

May 30, 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 (Q4 FY23 Results)**

This is with reference to our letter dated May 24, 2023 with respect to Investor Meet scheduled to be held today, i.e., May 30, 2023.

Pursuant to the provisions of Regulation 30 of the Listing Regulations, we enclose herewith our presentation on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2023, 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



 **KHADIM**

**QUARTER 4  
FY 2022-23**

**KHADIM INDIA LIMITED**

# 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.



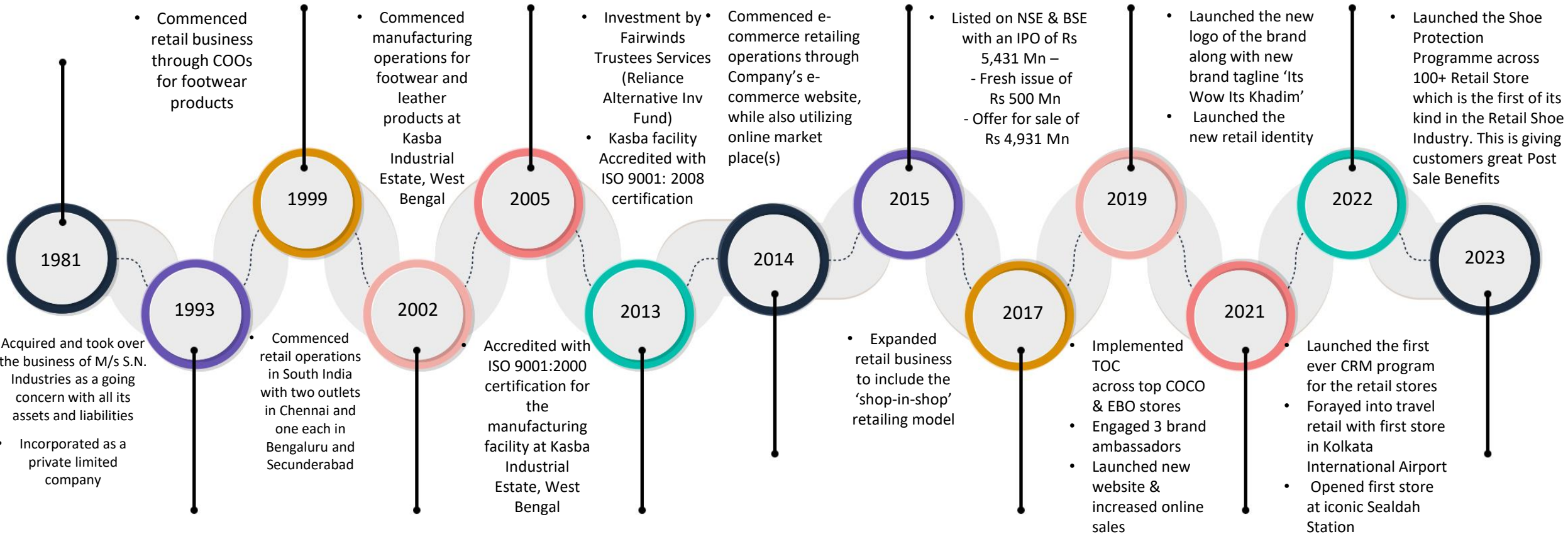
# BUSINESS OVERVIEW



 **KHADIM**

# COMPANY OVERVIEW

# KEY MILESTONES



# COMPANY OVERVIEW



**RETAIL**



**DISTRIBUTION**



# 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.

COMPANY OVERVIEW

 KHADIM

## 2. Asset Light Model for Growth

- **Retail business:** 74% of retail presence through franchise route. Outsource 91% of product requirement (FY23)
- **Distribution business:** Highly scalable model on the front end Mix of in-house and contract manufacturing.



# COMPANY OVERVIEW



### 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 24 states & 3 union territory
- 846 'Khadim's' branded retail stores (March-23)
- Wide network of 700 distributors selling to MBOs across India (March-23)

