

June 01, 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 (Q4 & FY22 Results)**

This is with reference to our letter dated May 30, 2022 with respect to Investor Meet scheduled to be held on Thursday, June 02, 2022.

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, 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



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

# Q4

# FY22

KHADIM INDIA LIMITED

— Q4 & FY22 RESULT – MAY 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.

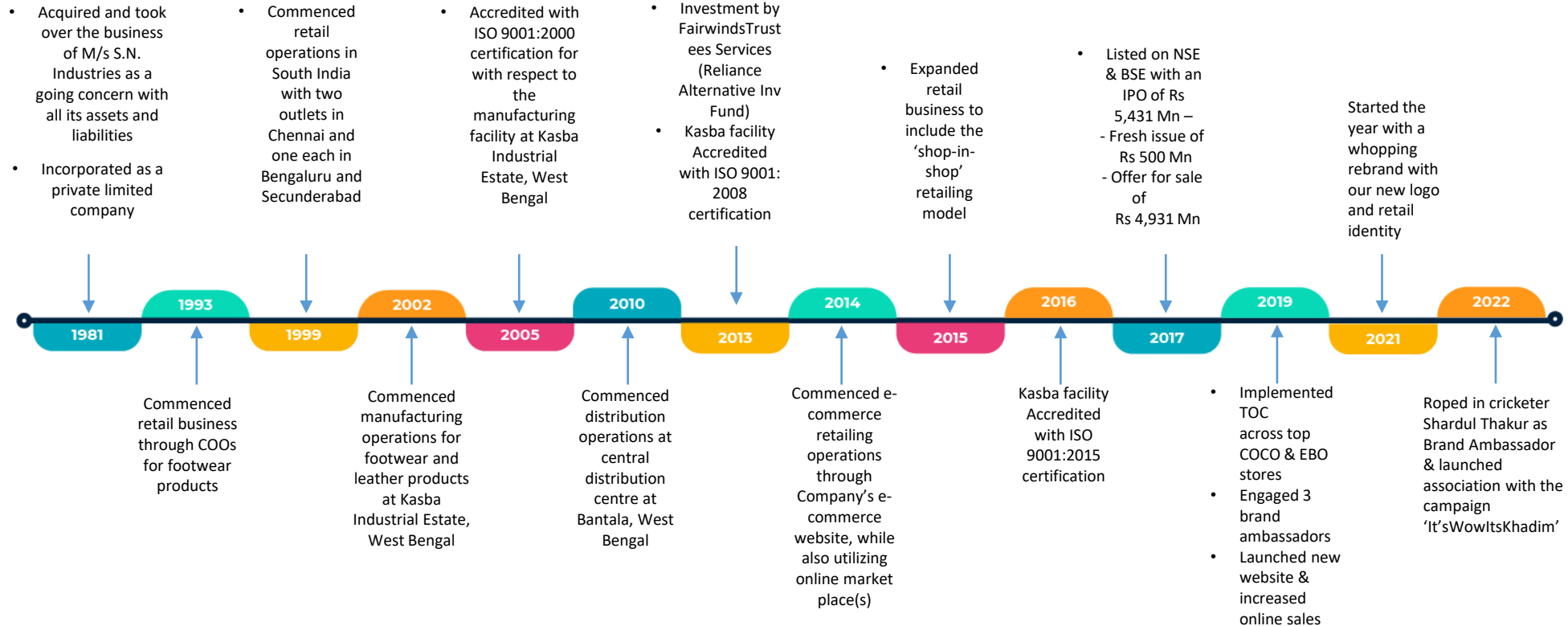
In particular, such statements should not be regarded as a projection of future performance of Khadim. It should be noted that the actual performance or achievements of Khadim may vary significantly from such statements.





