

February 15, 2024

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 FY24 Results)

This is with reference to our letter dated February 12, 2024 with respect to Investor Meet scheduled to be held on Friday, February 16, 2024.

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, 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 3
FY 2023-24**

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.



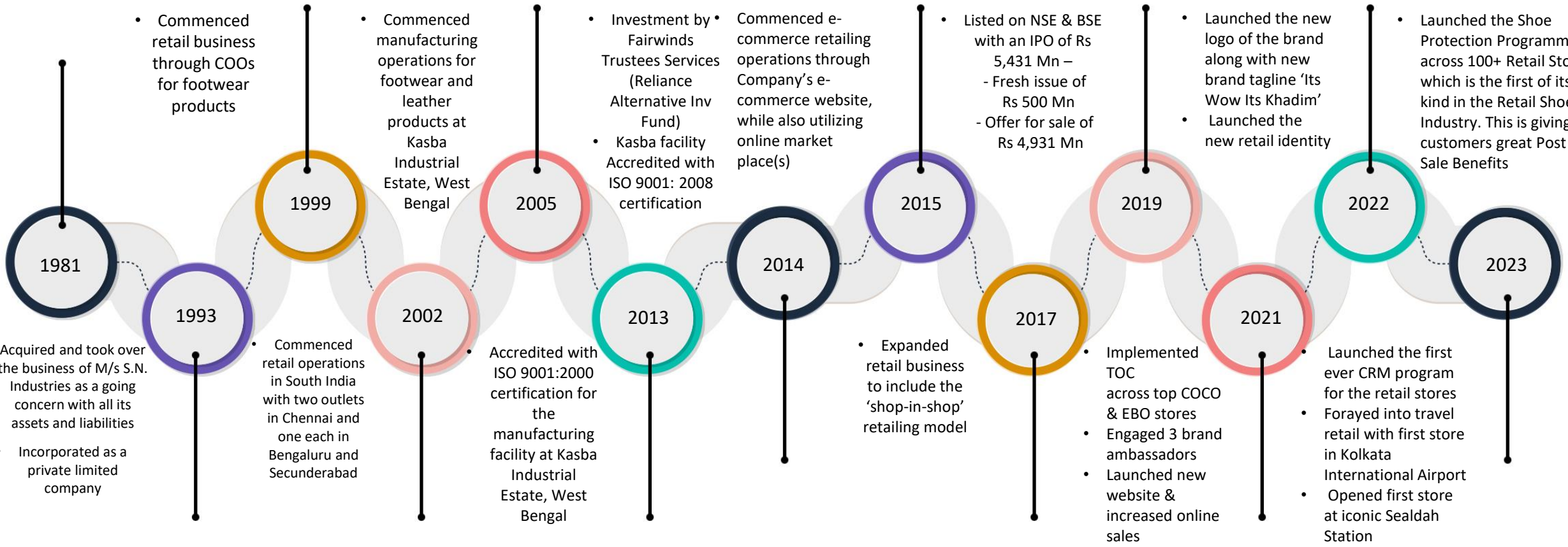
BUSINESS OVERVIEW



 **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 25 states & 5 union territory
- 864 'Khadim's' branded retail stores (Dec-23)
- Wide network of 747 distributors selling to MBOs across India (Dec -23)

