

February 16, 2023

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 (Q3 FY23 Results)

This is with reference to our letter dated February 14, 2023 with respect to Investor Meet scheduled to be held today, i.e., February 16, 2023.

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 nine months ended December 31, 2022, 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
ICSI Membership No. A21358

Encl: As above



Q3 FY23

KHADIM INDIA LIMITED

Q3 FY23 RESULT – February 2023





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



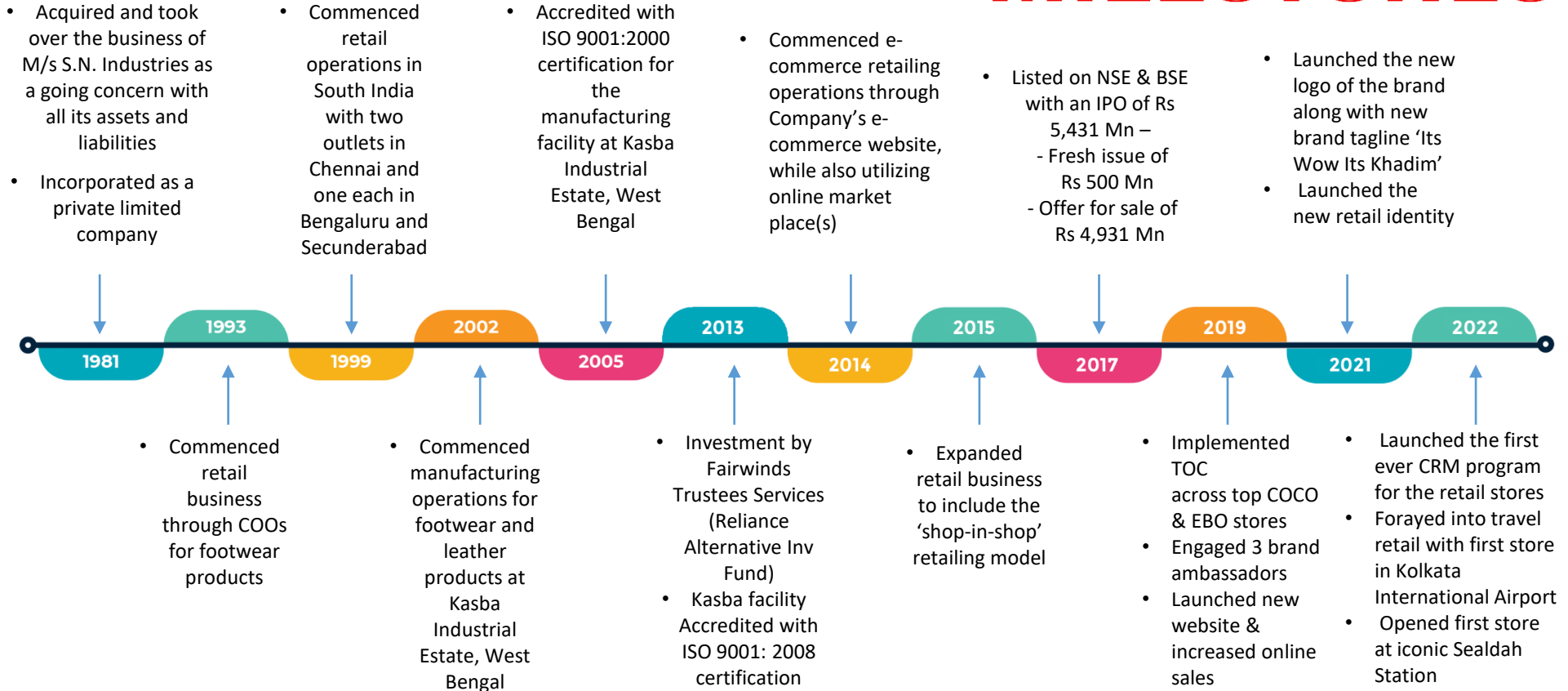


 **KHADIM**





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
- 838 'Khadim's' branded retail stores (Dec-22)
- Wide network of 682 distributors selling to MBOs across India (Dec-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.



Khadim



MEDIA COVERAGE

Khadim to strengthen retail presence in Maharashtra with four new stores

Footwear and accessories brand Khadim India Ltd is planning to strengthen its retail presence in the state of Maharashtra with the launch of four new stores.