 **KHADIM**







'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
- 782 'Khadim's' branded retail stores (Mar-22)
- Wide network of 627 distributors selling to MBOs across India (Mar-22)



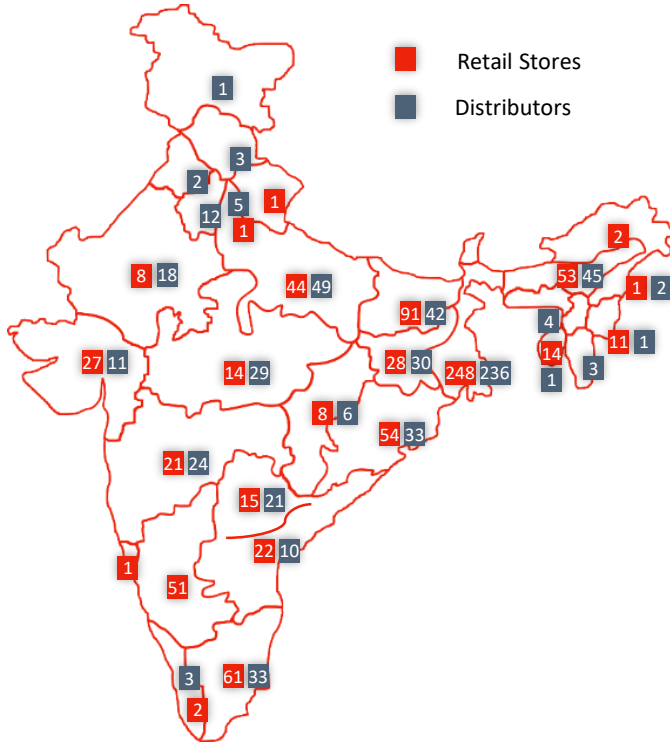
### 5. Strong Design Capabilities

- 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

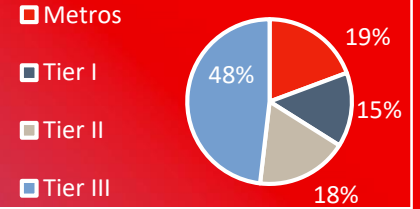
■ Retail Stores
 ■ Distributors



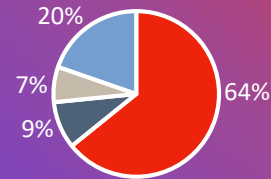
### Brand Network

Retail Stores	782
- COCO	207
- Franchises	575
Distributors	627

### Retail Stores – Tier wise

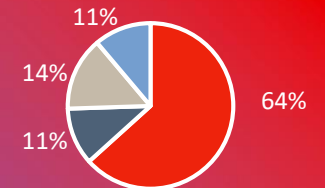


### Retail Stores – Zone wise



■ East
 ■ West
 ■ North
 ■ South

### Distributors – Zone wise



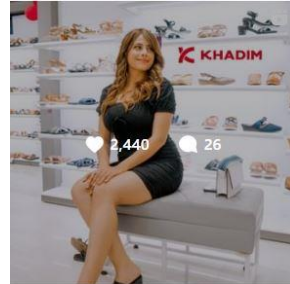
■ East
 ■ West
 ■ North
 ■ South





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## Khadi India Ltd has registered 120 per cent YoY growth in PAT for FY22

May 28, 2022 18:01 IST | ANI Press Release



CEO of Khadi India Limited, Namrata Ashok Chotrani

**You would like to read**

Khadi India has registered 190 per cent YoY growth in PAT for Q4FY22

Tier-II and Tier-III Cities lead the way for overseas education in the post-pandemic era, Prodigy Finance Data reveals

© Arunima Karmacharya for Namrata

**K**olkata (West Bengal) [India], May 28 (ANI/PNN): Khadi, India's one of the leading footwear companies, has steered healthy profit growth. The company has announced positive quarterly performance for the quarter ended March 31, 2022.

Revenue from operations for Q4FY22 stood at Rs 1,561.64 million (without any institutional business)

**afaqs!** MARKETERS' CELLENCE We

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## Khadi roped in Shardul Thakur as Brand Ambassador

By afaqs! | Published: 19 Apr 2022, 12:20 PM IST

Share Via: WhatsApp Facebook Twitter Email LinkedIn

The brand has launched the association with the campaign "It'sWowItsKhadi".

Khadi, the homegrown footwear brand synonymous with affordable fashion has roped in cricketer Shardul Thakur as their Brand Ambassador.

Shardul, a bowling all-rounder has been representing the International Men's cricket team across all formats since making his debut in 2017. He's also signed with Delhi Capitals for the 2022 season of the Indian Premier league.

Shardul's popularity as a cricketer especially with Gen Z and millennials is what the brand is looking at capitalizing on to expand its footprint across the country. The brand has launched the association with the campaign "It'sWowItsKhadi".