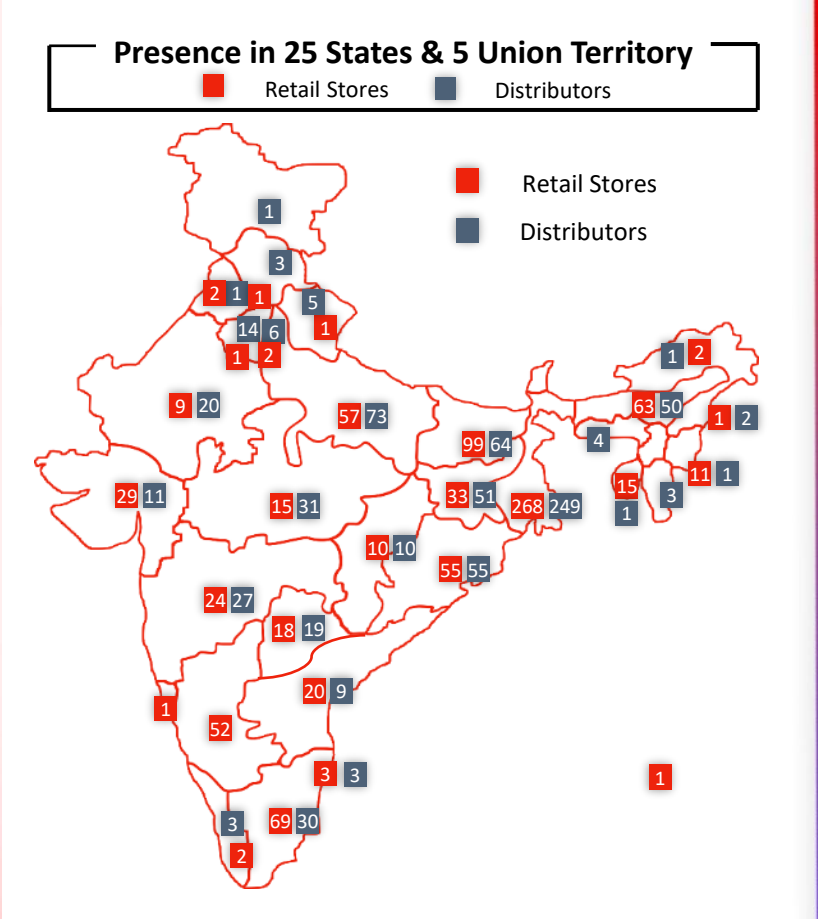
KHADIM



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.

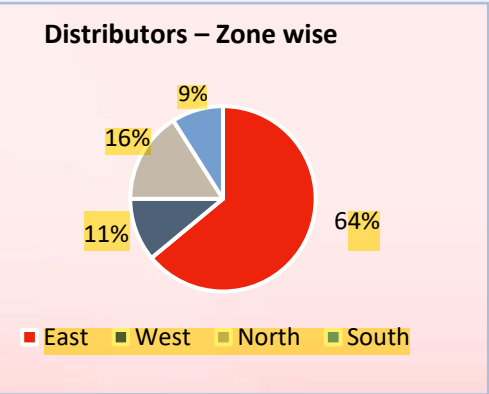
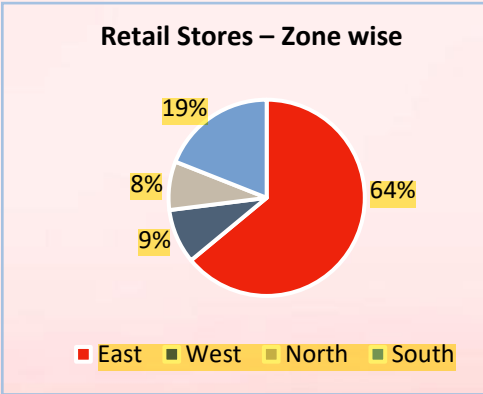
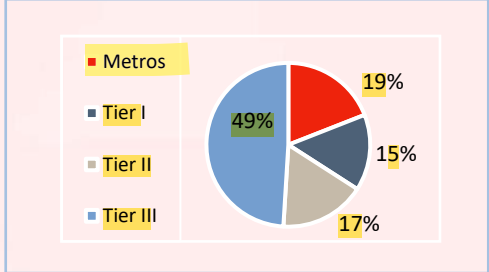
EXTENSIVE GEOGRAPHICAL REACH & PENETRATION



Brand Network

Retail Stores	864
- COCO	221
- Franchises	643
Distributors	747

Retail Stores – Tier wise





MARKETING INITIATIVE & SOCIAL MEDIA

KHADIM INDIA LIMITED

SOCIAL MEDIA & MARKETING INITIATIVE



SOCIAL MEDIA & MARKETING INITIATIVE



SOCIAL MEDIA & MARKETING INITIATIVE



KHADIM

স্বর্গ থেকে মর্ত্য
চলছে খাদিম
চলবে খাদিম।

সপ্তমী নাইট
Stylish
রাইড!