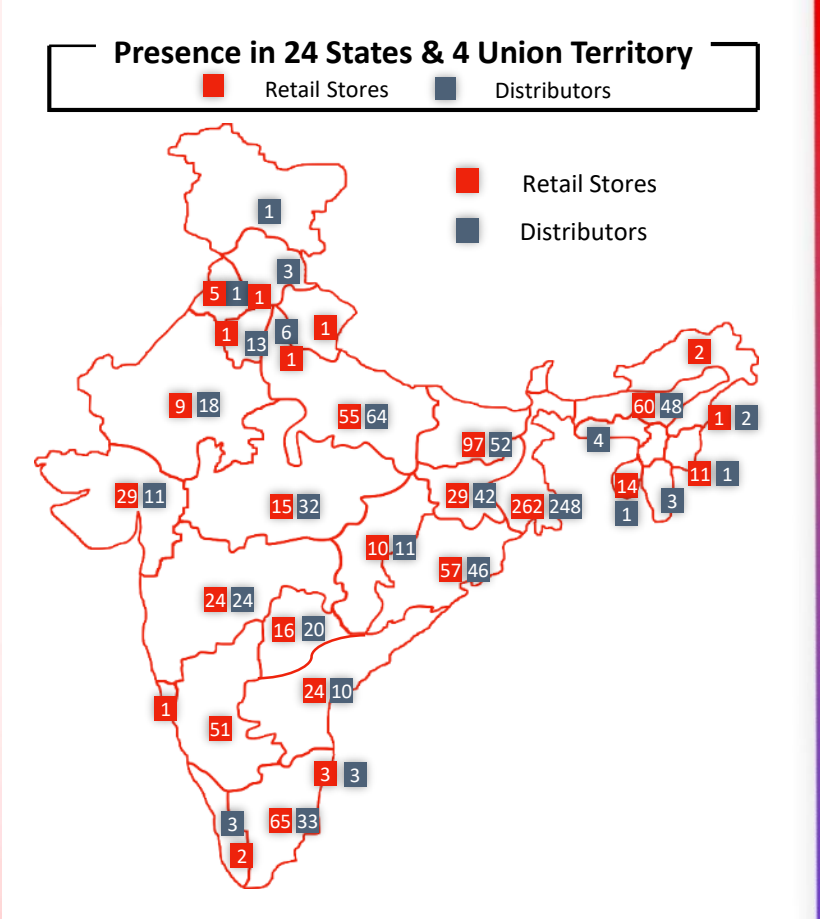
# KHADIM



### 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.

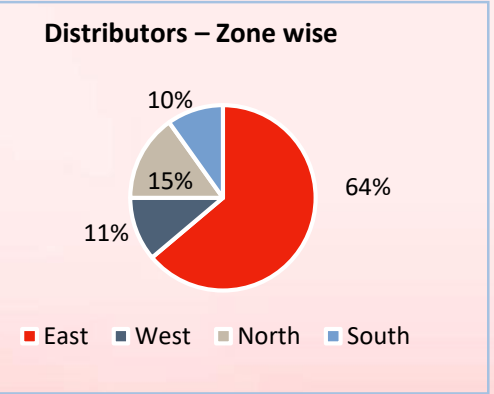
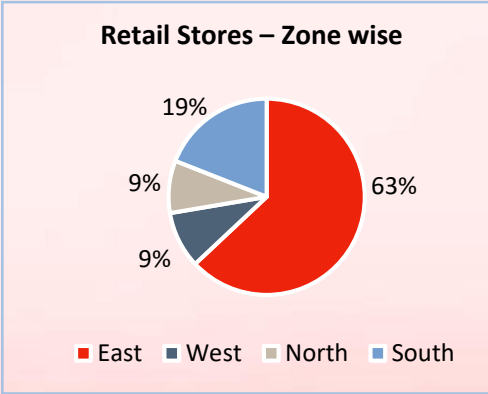
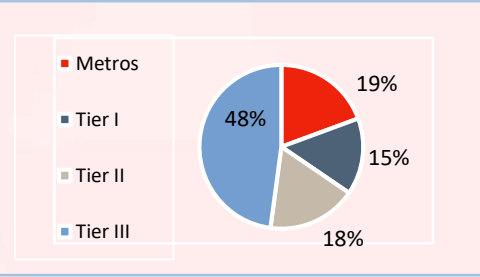
# EXTENSIVE GEOGRAPHICAL REACH & PENETRATION



### Brand Network

<b>Retail Stores</b>	<b>846</b>
- COCO	216
- Franchises	630
<b>Distributors</b>	<b>700</b>

### Retail Stores – Tier wise





# MARKETING INITIATIVE & SOCIAL MEDIA

**KHADIM INDIA LIMITED**

# SOCIAL MEDIA & MARKETING INITIATIVE



Roped in cricketer **Shardul Thakur** as Brand Ambassador & launched association with the campaign 'It'sWowItsKhadim'



Associating with TWO Biggest YouTubers from Bengal – “**The Bong Guy**” and “**Wonder Munna**” to create a Never Before Campaign in Bengal just before Bengali’s biggest festival – Durga Puja in the local language for better connect

# SOCIAL MEDIA & MARKETING INITIATIVE



**KHADIM**

END OF SEASON  
**SALE**  
UPTO  
**50% OFF**

**KHADIM**

ISE KEHTE HAIN  
**WOWASANA**

#HappyYogaDay

#ItsWOWItsKhadim

**KHADIM**

DEBIR AGOMONE,  
ANONDER ALINGANE  
SHURU HOK **WOW SHARODIYA**

**RVCJ**

**BANGALIR PUJO SCENES BE LIKE:**

BEFORE ENTERING KHADIM SHOP:  
DIN RAAT KHADIM KHADIM KORO KENO?