**e4m** ECONOMIC ADVERTISING MARKETING PR & CORP COMM MEDIA PEOPLE MOVEMENTS

## Khadi roped in cricketer Shardul Thakur as Brand Ambassador

The brand has launched the association with the campaign "It'sWowItsKhadi"

By exchange4media Staff | Updated: Apr 19, 2022 12:20 PM | T XIN NEWS

**KHADI**

Cricketer Shardul Thakur as their Brand Ambassador has been representing the cricket team across all formats since making his debut in 2017. He's also signed with Delhi Capitals for the 2022 season of the Indian Premier league.

Shardul's popularity as a cricketer especially with Gen Z and millennials is what the brand is looking at capitalizing on to expand its footprint across the country. The brand has launched the association with the campaign "It'sWowItsKhadi".



MON, MAY 30, 2022 | UPDATED 10:50 IST

**ANI** South Asia's Leading Multimedia News Agency

National World Business Sports Lifestyle Entertainment Health

CEO of Khadi India Limited, Namrata Ashok Chotrani

## Khadi India Ltd has registered 120 per cent YoY growth in PAT for FY22

ANI | Updated: May 28, 2022 12:49 IST

Kolkata (West Bengal) [India], May 28 (ANI/PNN): Khadi, India's one of the leading footwear companies, has steered healthy profit growth. The company has announced positive quarterly performance for the quarter ended March 31, 2022.

Revenue from operations for Q4FY22 stood at Rs 1,561.64 million (without any institutional business) compared to Rs 2,699.51 million in Q4FY21 (Including 1101.19 million institutional business) and Rs 1,850.40 million in Q3FY22. The company's Profit before tax for Q4FY22 amounted to Rs 25.55 million as compared to a profit of Rs 24.30 million in Q4FY21 and Rs 101.36 million in Q3FY22.

With the introduction of its trendy, edgy, and vibrant product lines just before the winter season, the brand gained good momentum in sales in the retail business.



## FY22 BUSINESS HIGHLIGHTS

### Key Performance Highlights : FY22

- Revenue for the year stood at Rs 5,911 mn which was higher by 14.5% year on year (excluding institutional sales of Rs.1101.19 mn in FY21). The topline recovery was encouraging with Q3 & Q4 reaching pre-COVID levels. Retail and Distribution verticals registered healthy yearly growth of 15% and 13% respectively
- Gross Margin improved significantly to 37.2%, with an increase of ~840 basis point from 28.8% FY21. Retail and distribution gross margins stood at 53.3% and 35.4% respectively.
- Strategic marketing initiatives, product improvements, improved margins, brand campaigns, have all contributed towards company managing to recoup losses incurred in the previous quarters of the current fiscal and turned profitable by clocking a PAT of Rs 64.6 mn as compared to a loss of Rs 329.2 mn
- The asset light model expansion strategy of the brand continued to strengthen its retail presence in Tier II & III cities by addition of 76 retail stores during the fiscal taking the total retail presence to 782 stores.





## Q4 FY22 BUSINESS HIGHLIGHTS

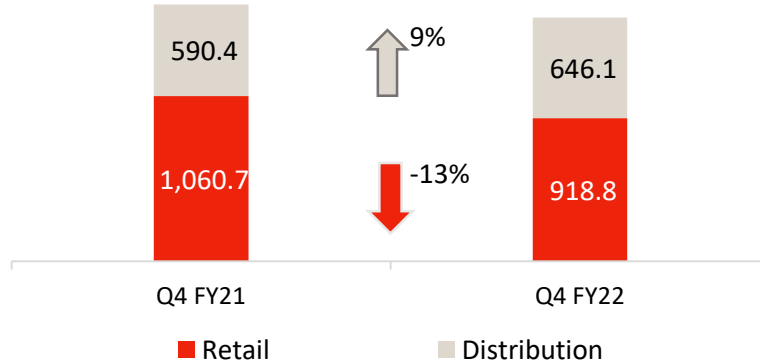
### Key Performance Highlights : Q4 FY22

- This quarter was marked by the third wave of COVID and ensuing lockdown which affected our performance. Sales for Q4FY22 stood at Rs.1561.64 mn (without any institutional business) as compared to Rs.2699.51 mn in Q4FY21 (including Rs.1101.19 mn institutional business)
- The distribution business continued to have good traction with the introduction of new range of products the categories. We also introduced Shardul Thakur to endorse our products in the distribution segment
- Gross margin at 37.6% has improved by 1530 bps year on year. The Retail business continued its improving trajectory, with gross margin up from 47.6% in Q4FY21 to 52.2% in Q4FY22
- The brand continued to strengthen its retail presence in Tier II & III cities by opening 22 new retail stores during the fourth quarter.