KHADIM

স্বর্গ থেকে মর্ত্য
চলছে খাদিম
চলবে খাদিম।

আসছে বছর
আবার হবে!
শুভ বিজয়া

#CWC23

KHADIM

VICTORY SERVED
WITH
ROYALTY

#INDvENG

KHADIM

স্বর্গ থেকে মর্ত্য
চলছে খাদিম
চলবে খাদিম।

নতুন *heels*,
নবমী *feels*

KHADIM

A WOW SURPRISE
for every proactive little one

#HappyChildrensDay

KHADIM

Dil mein
Diwali
Pairon Mein Khadim

FESTIVE
OFFER

Shop for ₹ 2000-2999
and get a
Electric Dry Iron

*T&C apply

SOCIAL MEDIA & MARKETING INITIATIVE



Q3 FY24 BUSINESS HIGHLIGHTS



- In Q3 FY24, Revenue stood at Rs 1,562 mn, up by 5% YoY. Revenues for 9M FY24 stood at Rs. 4,713 mn, down by 6% YoY.
- Gross margin for the quarter stood at 45.7%, up by 410 bps YoY and for 9M FY24, Gross Margins stood at 45.1%, up by 390 bps YoY. Increase in gross margins was on account of higher contribution from retail sales leading to favourable product mix.
- Our focus on cost optimization and brand premiumization led to an EBITDA margin for 9M FY24 at 11.5%, up by 30 bps YoY. EBITDA margins for the Q3 FY24 stood at 11.7%, up by 50 bps YoY.
- Q3 FY24 PAT stood at Rs. 18 mn which de-grew by 62% YoY. 9M FY24 PAT stood at Rs. 53 mn, a decrease of 60% YoY. The main reason for the said de-growth was profit on disposal of immovable properties amounting to Rs.32.30 millions Included in Q3FY24 and 9MFY23.
- Store network has grown by addition of 79 retail stores as on 9M FY24, taking the total retail presence to 864 stores.
- Our distribution network continues to grow strong as we added 69 distributors as on 9M FY24, taking total count to 747.

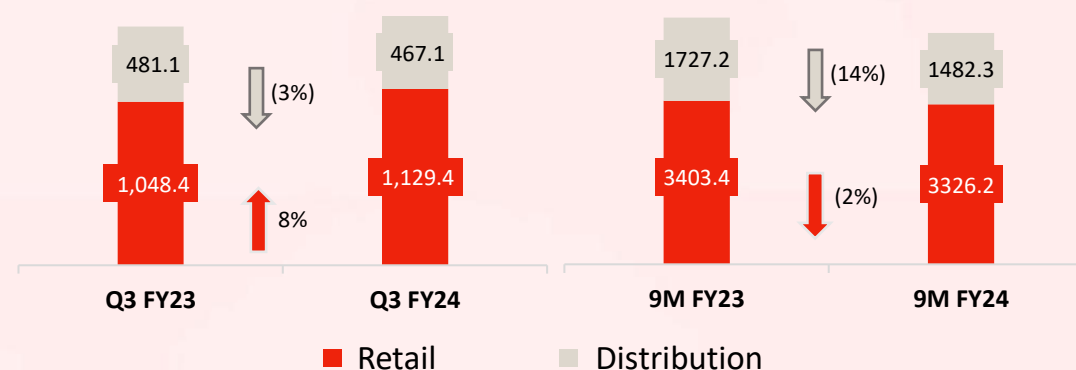
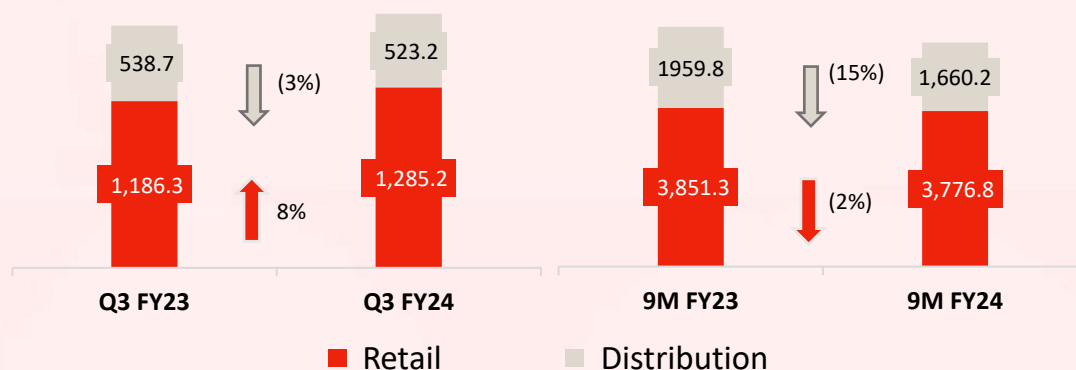
Q3 FY24 BUSINESS HIGHLIGHTS