AFTER ENTERING KHADIM SHOP:  
WOW! THIS IS HEAVEN

**KHADIM**

NOW THAT'S  
**WOWDERFUL**

#ItsWOWItsKhadim

hepar pujo now

**KHADIM**

#hepar pujo now

Get sned by our  
**WOW**  
Shoes

#ItsWOWItsKhadim

**KHADIM**

CELEBRATING 75 YEARS  
OF INDEPENDENCE  
UPTO  
**75% OFF\***

**KHADIM**

END OF YEAR  
**SALE**  
50% OFF

END OF YEAR  
**SALE**  
50% OFF

END OF YEAR  
**SALE**  
50% OFF

**KHADIM**

WANT THE  
BEST DEALS ON

HURRY HEAD OVER TO

Flipkart

END OF SEASON SALE  
**EOSS**  
11th - 17th JUN

# Q4 FY23 BUSINESS HIGHLIGHTS



- In Q4 FY23, Revenue stood at Rs 1,592 mn, up by 2% yoy. The growth in our retail business has maintained momentum through out the year. In Q4, Retail business grew by 8% and for FY23 clocked a robust 25% growth. Our trajectory for the year remains positive with revenue for FY23 at Rs 6,602 mn clocking a 11.7% yoy growth.
- Gross margin for the quarter stood at 44.4%, up by 680 bps yoy, as higher contribution from retail leads to favourable product mix. For FY23, Gross Margin stands at 41.9%, higher by 470 bps yoy
- Our focus on cost optimization and brand premiumization led to an EBITDA margin for the quarter at 10.3% and 11% for the FY23.
- Q4 FY23 PAT stood at Rs 43 mn, delivering a robust 61% growth. For the fiscal year, PAT was Rs 175 mn, more than doubling over FY22, with a YoY growth of 171%.
- Store network has grown by addition of 91 retail stores during the fiscal taking the total retail presence to 846 stores. Current distributor count stands at 700.

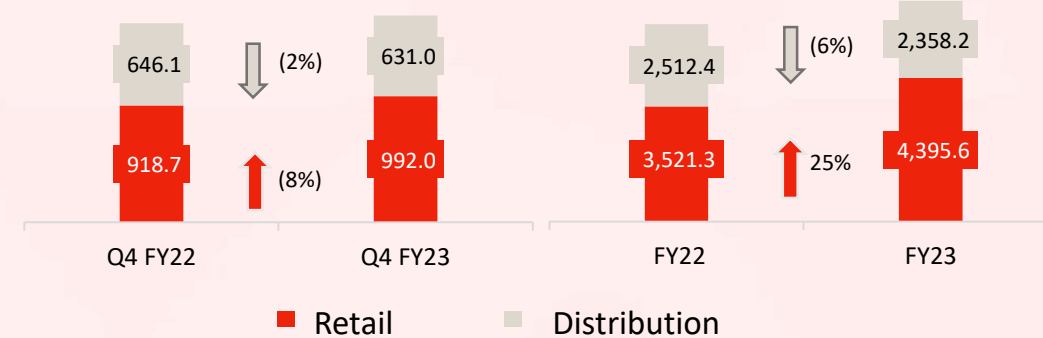
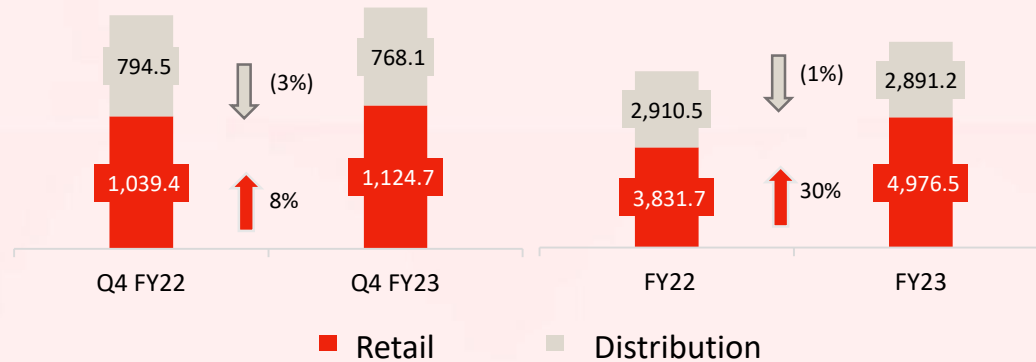
# Q4 FY23 BUSINESS HIGHLIGHTS