The brand will open the four stores during the first quarter of the financial year 2023 as it sees huge growth potential in Maharashtra.

The brand already has a strong presence in Maharashtra with stores in Amravati, Borivli, Kalambehi, Sangli, Vashi, Vile Parle, Indira Nagar, and more.

Commenting on the expansion, Ritvik Roy Bharmar, executive director of Khadim India Ltd in a statement said, "West is an important market for us. We have a long-term view on Maharashtra and will be strategically expanding our retail network across the state."

Khadim aims to expand its brick-and-mortar retail presence beyond Tier 2 and 3 cities and open between 70 and 80 new stores. The brand is also eyeing Rs 650 crore in revenue in the 2023 financial year.

Founded in 1976, the Kolkata-based Khadim is present in 25 states and a union territory with 800 retail stores.

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Khadim continues retail expansion in Maha

Khadim India Ltd expands its retail footprint by opening four new stores in the state of Maharashtra during Q2 FY2023. Khadim is poised to strengthen its retail presence in the West through more store launches in various strategic locations in the coming two quarters of this fiscal.



शब्दांना सत्याची धार
प्रहार

खादिमने महाराष्ट्रात आपला किरकोळ विस्तार सुरू ठेवला

मुंबई प्रतिनिधी : खादिम इंडिया लिमिटेड, घरगुती परवडणारी फॅशन फूटवेअर आणि अॅक्सेसरीज ब्रँडने आर्थिक वर्ष २०२३ च्या दुसऱ्या तिमाहीत महाराष्ट्र राज्यात ४ नवीन स्टोअर्स उघडून आपल्या किरकोळ पदचिन्हांचा विस्तार केला आहे. या आर्थिक वर्षाच्या येत्या दोन तिमाहीत विविध मोक्याच्या ठिकाणी अधिक स्टोअर लॉन्च करून खादिम पश्चिमेतील आपली किरकोळ उपस्थिती मजबूत करण्याच्या तयारीत आहे. सर्व स्टोअर्स प्रत्येक प्रसंगी प्रत्येक कुटुंबासाठी ट्रेंडी, स्पोर्ट्स आणि परवडणाऱ्या श्रेणीतील उत्पादनांची श्रेणी देण्यासाठी सज्ज आहेत.

खादिम इंडिया लिमिटेडचे कार्यकारी संचालक श्री रितिक रॉय बर्मन म्हणाले, "आमच्यासाठी पश्चिम ही अत्यंत महत्त्वाची बाजारपेठ आहे. महाराष्ट्राबाबत आमचा दीर्घकालीन दृष्टिकोन आहे आणि आम्ही धोरणात्मकरीत्या राज्यभर आमचे रिटेल नेटवर्क विस्तारित करणार आहोत. कोणत्याही प्रसंगी ग्राहकांच्या अधिक मागणी पूर्ण करण्यासाठी आणि फॅशनेबल फूटवेअर अतुलनीय आराम आणि शैलीसह परवडणारे असू शकतात ही त्यांची धारणा बदलण्यासाठी आम्ही आमच्या स्टोअरच्या उद्घाटनाला गती देण्यावर लक्ष केंद्रित करतो."

Mumbai Edition
Dec, 07 2022 Page No, 4

खादिमकडून दालनांची विस्तार मोहीम कायम

। मुंबई : खादिम इंडिया लिमिटेडने आर्थिक वर्ष २०२३च्या दुसऱ्या तिमाहीत महाराष्ट्र राज्यात चार नवीन दालने उघडून आपल्या किरकोळ पदचिन्हांचा विस्तार केला आहे. या आर्थिक वर्षाच्या येत्या दोन तिमाहीत विविध मोक्याच्या ठिकाणी अधिक स्टोअर लॉन्च करून खादिम पश्चिमेतील आपली किरकोळ उपस्थिती मजबूत करण्याच्या तयारीत आहे. वावर खादिम इंडिया लिमिटेडचे कार्यकारी संचालक रितिक रॉय बर्मन म्हणाले, आमच्यासाठी पश्चिम ही अत्यंत महत्त्वाची बाजारपेठ आहे. महाराष्ट्राबाबत आमचा दीर्घकालीन दृष्टिकोन आहे आणि आम्ही धोरणात्मकरीत्या राज्यभर आमचे रिटेल नेटवर्क विस्तारित करणार आहोत. कोणत्याही प्रसंगी ग्राहकांच्या अधिक मागणी पूर्ण करण्यासाठी आणि फॅशनेबल फूटवेअर अतुलनीय आराम आणि शैलीसह परवडणारे असू शकतात ही त्यांची धारणा बदलण्यासाठी आम्ही आमच्या स्टोअरच्या उद्घाटनाला गती देण्यावर लक्ष केंद्रित करत आहोत.