REVENUE BREAK UP



GROSS SALES

NET SALES



Segment Share %	Q3 FY23	Q3 FY24
Retail	67.4%	68.3%
Distribution	30.9%	28.3%
Gross Margin %	Q3 FY23	Q3 FY24
Retail	54.4%	56.2%
Distribution	34.0%	37.8%
EBIDTA %	Q3 FY23	Q3 FY24
Retail	17.3%	16.1%
Distribution	(2.5%)	(0.1%)

Segment Share %	9M FY23	9M FY24
Retail	64.2%	66.6%
Distribution	32.6%	29.7%
Gross Margin %	9M FY23	9M FY24
Retail	53.2%	55.9%
Distribution	35.4%	37.7%
EBIDTA %	9M FY23	9M FY24
Retail	16.0%	17.0%
Distribution	1.0%	(2.0%)

Q3 FY24 BUSINESS HIGHLIGHTS



Particulars (In Rs Mn)	Q3 FY24	Q3 FY23	YoY %	Q2 FY24	QoQ %	9M FY24	9M FY23	YoY %
Revenue from Operations	1,562.0	1,489.5	4.9%	1,570.9	-0.6%	4,712.7	5,010.6	-5.9%
Cost of Materials consumed	316.3	307.7		274.9		999.8	1,209.6	
Purchase of stock-in-trade	498.6	418.3		763.0		2,023.9	2,037.3	
Changes in inventories	32.8	143.3		-169.4		-436.4	-299.6	
Gross Profit	714.3	620.2		702.3		2,125.4	2,063.2	
Gross Profit Margin %	45.7%	41.6%		44.7%		45.1%	41.2%	
Employee Benefits Expense	177.8	176.3		184.9		543.9	531.9	
Other Expenses	354.5	276.5		341.0		1,040.3	970.3	
EBITDA	182.0	167.5	8.7%	176.4	3.2%	541.3	561.1	-3.5%
EBITDA Margin %	11.7%	11.2%		11.2%		11.5%	11.2%	
Depreciation	99.8	101.4		102.9		303.7	284.6	
Finance Costs	75.4	73.0		78.2		228.5	211.5	
Other Income	17.8	64.1		26.0		59.1	109.4	
Profit Before Tax (PBT)	24.7	57.2		21.4		68.4	174.4	
Tax Expenses	6.5	9.0		3.6		15.7	42.5	
Profit After Tax (PAT)	18.3	48.2	-62.2%	17.9	2.1%	52.7	131.9	-60.1%
PAT Margin %	1.2%	3.2%		1.1%		1.1%	2.6%	

