

June 22, 2021

The Manager
The Department of Corporate Services
BSE Limited
P. J. Towers,
Dalal Street, Mumbai - 400 001
Scrp 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 & FY21 Results)

This is with reference to our letter dated June 18, 2021 with respect to Investor Meet scheduled to be held today, i.e., June 22, 2021.

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, 2021 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
Membership No. A21358

Encl: As above

KHADIM INDIA LIMITED

REGD. OFFICE: 'KANKARIA ESTATE' 5TH FLOOR, 6, LITTLE RUSSELL STREET
KOLKATA-700 071, INDIA, Tel No. +91-33-4009 0501, Fax No. + 91-33-4009 0500
E-mail: compliance@khadims.com; Website: www.khadims.com
CIN: L19129WB1981PLC034337



KHADIM INDIA LIMITED

Q4 & FY21 RESULTS PRESENTATION

JUNE 2021



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.

DISCUSSION SUMMARY

- BUSINESS OVERVIEW
- Q4 & FY21 RESULTS
- BUSINESS STRATEGY & OUTLOOK
- FINANCIAL & OPERATIONAL SUMMARY
- MANAGEMENT TEAM & SHAREHOLDING PATTERN

BRITISH W



LAZARD



LAZARD



SHARON



CLEO



SHARON



PRO



PRO



PRO



BUSINESS OVERVIEW



LAZARD



BRITISH WALKERS

QUICK SNAPSHOT

1 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
- Emerging brand in West and North India

2 Extensive Reach & Presence

- Retail presence across 23 states & 1 union territory
- 757 'Khadim's' branded retail stores (Mar-21)
- Wide network of 575 distributors selling to MBOs across India (Mar-21)

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
- This has led to higher ASP and gross margin

Khadim's[®]

**'Affordable Fashion'
for the entire family
for every occasion**

3 Two-pronged Market Strategy

- Two distinct business models – retail & distribution, each with its own customer base, product range, sales channels
- Ability to capitalize on the growth potential of both the markets and de-risk dependence on any one business

4 Asset Light Model for Growth

Retail business

- 72% of retail presence through franchise route
- Outsource 86% of product requirement (FY21)

Distribution business

- Highly scalable model on the front end
- Mix of in-house and contract manufacturing

**Q4 & FY21
RESULTS UPDATE**



CLEO



SHARON

BUSINESS HIGHLIGHTS

- As the economy opened & economic activity picked up, turnaround was observed across key metrics. Encouraging recovery was seen in revenue and gross margin, working capital also improved
- In Q4, the company focused on reducing inventory in retail and distribution business while also clearing dues of debtors
- Retail business saw a healthy growth in the quarter. The company is expected to get back to its growth trajectory provided there is no further lockdown
- Distribution business continued its growth momentum
- Gross Margins for the quarter improved substantially in both retail & distribution verticals.
- Improvement in debtors and inventory in retail and distribution business compared to March 20 and December 20
- Bagged an institutional order from Education Department of Uttar Pradesh, worth Rs 1,281 mn to supply school bags
- EBITDA & PAT turned positive at Rs 140.9 mn & Rs 115.2 mn respectively, compared to losses in the corresponding quarter

Our team continued to put their best foot forward during the pandemic and we take care of them every step of the way.



KHADIM

With You In Every Step

Demise of an Employee

1. SBI Term Insurance
We are providing life insurance to our fellow employees that financially covers for untimely death due to the pandemic or any other reason, subject to a minimum coverage of ₹2,50,000 and a maximum coverage of ₹25,00,000 to all our employees as per his/her grade.

2. Group Personal Accident Policy
In case of death of an employee due to an accident, his/her nominee shall receive a payout with a minimum ₹3,50,000 and maximum ₹1,00,00,000 sum assured as per his/her grade.