MEDIA COVERAGE

India Retailing.com | LIFESTYLE | TECHNOLOGY | SERVICES | SPECIAL EVENTS | LOGIN

Home / Retail

Khadim continues its retail expansion in Maharashtra

By Subhrajit Barua | December 10, 2022

खादिम KHADIM

Latest News

Bata Q3 consolidated net profit rises 15 pc to Rs 83 crore

Nature India Investment Fund Says Phoenix Mills shares worth Rs 256 cr

Camlin Retail opens 5 new apparel and accessories stores in January 2022

Advertising spends to grow 10.2% to Rs 1.66 lakh cr in 2022

Khadim India records a Cash PAT of Rs. 4.82 crore in Q3 FY22

Must Read

Khadim is all set to open four new stores in Maharashtra in the second quarter of FY22

New Delhi: Khadim India Ltd., the homegrown affordable fashion footwear and accessories brand is opening four new stores in Maharashtra during the first quarter of the financial year 2022. With these store launches, the brand aims to strengthen its presence in the West.

"West is an important market for us. We have a long-term view on Maharashtra and will be strategically expanding our retail network across the state," said Dinesh Roy Barman, Executive Director, Khadim India Ltd.

There are several stores in Maharashtra spread across different key areas including Amravati, Baramba, Kalamnoli, Sangli, Vashi, Vile Parle, Indore Nagar and more.

The brand offers an array of options for footwear and accessories to its customers. It has a dedicated section for men, women and children under its primary brand Khadim and sub-brands British Walkers, Laxmi, Sani, Shanti, Cleo, PICO, Sessica and others.

Founded in the 1960s, Khadim India Ltd. started with a small shoe store in Chitpur, Kolkata, where it is headquartered. Khadim India Ltd. is present in 23 states and Union Territory with 826 retail stores.

KHADIM CONTINUES ITS RETAIL EXPANSION IN MAHARASHTRA

खादिम KHADIM

SHARES

Share **f** **t** **in** **wh** **e**

New Delhi: Khadim India Ltd., the homegrown affordable fashion footwear and accessories brand is opening four new stores in Maharashtra during the first quarter of the financial year 2022. With these store launches, Khadim aims to strengthen its presence in the

Retail & Business

Khadim to Open 4 New Stores in Maharashtra, Aims to Expand Retail Footprint in the West

By - Indian Retail Bureau
Dec 03, 2022 / 2 MIN READ

Khadim India Ltd., a brand known for its homegrown affordable fashion footwear and accessories will be opening 4 new stores in Maharashtra in the first quarter of the financial year 2022. With these store launches, Khadim intends to strengthen its presence in West India.

‘खादिम’चा राज्यातील विक्री दालनांचा विस्तार

मुंबई : परवडणारी फॅशन पादत्राणे आणि पुरक सामग्रीतील खादिम भारतातील 'खादिम' नाममुद्रेची वर्षाच्या दुसऱ्या तिमाहीत महाराष्ट्र राज्यात चार नवीन विक्री दालने उघडून विस्तार केला आहे. आर्थिक वर्षाच्या उर्वरित दोन तिमाहीत विविध मोक्याच्या ठिकाणी अधिक दालने सुरू करून, पश्चिम भारतातील 'खादिम' नाममुद्रेची उपस्थिती मजबूत करण्याचे कंपनीचे नियोजन आहे. कंपनीची राज्यातील दालनांची संख्या २० वर गेली आहे.