CONSOLIDATED PROFIT & LOSS STATEMENT



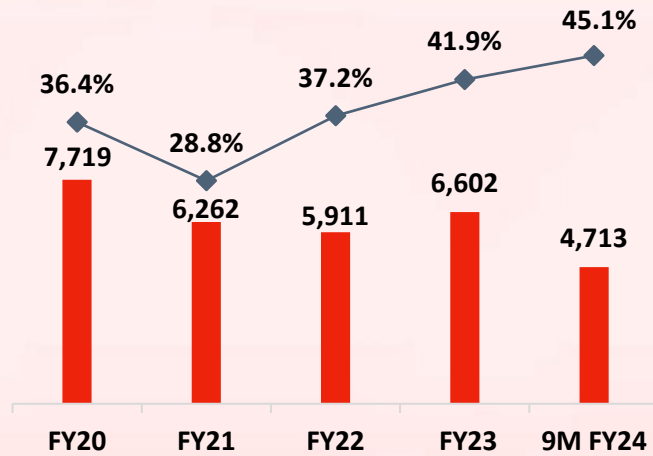
KHADIM

**PERFORMANCE
TRACK
RECORD**

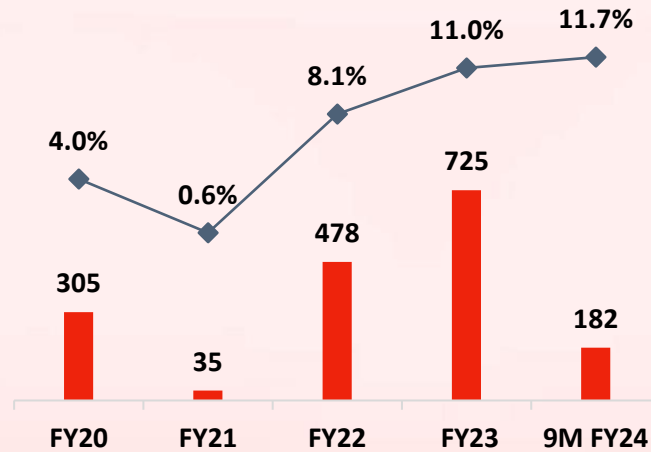
FINANCIAL SUMMARY



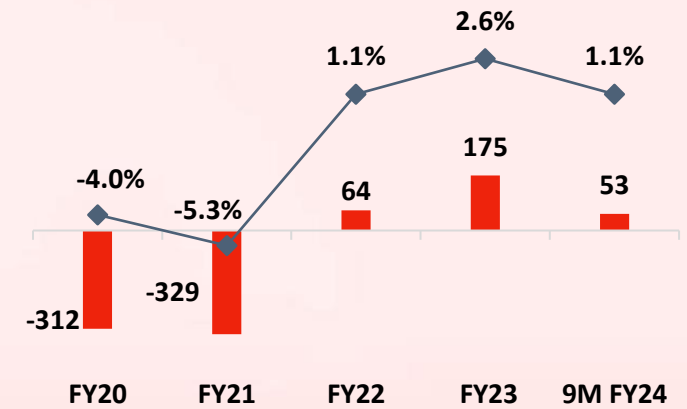
Revenue & Gross Margin



EBITDA & EBITDA Margin



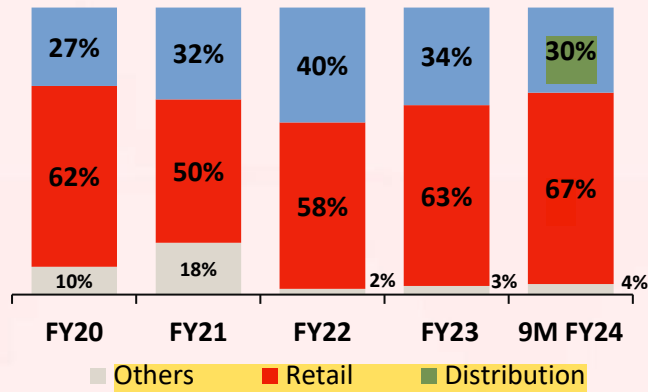
PAT & PAT Margin



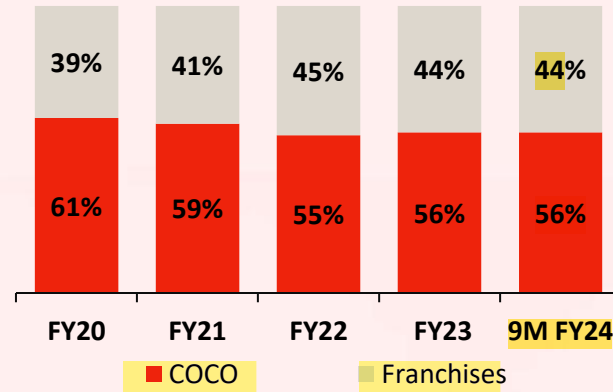
FINANCIAL SUMMARY



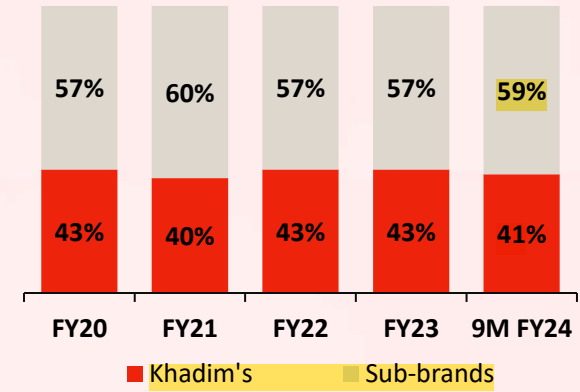
Revenues – Segment wise



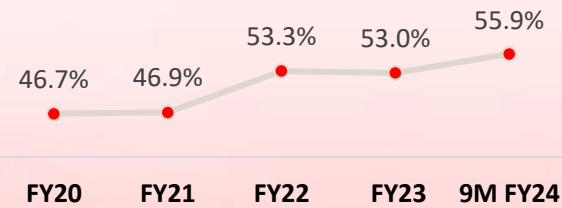
Retail revenues – COCO vs Franchise



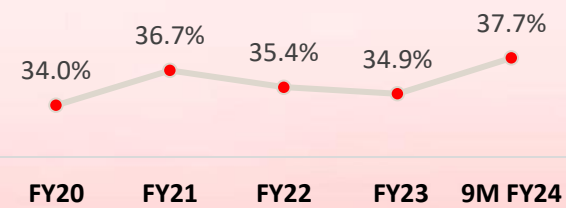
Retail Revenues – Khadim's vs Sub-brands



Retail Gross Margin



Distribution Gross Margin





BUSINESS STRATEGY & OUTLOOK

KHADIM INDIA LIMITED