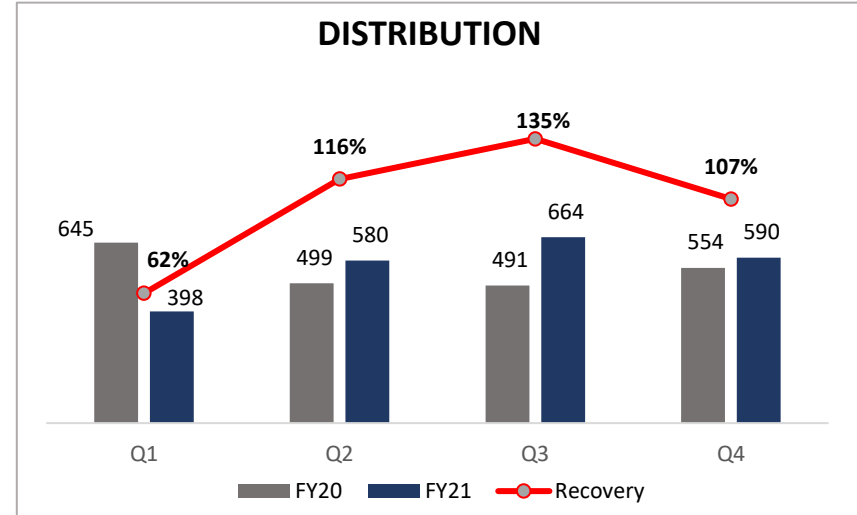
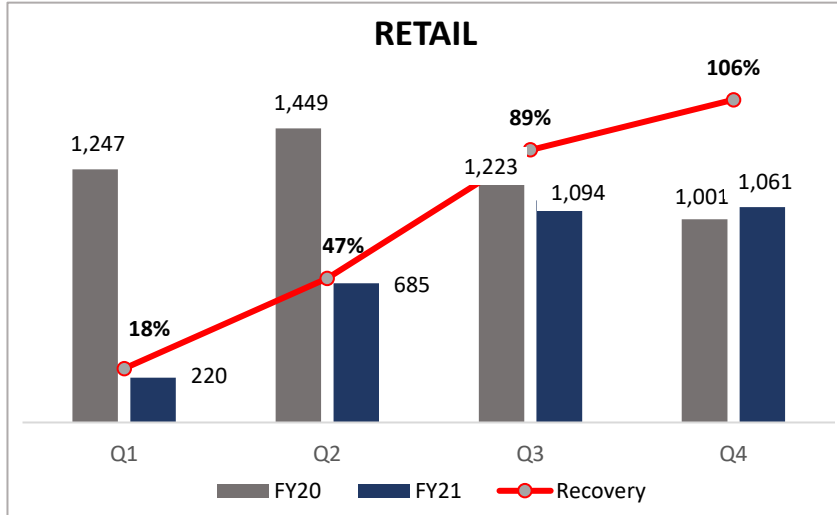
Mediclaim Benefit

To provide additional medical support, our existing Mediclaim benefits to our employees will cover a minimum of ₹3,50,000 and a maximum of ₹1,00,00,000 as per his/her grade, including Pandemic.

The sum insured for outsourced employees is ₹30,000.00 per employee. Only the employee is eligible for benefits. Family members/dependents are not covered under this policy (Universal Health Policy). They are also covered under ESIC Scheme for medical benefit.

"When times are troubling, we want to extend our hearts in full support to the ones who have always had our backs."