# Q4 & FY22 RESULTS: SEGMENT ANALYSIS



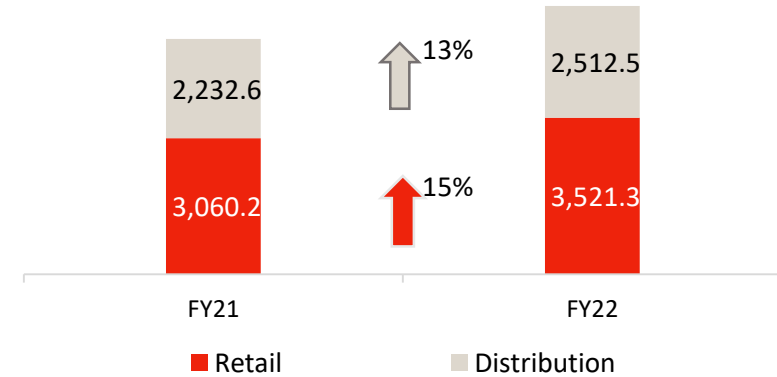
## Q4 FY22 YoY ANALYSIS – REVENUE\* BREAKUP



Segment Share %	Q4 FY21	Q4 FY22
Retail	37.8%	56.4%
Distribution	21.0%	39.7%

Gross Margin %	Q4 FY221	Q4 FY22
Retail	47.6%	52.2%
Distribution	38.5%	35.4%

## FY22 YoY ANALYSIS – REVENUE\* BREAKUP



Segment Share %	FY21	FY22
Retail	46.3%	56.4%
Distribution	33.8%	40.3%

Gross Margin %	FY21	FY22
Retail	46.9%	53.3%
Distribution	36.7%	35.4%

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

## CONSOLIDATED PROFIT & LOSS STATEMENT

Particulars (In Rs Mn)	Q4 FY22	Q4 FY21	YoY %	Q3 FY22	QoQ %	FY22	FY21	YoY %
<b>Revenue from Operations</b>	<b>1,561.6</b>	<b>2,699.5</b>	<b>-42.2%</b>	<b>1,850.4</b>	<b>-15.6%</b>	<b>5,910.8</b>	<b>6,261.8</b>	<b>-5.6%</b>
Cost of Materials consumed	518.3	429.2		555.0		1,970.3	1,416.0	
Purchase of stock-in-trade	456.3	1,668.4		597.3		1,742.5	3,042.5	
<b>Gross Profit</b>	<b>587.1</b>	<b>601.9</b>	<b>-2.5%</b>	<b>698.1</b>	<b>-15.9%</b>	<b>2,198.0</b>	<b>1,803.2</b>	<b>21.9%</b>
<b>Gross Profit Margin %</b>	<b>37.6%</b>	<b>22.3%</b>		<b>37.7%</b>		<b>37.2%</b>	<b>28.8%</b>	
Employee Benefits Expense	153.3	150.1		158.0		573.6	608.1	
Other Expenses	305.3	310.9		324.0		1,146.5	1,161.4	
<b>EBITDA</b>	<b>128.5</b>	<b>140.9</b>	<b>-8.8%</b>	<b>216.1</b>	<b>-40.6%</b>	<b>477.8</b>	<b>33.8</b>	<b>1312.4%</b>
<b>EBITDA Margin %</b>	<b>8.2%</b>	<b>5.2%</b>		<b>11.7%</b>		<b>8.1%</b>	<b>0.5%</b>	
Depreciation	77.1	92.3		80.8		335.8	392.4	
Finance Costs	57.0	59.5		59.9		227.3	253.8	
Other Income	31.1	35.2		25.9		162.8	180.8	
<b>Profit Before Tax (PBT)</b>	<b>25.6</b>	<b>24.3</b>	<b>5.1%</b>	<b>101.4</b>	<b>-74.8%</b>	<b>77.5</b>	<b>-431.5</b>	<b>-</b>
<b>PBT Margin %</b>	<b>1.6%</b>	<b>0.9%</b>		<b>5.5%</b>		<b>1.3%</b>	<b>-6.9%</b>	
Tax Expenses	-1.0	-90.9		19.3		13.1	-102.1	
<b>Profit After Tax (PAT)</b>	<b>26.5</b>	<b>115.2</b>	<b>-77.0%</b>	<b>82.0</b>	<b>-67.7%</b>	<b>64.4</b>	<b>-329.4</b>	
<b>PAT Margin %</b>	<b>1.7%</b>	<b>4.3%</b>		<b>4.4%</b>		<b>1.1%</b>	<b>-5.3%</b>	