BUSINESS MODEL

TWO-PRONGED STRATEGY



RETAIL BUSINESS

864 'Khadim's exclusive branded outlets as on 31st December 2023

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

Rs 129 – Rs 4,199 Leather / non-leather sandals, slippers, boots, ballerinas, stilettos, moccasins, sports shoes and accessories*

91% outsourced (FY23) – smaller quantities of premium high-quality products

Reach

Target Segment

Price & Product

Sourcing

DISTRIBUTION BUSINESS

747 distributors supplying to MBOs across India as on 31st December 2023

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

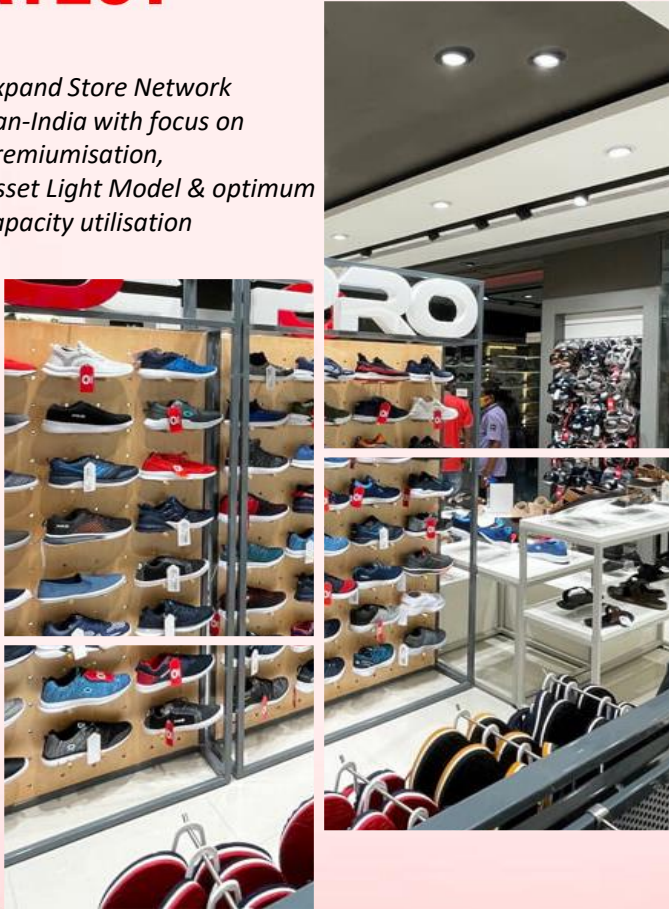
Rs 75 – Rs 1299 EVA, basic and premium Hawaii, PVC, PVC DIP and PU and Stuck On products