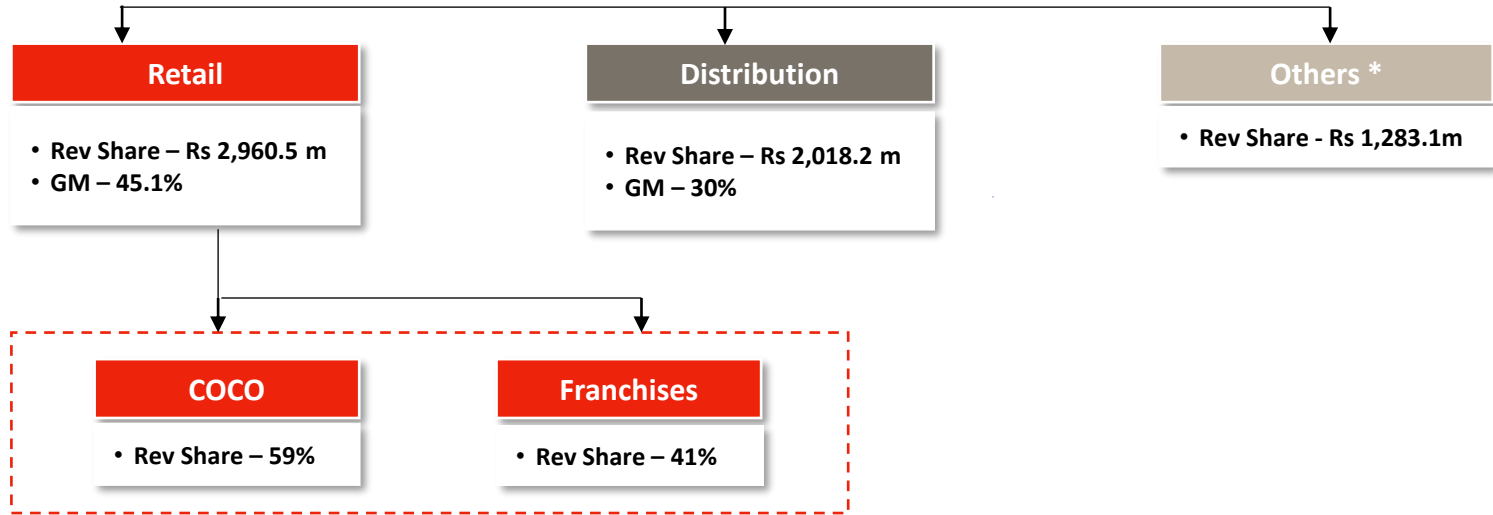
SALES TRAJECTORY YoY (In Rs mn)



- Retail business staged a consistent recovery after nationwide lockdowns were eased and registered a healthy growth in Q4
- Distribution business grew well despite increased focus on working capital this quarter



FY21 Revenues
Rs 6,261.8 Mn



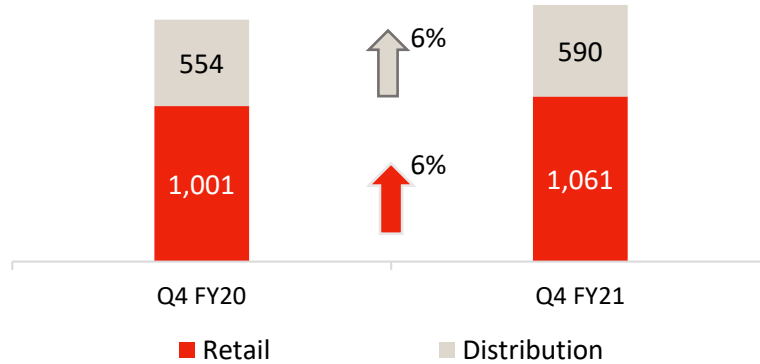
Asset Light Model for Frontend Expansion and Scalability

- **Retail Business** – Expand into new markets through COCO stores and further augment the presence through franchise stores. 72% of retail presence is through franchise route
- **Distribution Business** – Highly scalable model to capitalise on retail brand recall and target new markets

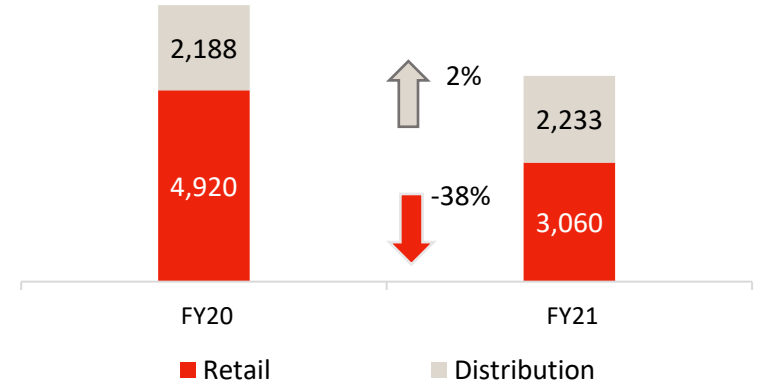
* Others include institutional sales, e-commerce sales, export sales and sale of packing materials