## CONSOLIDATED BALANCE SHEET



Equity & Liabilities (₹ in mn)	Mar'22	Mar'21
Equity Share Capital	179.7	179.7
Other Equity	1,895.6	1,828.8
<b>Total Equity</b>	<b>2,075.3</b>	<b>2,008.5</b>
<b>Non-Current liabilities</b>		
Borrowings	148.4	192.9
Lease Liabilities	991.3	1,172.6
Provisions	3.3	5.2
Other Non-Current Liabilities	10.4	1.9
<b>Total Non-Current Liabilities</b>	<b>1,153.4</b>	<b>1,372.6</b>
<b>Current Liabilities</b>		
Borrowings	1,070.2	821.1
Lease Liabilities	164.0	209.7
Trade Payables	1,800.9	1,670.5
Other Financial Liabilities	176.2	166.0
Other Current Liabilities	69.8	54.5
Provisions	1.2	1.5
<b>Total Current Liabilities</b>	<b>3,282.2</b>	<b>2,923.3</b>
<b>Total Equity &amp; Liabilities</b>	<b>6,511.0</b>	<b>6,304.4</b>

Assets (₹ in mn)	Mar'22	Mar'21
Property, plant and equipment	1,047.0	1,140.7
Capital Work-in-Progress	8.5	9.5
Goodwill	963.3	1,153.5
Other Intangible Assets	3.4	3.2
Intangible assets under development	0.7	1.5
<b>Financial assets</b>		
Other financial assets	176.1	179.3
Deferred Tax Assets (Net)	184.2	198.0
Income Tax Assets (Net)	36.5	47.0
Other Non Current Assets	90.7	97.9
<b>Total Non-Current Assets</b>	<b>2,510.3</b>	<b>2,830.5</b>
<b>Current Assets</b>		
Inventories	1,679.3	1,406.8
Trade Receivable	1,331.1	1,207.0
Cash & Bank balances	107.1	39.3
Others	108.9	101.3
Other Current Assets	774.1	719.6
<b>Total Current Assets</b>	<b>4,000.6</b>	<b>3,473.9</b>
<b>Total Assets</b>	<b>6,511.0</b>	<b>6,304.4</b>