## YoY ANALYSIS – REVENUE\* BREAKUP

### Gross Sales

### Net Sales



Segment Share %	Q4 FY22	Q4 FY23
Retail	56%	59%
Distribution	40%	38%

Segment Share %	FY22	FY23
Retail	56%	63%
Distribution	40%	34%

Gross Margin %	Q4 FY22	Q4 FY23
Retail	52.2%	52.3%
Distribution	35.4%	33.7%

Gross Margin %	FY22	FY23
Retail	53.3%	53.0%
Distribution	35.4%	34.9%

# Q4 FY23 BUSINESS HIGHLIGHTS



Particulars (In Rs Mn)	Q4 FY23	Q4 FY22	YoY %	Q3 FY23	QoQ %	FY23	FY22	YoY %
<b>Revenue from Operations</b>	<b>1,592.1</b>	<b>1,561.6</b>	<b>2.0%</b>	<b>1,489.5</b>	<b>6.9%</b>	<b>6,602.6</b>	<b>5,910.8</b>	<b>11.7%</b>
Cost of Materials consumed	417.0	518.3		307.7		1,626.6	1,970.3	
Purchase of stock-in-trade	420.0	601.4		418.3		2,457.4	1,913.5	
Changes in inventories	48.9	(145.2)		143.3		(250.7)	(171.0)	
<b>Gross Profit</b>	<b>706.2</b>	<b>587.1</b>		<b>620.2</b>		<b>2,769.3</b>	<b>2,198.0</b>	
<b>Gross Profit Margin %</b>	<b>44.4%</b>	<b>37.6%</b>	<b>680 bps</b>	<b>41.6%</b>	<b>280 bps</b>	<b>41.9%</b>	<b>37.2%</b>	<b>470 bps</b>
Employee Benefits Expense	187.2	153.3		176.3		719.1	573.6	
Other Expenses	355.1	305.3		276.5		1,325.4	1,146.5	
<b>EBITDA</b>	<b>163.9</b>	<b>128.5</b>	<b>27.5%</b>	<b>167.4</b>	<b>-2.1%</b>	<b>724.8</b>	<b>477.9</b>	<b>51.7%</b>
<b>EBITDA Margin %</b>	<b>10.3%</b>	<b>8.2%</b>	<b>210 bps</b>	<b>11.2%</b>	<b>-90 bps</b>	<b>11.0%</b>	<b>8.1%</b>	<b>290 bps</b>
Depreciation	99.1	77.1		101.4		383.7	335.8	
Finance Costs	79.1	57.0		73.0		290.5	227.2	
Other Income	65.3	31.1		64.1		174.7	162.7	
Profit Before Tax (PBT)	51.0	25.5		57.2		225.4	77.5	
Tax Expenses	8.1	(1.0)		9.0		50.6	13.1	
<b>Profit After Tax (PAT)</b>	<b>42.9</b>	<b>26.5</b>	<b>61.9%</b>	<b>48.2</b>	<b>-10.7%</b>	<b>174.7</b>	<b>64.3</b>	<b>171.1%</b>
<b>PAT Margin %</b>	<b>2.7%</b>	<b>1.7%</b>	<b>100 bps</b>	<b>3.2%</b>	<b>-50 bps</b>	<b>2.6%</b>	<b>1.1%</b>	<b>150 bps</b>

CONSOLIDATED PROFIT & LOSS STATEMENT



# Q4 FY23 BUSINESS HIGHLIGHTS

## BALANCE SHEET



Particulars (Rs. Mn)	FY23	FY22
<b>ASSETS</b>		
Non - Current Assets		
Property, plant and equipment	830.1	1047.0
Capital work-in-progress	4.38	8.5
Right of use assets	1603.3	963.3
Intangible assets under development	3.2	0.7
Intangible assets	2.3	3.4
Financial Assets		
(i) Investments	0.0	0.0
(ii) Others	212.7	176.1
Deferred Tax Assets (net)	136.0	184.2
Income Tax Assets (net)	20.5	36.5
Other non-current assets	93.5	90.7
<b>Total Non - Current Assets</b>	<b>2,905.9</b>	<b>2,510.3</b>
Current Assets		
Inventories	1804.2	1679.3
Financial Assets		
(i) Trade receivables	1875.5	1331.1
(ii) Cash and cash equivalents	64.3	31.1
(iii) Other Bank Balances	79.0	76.0
(iv) Others	92.4	108.9
Other current assets	528.9	774.1
<b>Total Current Assets</b>	<b>4,444.3</b>	<b>4,000.6</b>
<b>TOTAL ASSETS</b>	<b>7,350.2</b>	<b>6,510.9</b>