Q4 & FY21 RESULTS: SEGMENT ANALYSIS

Q4 FY21 YoY ANALYSIS – REVENUE* BREAKUP



FY21 YoY ANALYSIS – REVENUE* BREAKUP



Segment Share % *	Q4 FY20	Q4 FY21
Retail	61%	38%
Distribution	34%	21%

Gross Margin %	Q4 FY20	Q4 FY21
Retail	43.6%	47.6%
Distribution	33.0%	38.5%

Segment Share % *	FY20	FY21
Retail	61%	46%
Distribution	27%	34%

Gross Margin %	FY20	FY21
Retail	46.7%	46.9%
Distribution	34.0%	36.7%

*All figures without IND-AS adjument
In Rs Mn


CONSOLIDATED PROFIT & LOSS STATEMENT

Particulars (In Rs Mn)	Q4 FY21	Q4 FY20	YoY %	Q3 FY21	QoQ %	FY21	FY20	YoY %
Revenue	2,699.5	1,582.2	70.6%	1,740.8	55.1%	6,261.8	7,718.7	-18.9%
COGS	2,097.6	1,108.3	89.3%	1,097.5	91.1%	4,457.8	4,912.2	-9.3%
Gross Profit	601.9	473.9	27.0%	643.3	-6.4%	1804.0	2806.5	-35.7%
Gross Margin %	22.3%	30.0%	-766 bps	37.0%	-1466 bps	28.8%	36.4%	-755 bps
Employee Expenses	150.1	183.3	-18.1%	155.6	-3.5%	608.1	732.7	-17.0%
Other Expenses	310.9	374.9	-17.1%	336.2	-7.5%	1161.4	1769.1	-34.4%
EBITDA	140.9	-84.3	-	151.5	-7.1%	34.6	304.6	-88.6%
EBITDA Margin %	5.2%	-5.3%	-	8.7%	-349 bps	0.6%	3.9%	-339 bps
Depreciation	92.3	107.9	-14.4%	95.2	-3.0%	392.4	419.4	-6.4%
Finance Cost	59.5	77.7	-23.4%	60.9	-2.4%	253.8	292.8	-13.3%
Other Income	35.2	15.4	128.3%	39.5	-10.8%	180.8	66.7	171.0%
PBT	24.3	-254.4	-	35.0	-30.5%	-430.7	-340.8	-
Tax Expense	-90.9	-55.6	63.4%	-9.4	-	-102.1	-28.1	-
PAT	115.2	-198.8	-	44.4	159.7%	-328.7	-312.7	-
PAT Margin %	4.3%	-	-	-	-	-	-	-

BALANCE SHEET

Particulars (In Rs Mn)	Mar-21	Mar-20
Equity		
Equity Share capital	179.7	179.7
Other Equity	1,828.8	2,154.8
Non-Current Liabilities		
Lease liabilities	1,172.6	1,489.1
Provisions	5.2	5.1
Borrowings	192.9	-
Other Non-Current Liabilities	1.9	2.9
Current Liabilities		
Financial Liabilities		
Borrowings	821.1	1,160.5
Lease Liabilities	209.7	216.1
Trade Payables	1,670.5	1,582.2
Other Financial Liabilities	166.0	132.0
Other Current Liabilities	54.5	57.7
Provisions	1.5	2.8
Income Tax Liabilities (net)	-	1.8
Total Equity & Liabilities	6,304.4	6,984.7