**KHADIM**

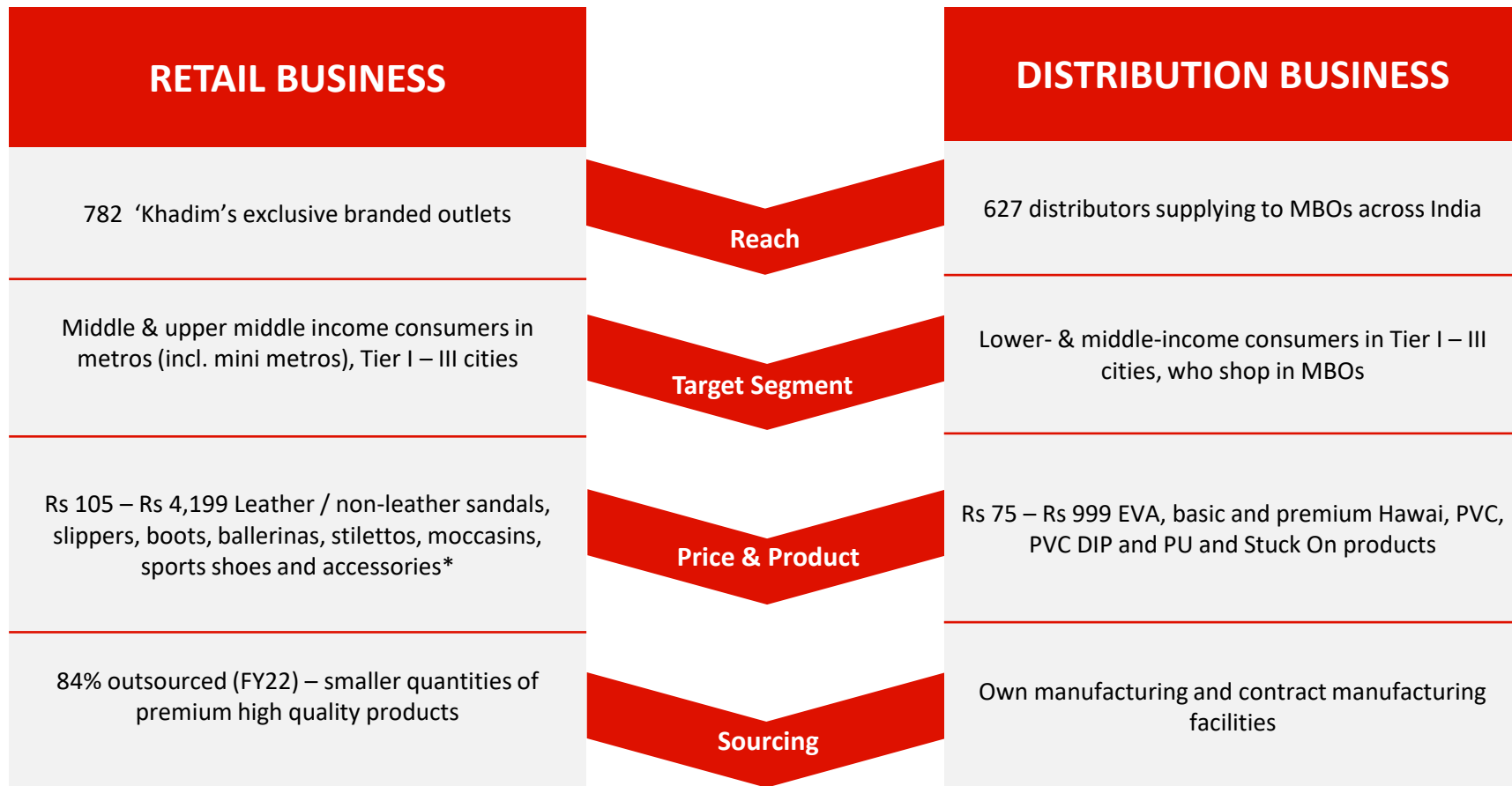
**BUSINESS STRATEGY**

**&**

**OUTLOOK**



## TWO-PRONGED STRATEGY





# Growth Strategy

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



## RETAIL BUSINESS

Increase penetration in the Eastern and Southern Markets and expand retail footprint in markets across India, West India and 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

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

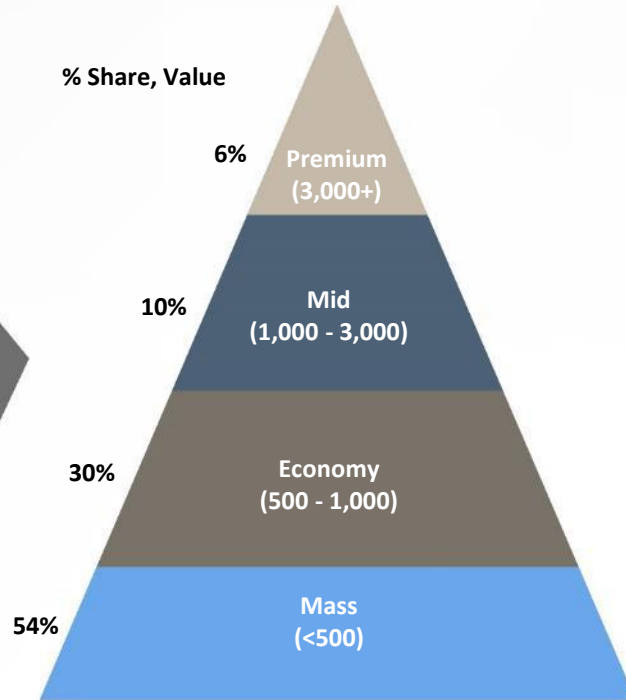
Kidswear  
Range of fun and colourful shoes for  
toddlers and children