Particulars (Rs. Mn)	FY23	FY22
<b>EQUITY AND LIABILITIES</b>		
Equity		
(a) Equity share capital	179.7	179.7
(b) Other equity	2072.5	1895.6
<b>Total Equity</b>	<b>2,252.2</b>	<b>2,075.3</b>
Liabilities		
Non - Current Liabilities		
Financial liabilities		
(i) Borrowings	118.5	148.4
(ii) Lease liabilities	1684.6	991.3
Provisions	0.6	3.3
Other Non Current Liabilities	8.2	10.4
<b>Total Non - Current Liabilities</b>	<b>1,811.8</b>	<b>1,153.4</b>
Current Liabilities		
Financial liabilities		
(i) Borrowings	1073.9	1119.5
(ii) Lease liabilities	220.7	164.0
(iii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	0.0	0.0
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1808.8	1800.9
(iv) Other financial liabilities	128.1	126.9
Other current liabilities	53.7	69.8
Provisions	1.0	1.2
<b>Total Current Liabilities</b>	<b>3,286.2</b>	<b>3,282.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,350.2</b>	<b>6,510.9</b>



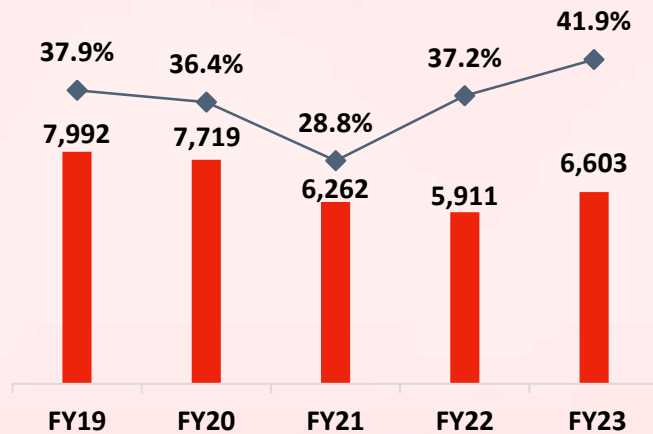
**KHADIM**

**PERFORMANCE  
TRACK  
RECORD**

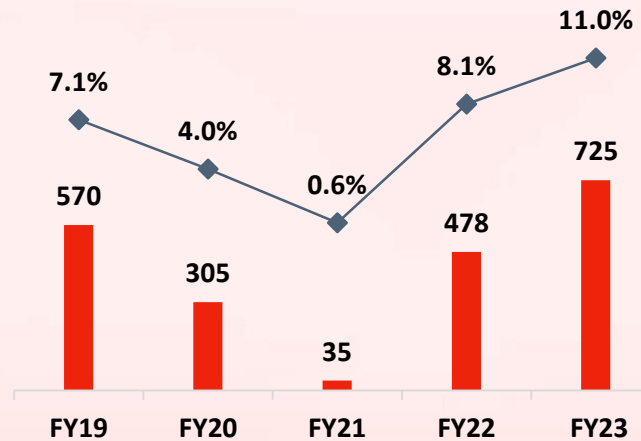
# FINANCIAL SUMMARY



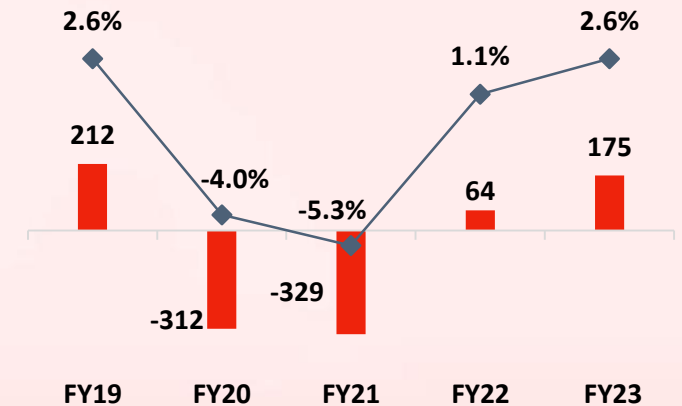
## Revenue & Gross Margin



## EBITDA & EBITDA Margin



## PAT & PAT Margin



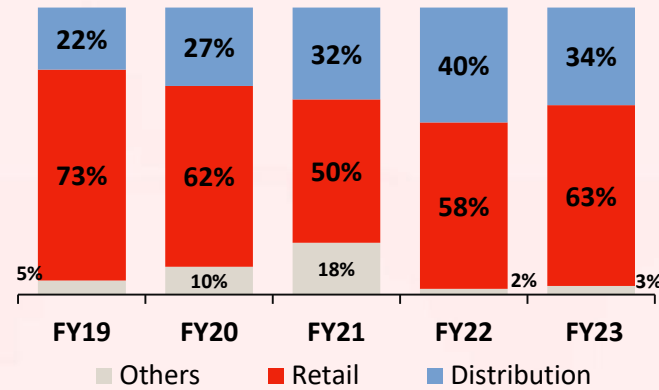
(Rs Mn)

# FINANCIAL SUMMARY

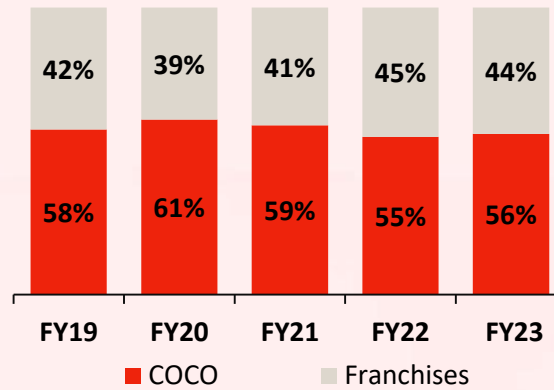
(Rs Mn)



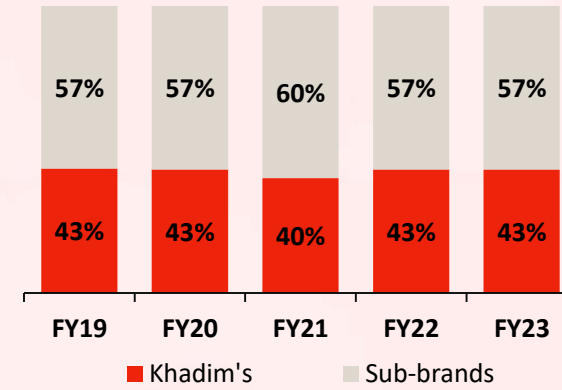
Revenues – Segment wise



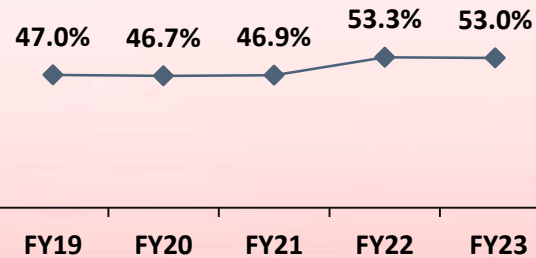
Retail revenues – COCO vs Franchise



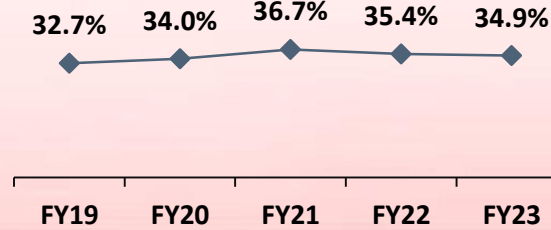
Retail Revenues – Khadim's vs Sub-brands