लोक्सत्ता Thu, 08 December 2022
<https://epaper.loksatta.com/c/>





Q3 FY23 BUSINESS HIGHLIGHTS

Key Performance Highlights : Q3 & 9M FY23

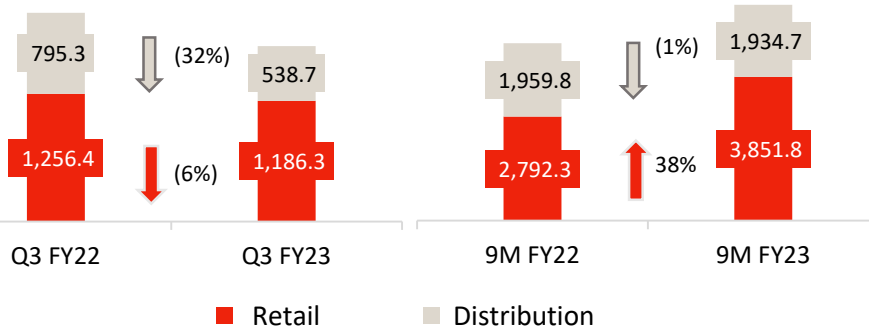
- Due to muted demand and early booking of Pooja sales in Q2, Q3FY23 Revenue at Rs 1,489.50 mn, is down by 20% yoy. Our trajectory for the year remains positive with 15% yoy growth in revenue for 9M FY23.
- Gross margin continues to show an improving trend.
- EBITDA margin at 11.2% for both Q3 & 9M FY23
- Q3 FY23 PAT is down due to the impact of drop in sales & lower operating leverage.
- Store network has grown by addition of 73 retail stores during the fiscal taking the total retail presence to 838 stores. Current distributor count stands at 682.