## 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










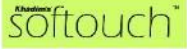
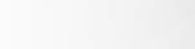

**Footwear Market Segmentation  
(MRP at retail stores in Rs)**



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
		
		
		
		
		

**PERFORMANCE TRACK  
RECORD**



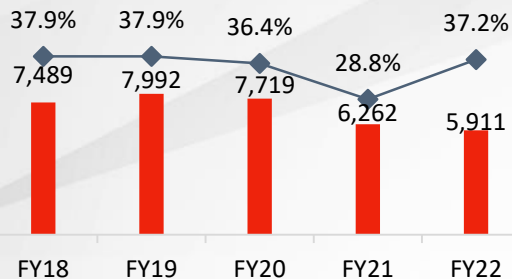
 **KHADIM**



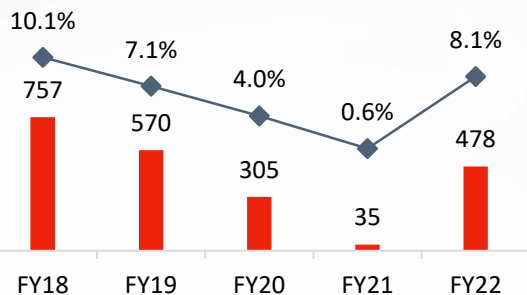
# FINANCIAL SUMMARY

In Rs Mn

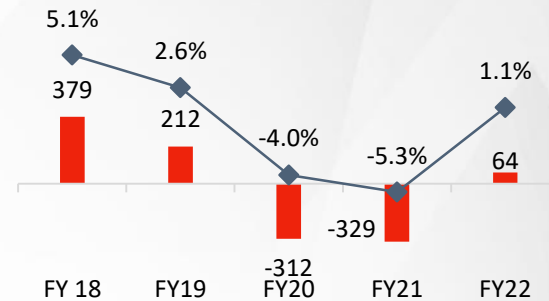
## Revenues & Gross Margin



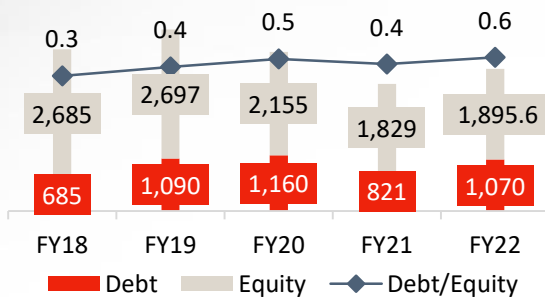
## EBITDA & EBITDA Margin



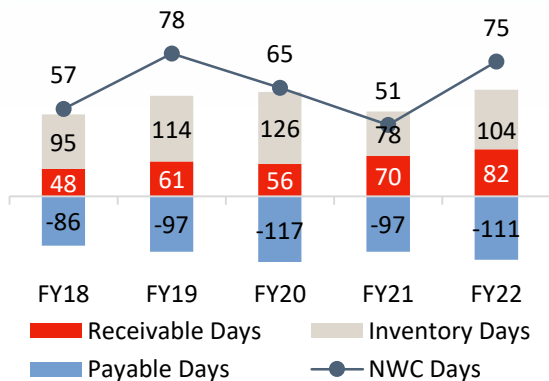
## PAT & PAT Margin



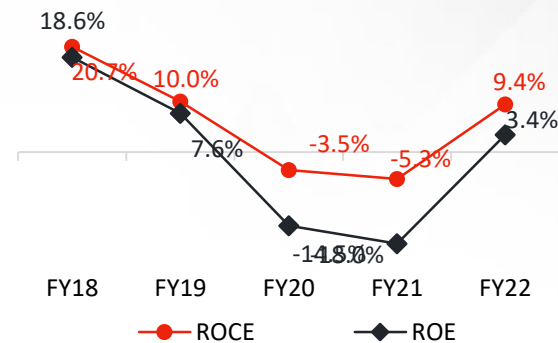
## Leverage Analysis



## Working Capital Analysis



## Return Ratios \*



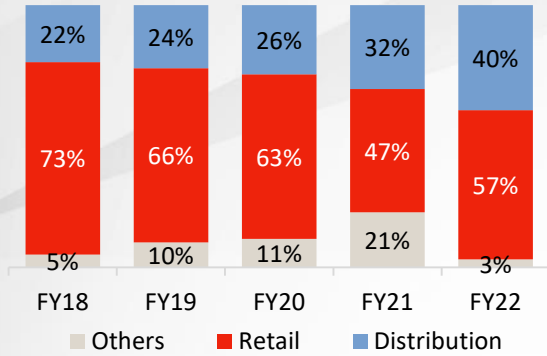
FY17 onwards, numbers are as per IND-AS, while those in previous years are as per I-GAAP.  
Sales scheme and commissions were included in sales in I-GAAP, these are deducted in IND-AS and net sales are reported

\* Return ratios are calculated excluding amalgamation reserve of Rs. 230mn

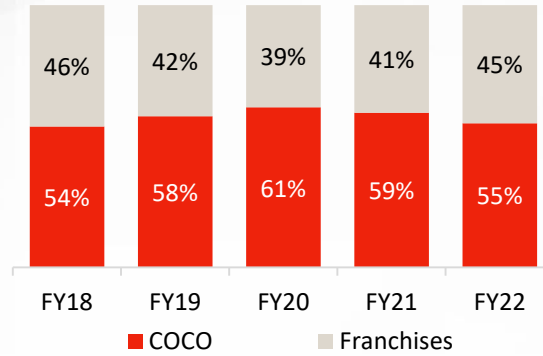
# FINANCIAL SUMMARY

In Rs Mn (I-GAAP)