Particulars (In Rs Mn)	Mar-21	Mar-20
Non-Current Assets		
Property, Plant and Equipment	1,140.7	1,299.7
Capital work - in - progress	9.5	5.5
Right of Use Assets	1,153.5	1,467.6
Intangible assets	3.2	3.7
Intangible assets under development	1.5	0.9
Financial Assets:		
Others	179.3	174.9
Deferred tax assets (net)	198.0	101.2
Income Tax Assets (net)	47.0	49.7
Other non-current assets	97.9	116.3
Current Assets		
Inventories	1,406.8	1,696.5
Financial Assets:		
Trade Receivables	1,207.0	1,189.8
Cash & Bank Balances	39.3	79.9
Others	101.3	89.5
Other Current Assets	719.6	709.6
Total Assets	6,304.4	6,984.7

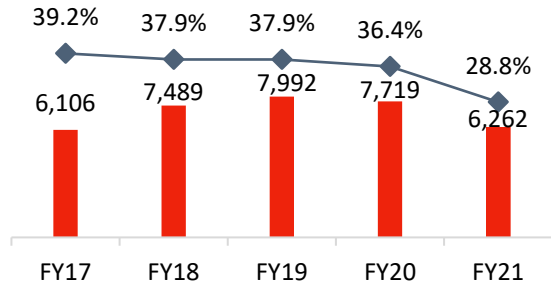


FINANCIAL & OPERATIONAL
SUMMARY

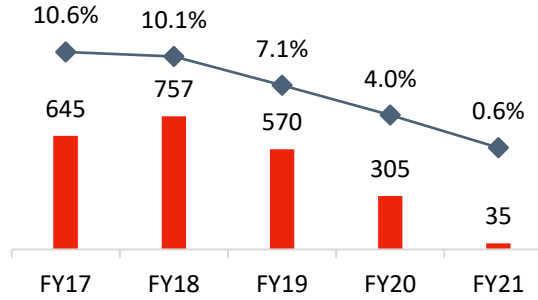
FINANCIAL SUMMARY*

In Rs Mn

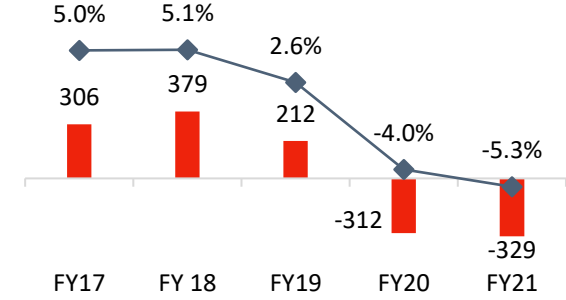
Revenues & Gross Margin