Q3 & 9M FY23 RESULTS: SEGMENT ANALYSIS

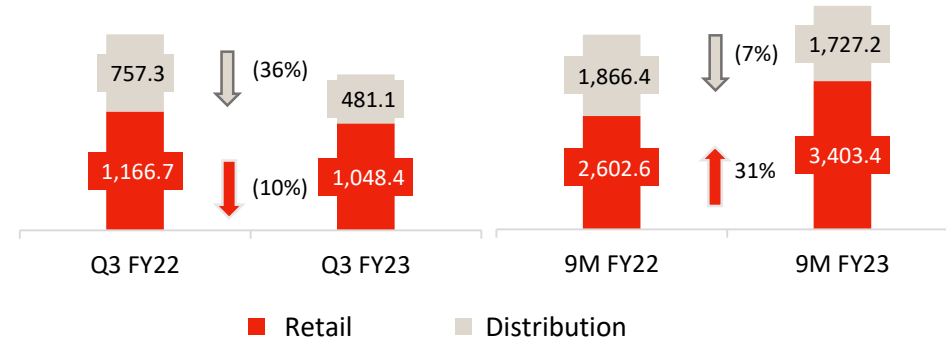


YoY ANALYSIS – REVENUE* BREAKUP

Gross Sales



Net Sales



Segment Share %	Q3 FY22	Q3 FY23
Retail	59%	67%
Distribution	38%	31%

Gross Margin %	Q3 FY22	Q3 FY23
Retail	55.8%	54.4%
Distribution	35.3%	34.0%

Segment Share %	9M FY22	9M FY23
Retail	56%	64%
Distribution	41%	33%

Gross Margin %	9M FY22	9M FY23
Retail	53.7%	53.2%
Distribution	35.4%	35.4%

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

CONSOLIDATED PROFIT & LOSS STATEMENT

Particulars (In Rs Mn)	Q3 FY23	Q3 FY22	YoY %	Q3 FY23	QoQ %	9M FY23	9M FY22	YoY %
Revenue from Operations	1,489.5	1,850.4	-19.5%	1,860.3	-19.9%	5,010.6	4,349.2	15.2%
Cost of Materials consumed	307.7	555.0		368.7		1,209.6	1,452.0	
Purchase of stock-in-trade	418.3	518.4		843.9		2,037.3	1,312.1	
Changes in inventories	143.3	79.0		-109.7		-299.6	-25.8	
Gross Profit	620.2	698.1		757.4		2,063.2	1,610.9	
Gross Profit Margin %	41.6%	37.7%	390 bps	40.7%	90 bps	41.2%	37.0%	420 bps
Employee Benefits Expense	176.3	158.0		185.8		531.9	420.3	
Other Expenses	276.5	324.0		348.9		970.3	841.3	
EBITDA	167.4	216.1	-22.5%	222.8	-24.8%	561.1	349.4	60.6%
EBITDA Margin %	11.2%	11.7%	-40 bps	12.0%	-80 bps	11.2%	8.0%	320 bps
Depreciation	101.4	80.8		97.9		284.6	258.8	
Finance Costs	73.0	59.9		75.5		211.5	170.3	
Other Income	64.1	25.9		22.4		109.4	131.7	
Profit Before Tax (PBT)	57.2	101.4		71.8		174.4	52.0	
Tax Expenses	9.0	19.3		21.6		42.5	14.1	
Profit After Tax (PAT)	48.2	82.0	-41.3%	50.2	-4.0%	131.9	37.9	248.3%
PAT Margin %	3.2%	4.4%	-120bps	2.7%	50 bps	2.6%	0.9%	170 bps



**PERFORMANCE TRACK
RECORD**

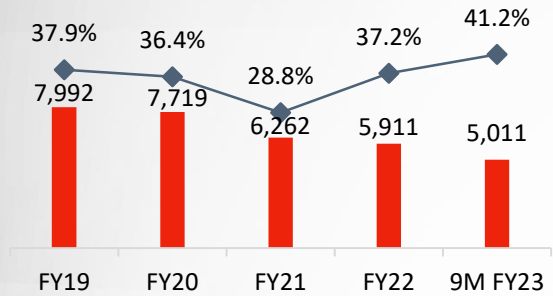


 **KHADIM**

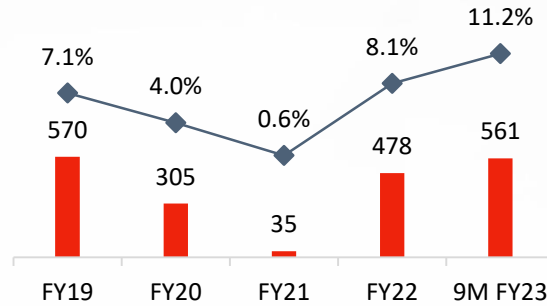
FINANCIAL SUMMARY

In Rs Mn

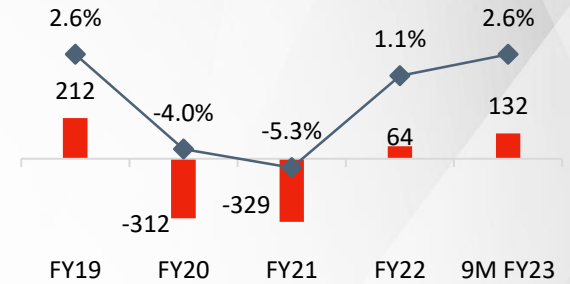
Revenue & Gross Margin



EBITDA & EBITDA Margin



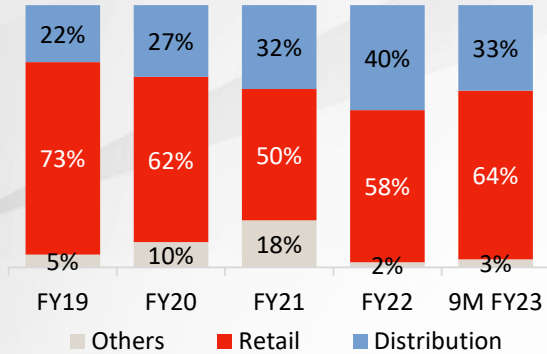
PAT & PAT Margin



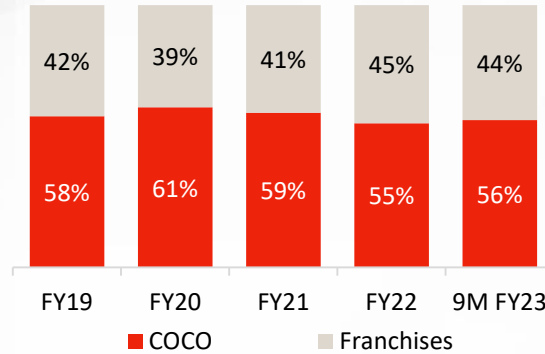
FINANCIAL SUMMARY

In Rs Mn (I-GAAP)