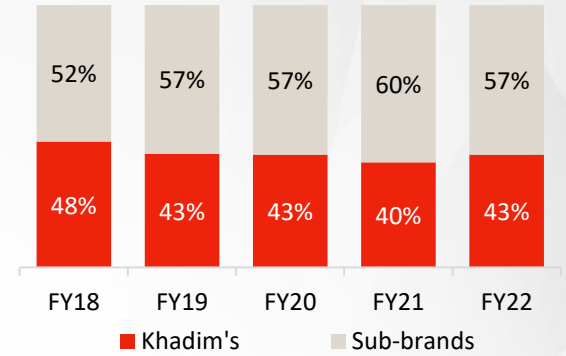
### Revenues – Segment wise



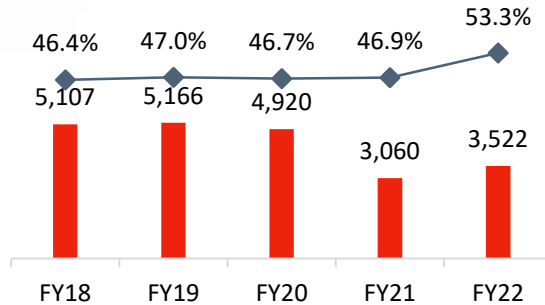
### Retail Revenues – COCO vs Franchises



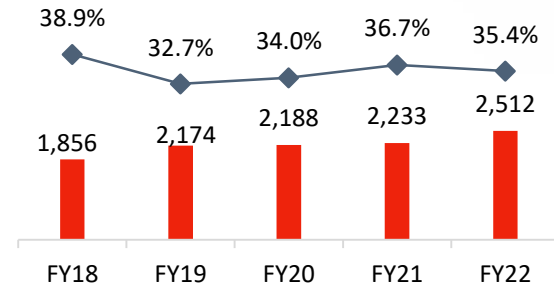
### Retail Revenues – Khadim's vs Sub-brands



### Retail Revenues & Gross Margin



### Distribution Revenues & Gross Margin





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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

- 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

- 25+ 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

- 21+ 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 16+ years in footwear domain across retail sales





# KHADIM

**NAMRATA CHOTRANI - CEO**

Contact No : +91 33 40090501

Email - [namrata.chotrani@khadims.com](mailto:namrata.chotrani@khadims.com)

**INDRAJIT CHAUDHURI - CFO**

Contact No : + 91 33 40090505

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



**orient capital**

**Nachiket Kale/ Rajesh Agrawal**

+91 9920940808 /+91 99674 91495

[nachiket.kale@linkintime.co.in](mailto:nachiket.kale@linkintime.co.in)

[rajesh.agrawal@linkintime.co.in](mailto:rajesh.agrawal@linkintime.co.in)