380.7		518.3		1,970.3
Purchase of stock-in-trade	442.0	190.0		456.3		1,742.5
<b>Gross Profit</b>	<b>685.6</b>	<b>311.7</b>	<b>120.0%</b>	<b>587.1</b>	<b>16.8%</b>	<b>2,198.0</b>
<b>Gross Profit Margin %</b>	<b>41.3%</b>	<b>35.3%</b>	<b>600 bps</b>	<b>37.6%</b>	<b>370 bps</b>	<b>37.2%</b>
Employee Benefits Expense	169.8	120.2		153.3		573.6
Other Expenses	344.9	195.1		305.3		1,146.5
<b>EBITDA</b>	<b>170.8</b>	<b>-3.6</b>	<b>-</b>	<b>128.5</b>	<b>33.0%</b>	<b>477.8</b>
<b>EBITDA Margin %</b>	<b>10.3%</b>	<b>-</b>	<b>-</b>	<b>8.2%</b>	<b>-</b>	<b>8.1%</b>
Depreciation	85.4	91.7		77.1		335.8
Finance Costs	62.4	54.7		57		227.3
Other Income	22.9	38.7		31.1		162.8
<b>Profit Before Tax (PBT)</b>	<b>45.4</b>	<b>-111.3</b>	<b>-</b>	<b>25.6</b>	<b>-</b>	<b>77.5</b>
Tax Expenses	11.9	-2.4		-1		13.1
<b>Profit After Tax (PAT)</b>	<b>33.5</b>	<b>-108.9</b>	<b>-</b>	<b>26.5</b>	<b>26.3%</b>	<b>64.4</b>
<b>PAT Margin %</b>	<b>2.0%</b>	<b>-</b>	<b>-</b>	<b>1.7%</b>	<b>30 bps</b>	<b>1.10%</b>