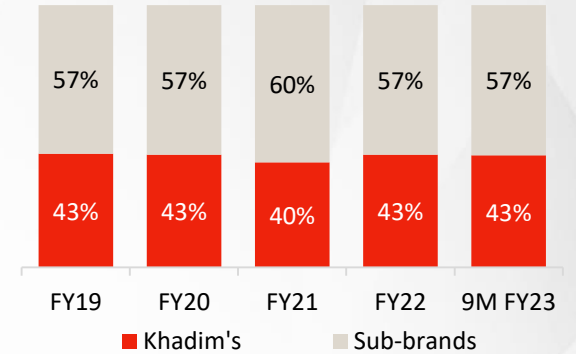
Revenues – Segment wise



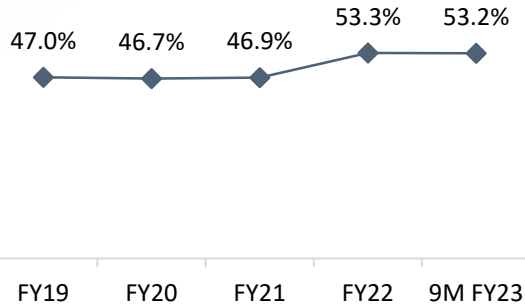
Retail Revenues – COCO vs Franchises



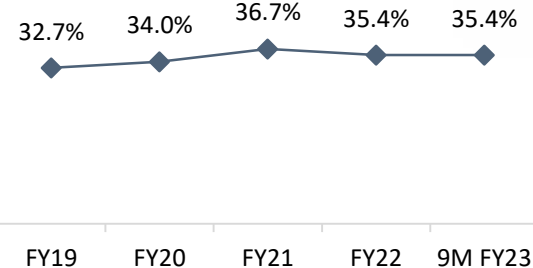
Retail Revenues – Khadim's vs Sub-brands