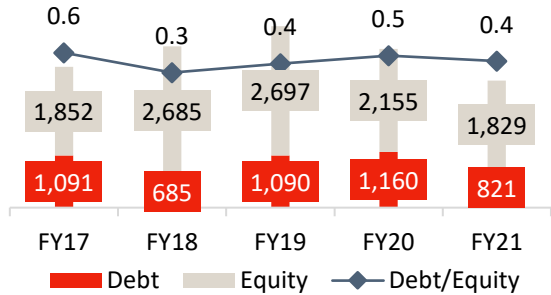
EBITDA & EBITDA Margin



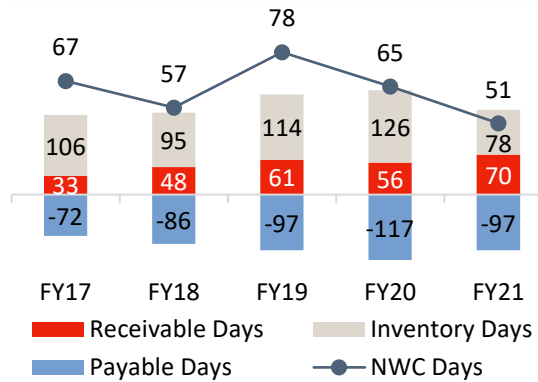
PAT & PAT Margin



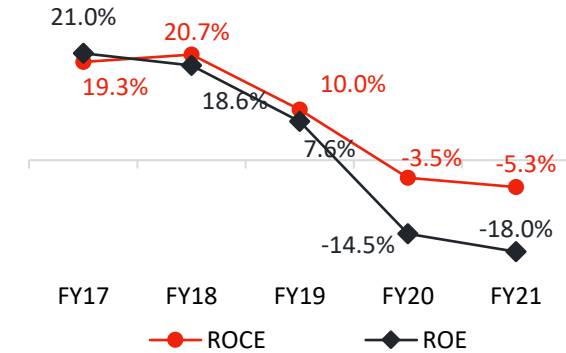
Leverage Analysis



Working Capital Analysis



Return Ratios *



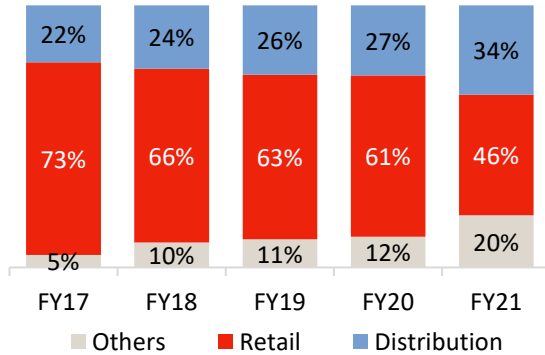
FY17 onwards, numbers are as per IND-AS, while those in previous years are as per I-GAAP. Sales scheme and commissions were included in sales in I-GAAP, these are deducted in IND-AS and net sales are reported

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

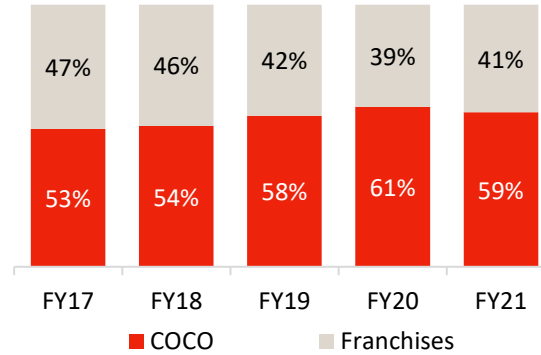
FINANCIAL SUMMARY

In Rs Mn (I-GAAP)

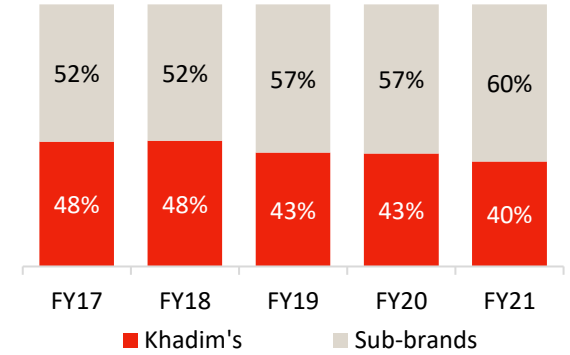
Revenues – Segment wise



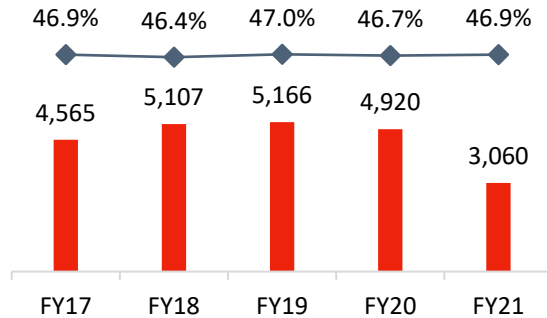
Retail Revenues – COCO vs Franchises



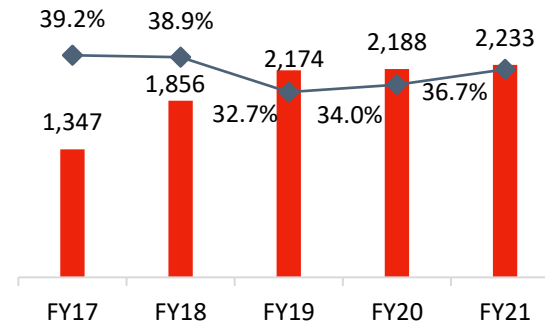
Retail Revenues – Khadim's vs Sub-brands