**PERFORMANCE TRACK  
RECORD**

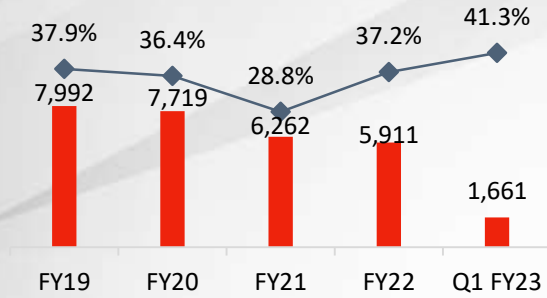


 **KHADIM**

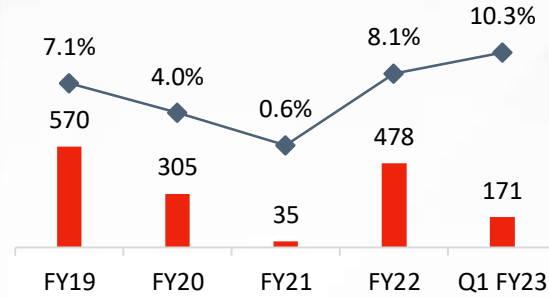
# FINANCIAL SUMMARY

In Rs Mn

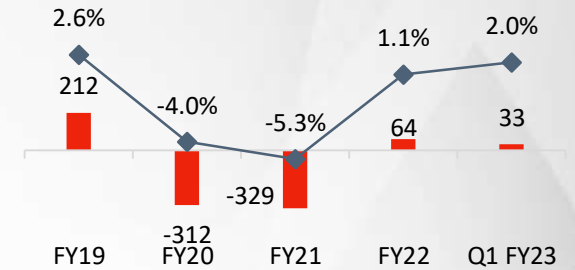
### Revenue & Gross Margin



### EBITDA & EBITDA Margin



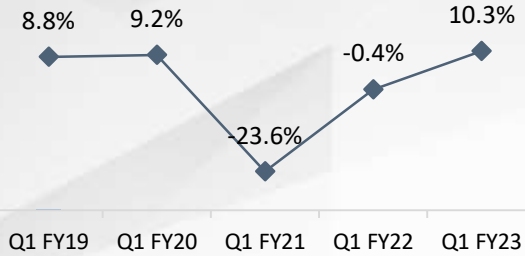
### PAT & PAT Margin



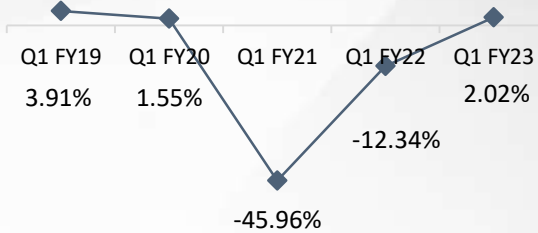
# FINANCIAL SUMMARY

In Rs Mn

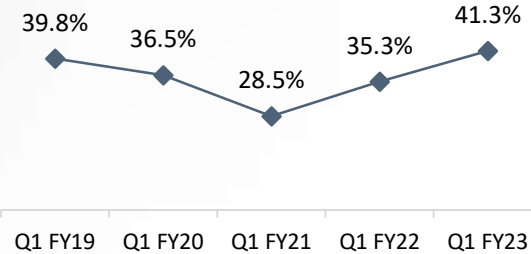
## EBITDA Margin



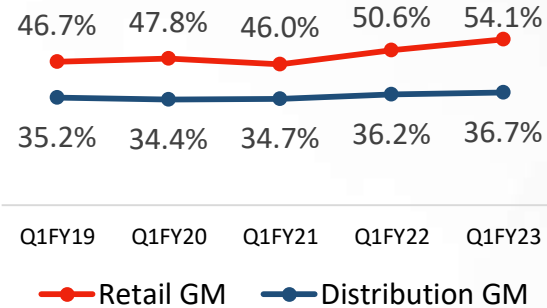
## PAT Margin



## Gross Margin



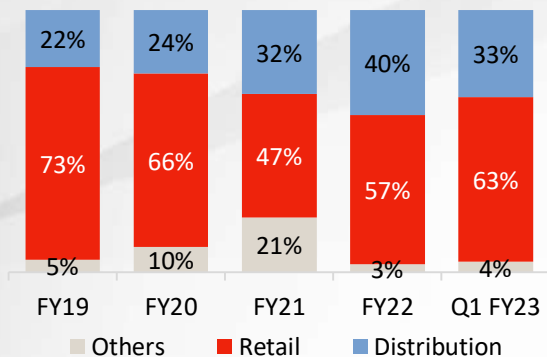
## Segmental Margin



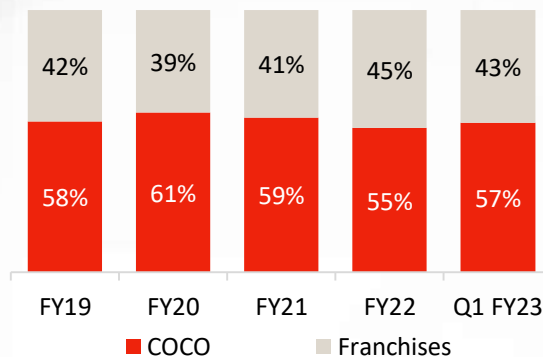
# FINANCIAL SUMMARY

In Rs Mn (I-GAAP)

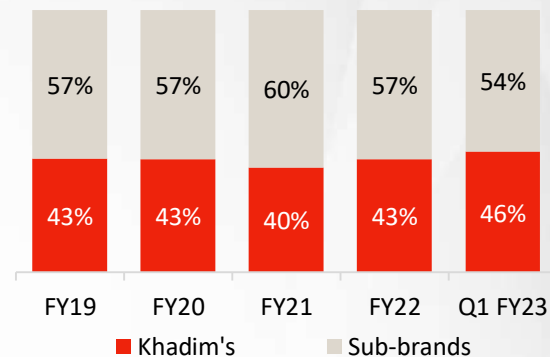
### Revenues – Segment wise



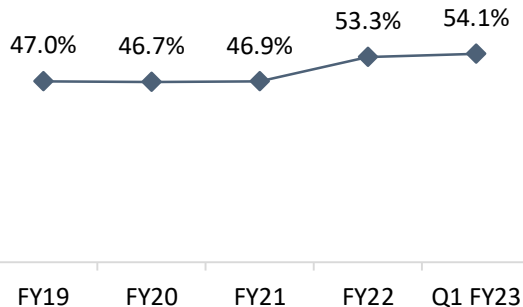
### Retail Revenues – COCO vs Franchises