Retail Gross Margin



Distribution Gross Margin





KHADIM

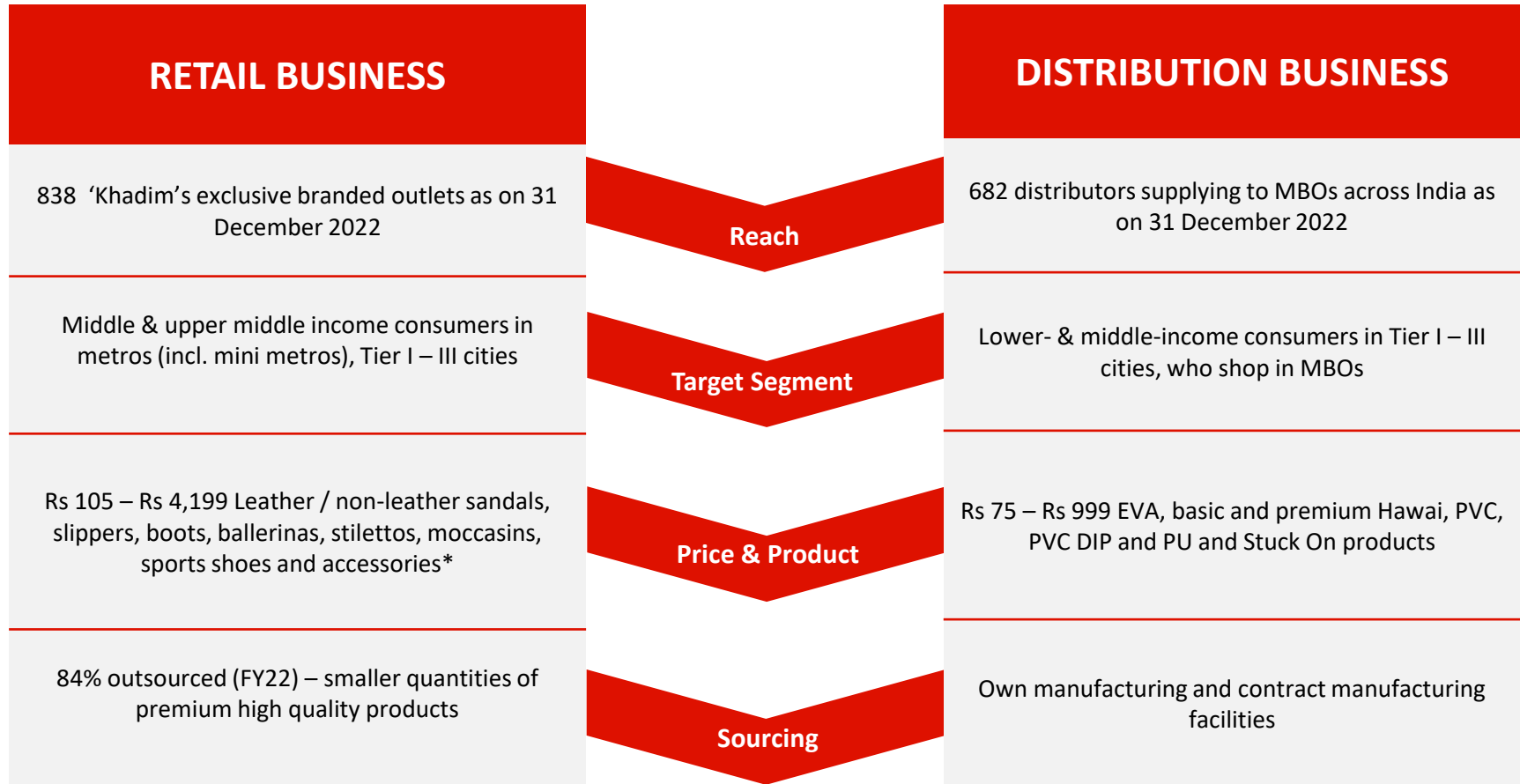
BUSINESS STRATEGY

&

OUTLOOK



TWO-PRONGED STRATEGY



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

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

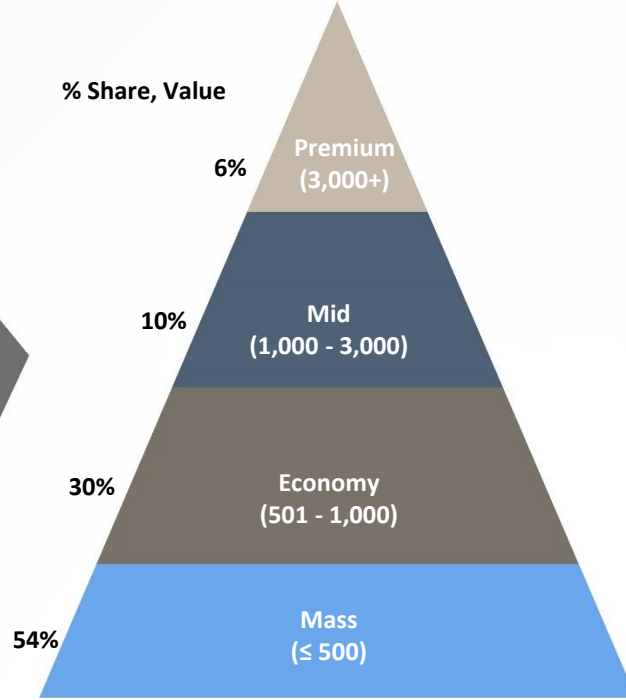
Focus on penetration in existing markets in Eastern and Southern India and capitalise on retail brand recall and target markets in West and North India

Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

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 through its retail and distribution business

**Footwear Market Segmentation
(MRP at retail stores in Rs)**



Khadim 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

RETAIL

'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



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



Men & Women wear
Sports / activity sneakers /
synthetic/ canvas uppers



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



Womenswear
Fashionable yet functional
sandals using premium
quality faux leather



Women's' wear
Light & trendy sandals using
premium quality faux leather



Menswear
Outdoor boots /
sandals using
premium quality faux leather



Girls Wear
Comfortable and
fashionable footwear for
pre-teen and teenage girls



Kids Wear
Range of fun and
colourful shoes for
toddlers and children



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



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
Whole-time 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 30th 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)



**Indrajit Chaudhuri**

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

**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

**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





KHADIM

INDRAJIT CHAUDHURI - CFO

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