Retail Revenues & Gross Margin



Distribution Revenues & Gross Margin





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TURK

BUSINESS STRATEGY
& OUTLOOK

TWO-PRONGED BUSINESS MODEL & GROWTH STRATEGY

	Retail Business	Distribution Business
Reach	757 'Khadim's exclusive branded outlets	575 distributors supplying to MBOs across India
Target Segment	Middle & upper middle income consumers in metros (incl. mini metros), Tier I – III cities	Lower & middle income consumers in Tier I – III cities, who shop in MBOs
Price & Product Range	Rs 74 – Rs 3,699 Leather / non-leather sandals, slippers, boots, ballerinas, stilettos, moccasins, sports shoes and accessories*	Rs 64 – Rs 999 EVA, basic and premium Hawaii, PVC, PVC DIP and PU and Stuck On products
Sourcing	86% outsourced (FY21) – smaller quantities of premium high quality products	Own manufacturing and contract manufacturing facilities



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.

POSITIVE INDUSTRY OUTLOOK

Favourable macro and demographic tailwinds

Market Size

- Young demographics - 78% of the population is below 45 years of age
- India is the second largest consumer of footwear in the world
- India is also the second largest producer of footwear in the world, accounting for 9% of global footwear market

Increasing working women

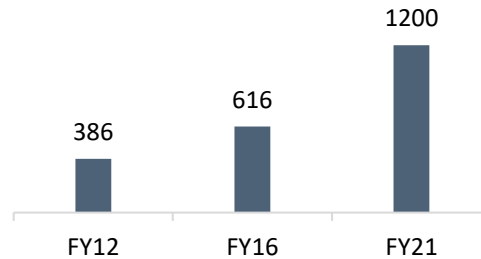
- Increasing number of working women driving the growth of women's footwear market

Income Growth

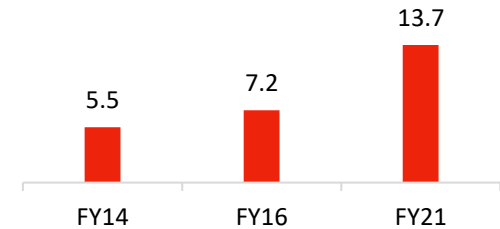
- Increasing disposable income of consumer and higher spending on lifestyle products, leading to shift from unbranded to branded play

Domestic footwear retail to grow at a faster pace compared to the overall retail industry

Overall retail market in US \$ Bn

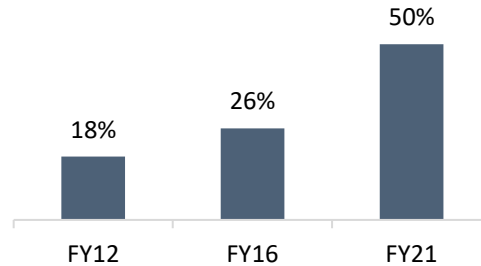


Domestic footwear market at retail price in US \$ Bn

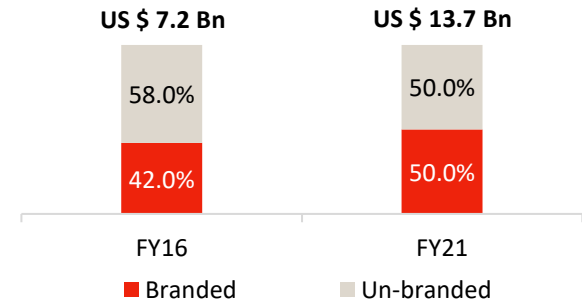


Continued shift towards organised retail with increasing preference for branded products

Organised footwear as % of footwear industry



Share of Footwear Market



Source: Industry Reports, IBEF

WIDE PRODUCT RANGE ACROSS VARIOUS CATEGORIES & PRICE POINTS

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



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, using premium quality leather and faux leather



TURK
Rugged Style

- Menswear
- Outdoor boots / sandals using premium quality faux leather



O PRO

- Men & Women wear
- Sports / activity sneakers / floater / sandals in mesh / synthetic / canvas uppers