Retail Gross Margin



Distribution Gross Margin



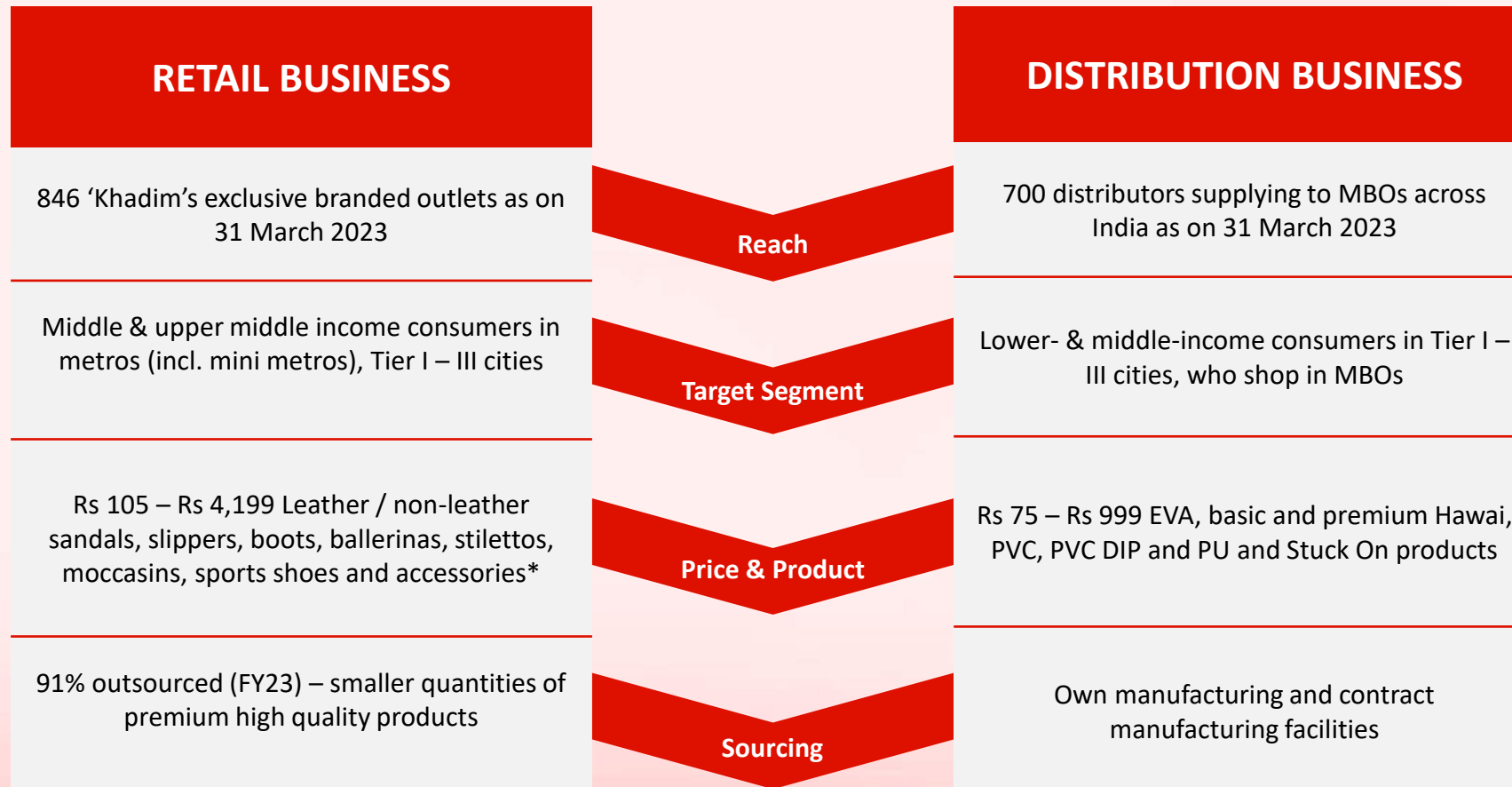


# BUSINESS STRATEGY & OUTLOOK

**KHADIM INDIA LIMITED**

# BUSINESS MODEL

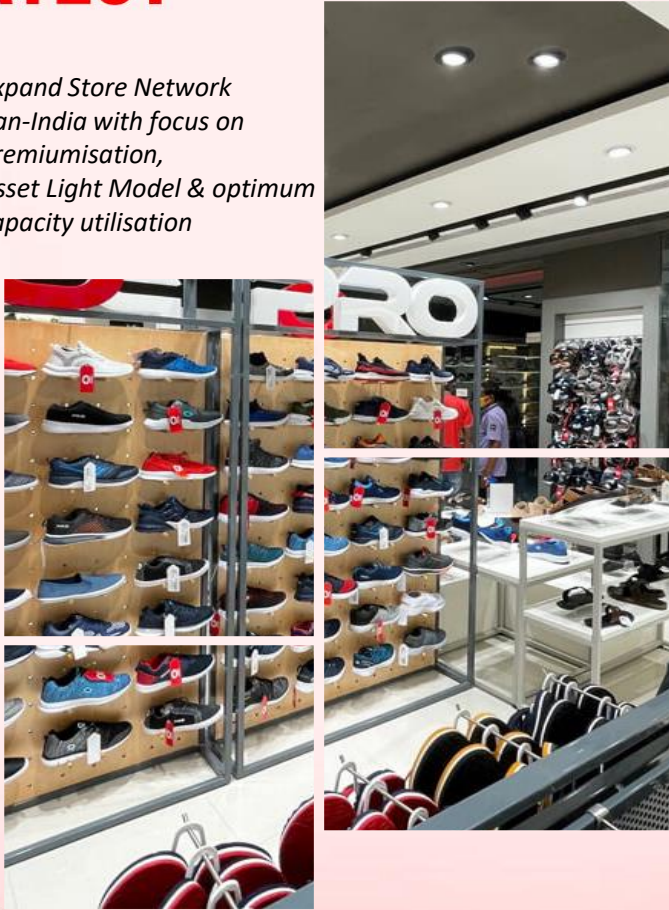
## TWO-PRONGED STRATEGY



\*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

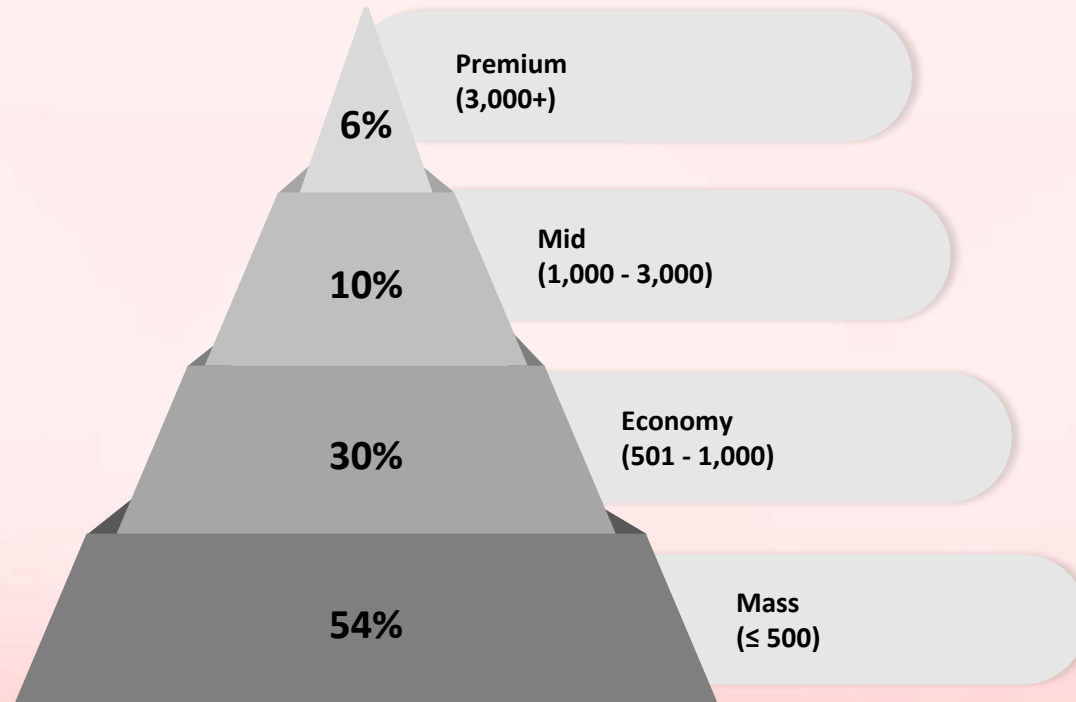
Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

# BUSINESS MODEL

## 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)



% Share, Value



Distinct brand positioning to target customers

Across all price segments



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



# BUSINESS MODEL



‘Affordable Fashion’ brand catering to the entire family for all occasions

## RETAIL

WIDE PRODUCT RANGE  
ACROSS VARIOUS  
CATEGORIES & PRICE  
POINTS

 **KHADIM**

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



 **BRITISH WALKERS**  
POWER STRIDE

Menswear Formal shoes  
& sandals using  
premium quality leather



 **LAZARD**

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



 **O  
PRO**

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



 **softouch™**

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



 **SHARON**  
SHARON

Womenswear Fashionable  
yet functional sandals  
using premium quality  
faux leather



 **cleo**  
LUXURY SHOES

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



 **TURK**

Menswear Outdoor  
boots / sandals using  
premium quality faux  
leather



 **arianna**  
walk like a princess

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



 **bonito**  
Fun together

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



# BOARD OF DIRECTORS PROMOTER & MANAGEMENT TEAM



**Siddhartha Roy Burman**  
Chairman & Managing  
Director

- Associated with the Company since its incorporation. He has 40+ 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 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 academician
- 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 25+ 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)



# EXPERIENCED MANAGEMENT TEAM



**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

- 27+ 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

- 23+ 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

- 19+ years of experience in the field of Retail Sales & Marketing in footwear domain
- He leads the Franchisee Retail vertical along with E-commerce business of the Company
- Earlier worked with Pantaloons Retail India Limited



**INDRAJIT CHAUDHURI – CFO**

Contact No. 91 33 4009 0505

Email: [indrajit.chowdhury@khadims.com](mailto:indrajit.chowdhury@khadims.com)



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**WWW.KHADIMS.COM**