Own manufacturing and contract manufacturing facilities

*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

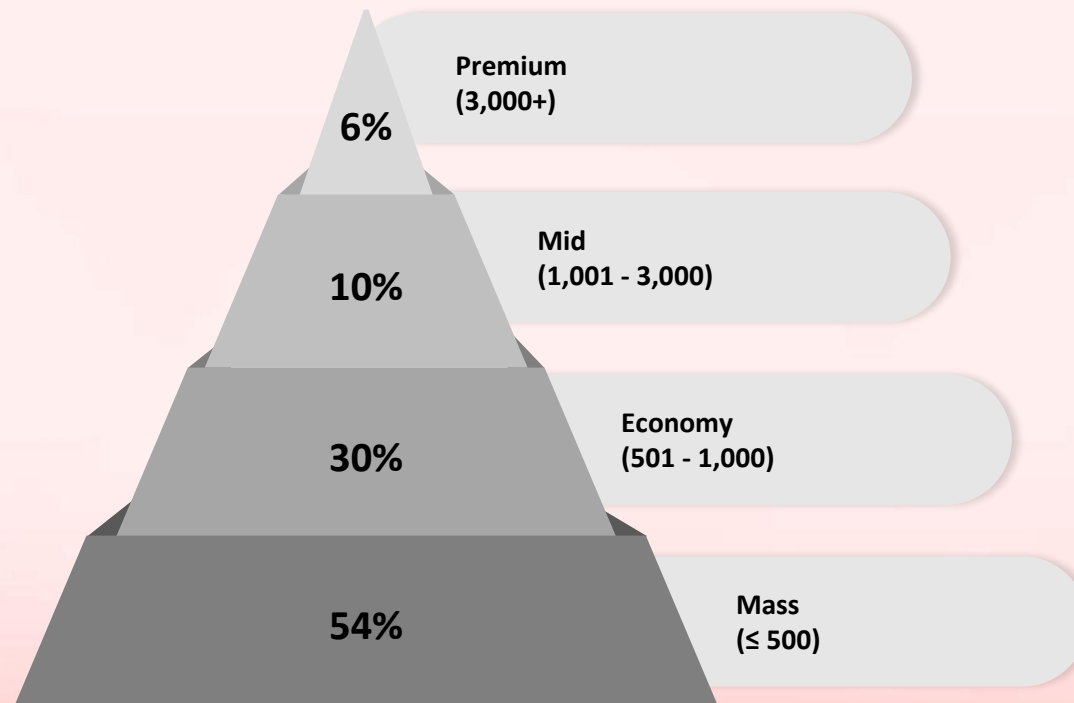
Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

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



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**



BUSINESS MODEL



DISTRIBUTION

“In the Distribution Business too, like retail, we wish to be a brand for the entire family for all occasions”



KHADIM

Basic Hawaai



Kalypso

Premium Hawaai and Fabrication Chappals



Wash'n'ear

PVC Footwear



FLIERS

DIP & PU Footwear



FITNXT

Athleisure sandal and shoes



DUNFORD

Formal sandal and shoes



Pugo

Footwear for Kids

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
- Responsible for long-term strategy and decision-making process of the Company.
- Overseeing the manufacturing process, retail and merchandising and product development.



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 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 as the vice chancellor with Netaji Subhas Open University, Gour Banga University, and Central University of Orissa.



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
Chief Financial Officer

- 22+ 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 Retail (COCO/FRM) business of 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 and marketing in footwear domain.
- He leads the Franchise (EBO / BO) Retail vertical along with E-commerce business of the Company.
- Earlier associated with Pantaloons Retail India Limited.



INDRAJIT CHAUDHURI - CFO
Contact No : + 91 33 40090505
Email - indrajit.chowdhury@khadims.com



SUMEET KHAITAN / RAJESH AGARWAL
+91 7021320701 / +91 99674 91495
sumeet.khaitan@linkintime.co.in
rajesh.agrawal@linkintime.co.in

WWW.KHADIMS.COM