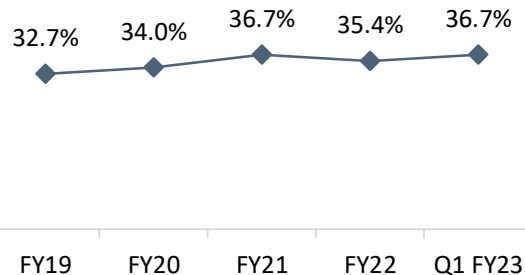
### Retail Revenues – Khadim's vs Sub-brands



### Retail Gross Margin



### Distribution Gross Margin





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**BUSINESS STRATEGY**

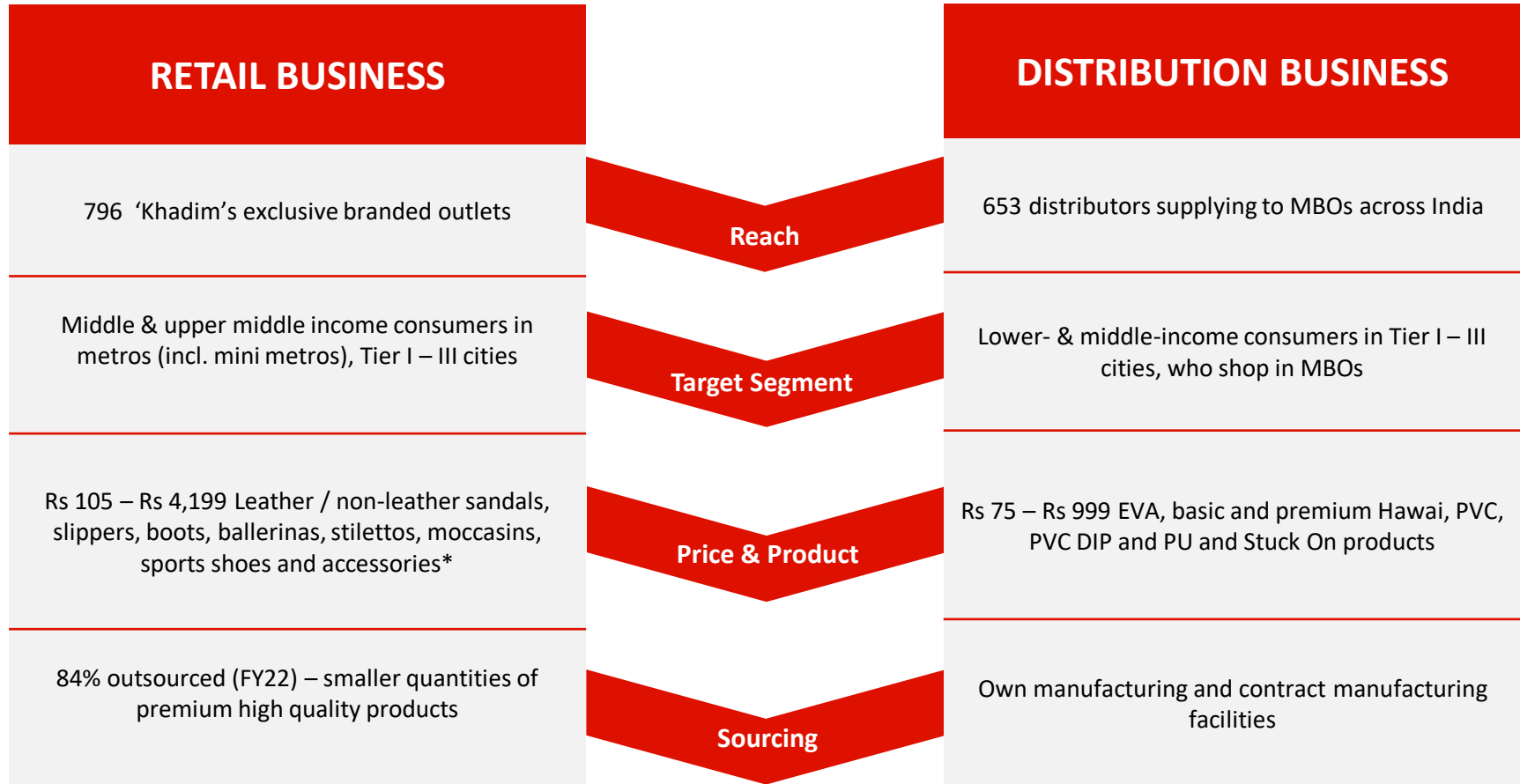
**&**

**OUTLOOK**

 **KHADIM**



## TWO-PRONGED STRATEGY



# Growth Strategy

*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.



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

WIDE PRODUCT  
RANGE ACROSS  
VARIOUS  
CATEGORIES & PRICE  
POINTS



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™  
003015

Womenswear  
Fashionable yet functional sandals using  
premium quality faux leather



cleo™  
THE STYLE STORY

Womenswear  
Light & trendy sandals using premium  
quality faux leather



TURK™  
LIFE

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

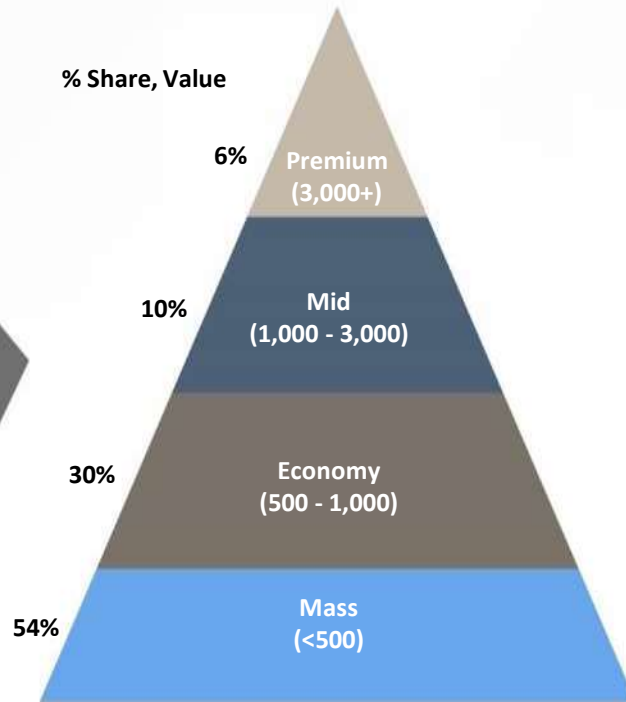




## DISTINCT BRAND POSITIONING FOR VARIOUS MARKET SEGMENTS

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



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

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**KHADIM**



**Siddhartha Roy Burman**  
Chairman & Managing  
Director

- Associated with the Company since its incorporation. He has 39 years of experience in the footwear industry
- Responsible for the overall strategic decision making and provides leadership to all operations



**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



**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 30<sup>th</sup> November 2017. He has gained exposure in various aspects of footwear marketing during his tenure



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

- 38 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



**Dr Indra Nath Chatterjee**  
Non-Executive,  
Independent Director

- 43 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 24 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)





**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 Chaudhuri**  
CFO

- 21+ 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

- 26+ 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

- 22+ 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 17+ years in footwear domain across retail sales





# KHADIM

**NAMRATA CHOTRANI - CEO**

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**INDRAJIT CHAUDHURI - CFO**

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