SHARON
DESIGNS

- Womenswear
- Fashionable yet functional sandals using premium quality faux leather



cleo
THE STYLE STORY

- Womenswear
- Light & trendy sandals using premium quality faux leather



Khadim's softtouch

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



adrianna
walk like a princess

- Womenswear
- Comfortable and fashionable footwear for pre-teen and teenage girls



bonito
Fun together

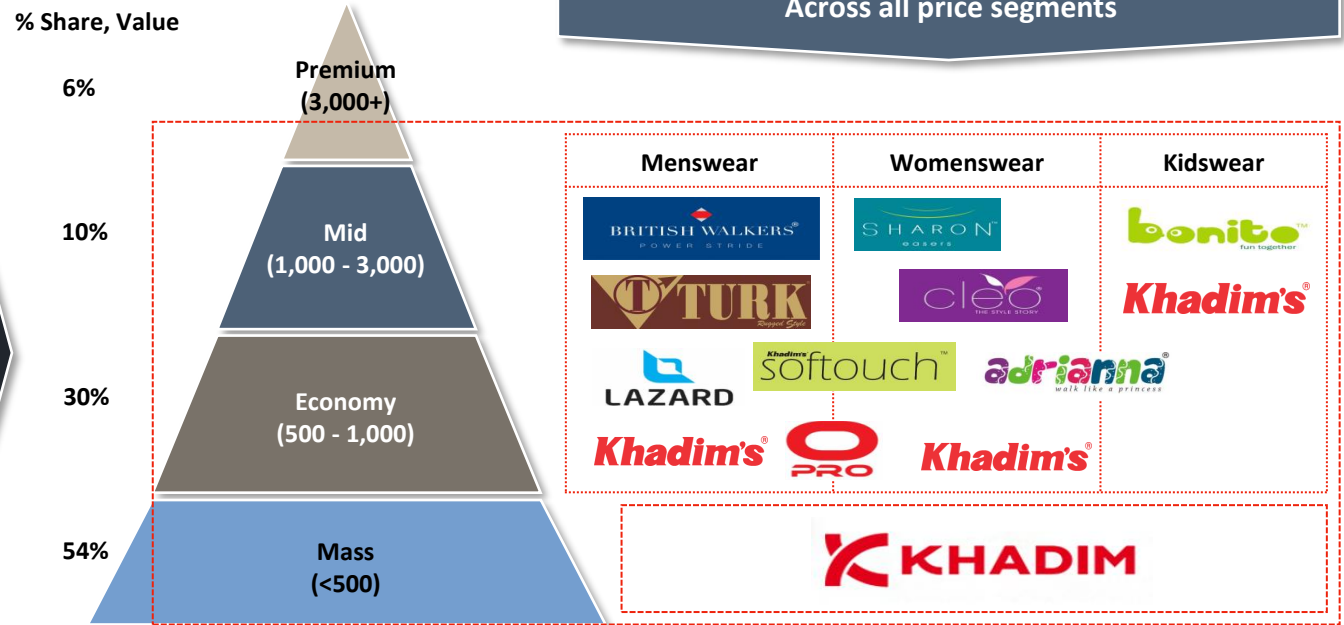
- Kidswear
- Range of fun and colourful shoes for toddlers and children

KHADIM

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)



Distinct brand positioning to target customers
Across all price segments

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

PROMOTER, BOARD OF DIRECTORS & MANAGEMENT TEAM



Siddhartha Roy Burman, Chairman & Managing Director

- Associated with the Company since its incorporation. He has 34 years of experience in the footwear industry
- Responsible for the overall strategic decision making and provides leadership to all operations

Dr Indra Nath Chatterjee, Non-Executive, Independent Director

- 42 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 20 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)

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

- 37 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

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 good exposure in various aspects of footwear marketing during his tenure with the Company.

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

EXPERIENCED MANAGEMENT TEAM



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

Tapas Ghosh, GM - Business Development & Systems

- 21+ 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



Indrajit Chowdhury, 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

Aranya Ray, GM - Supply Chain Management

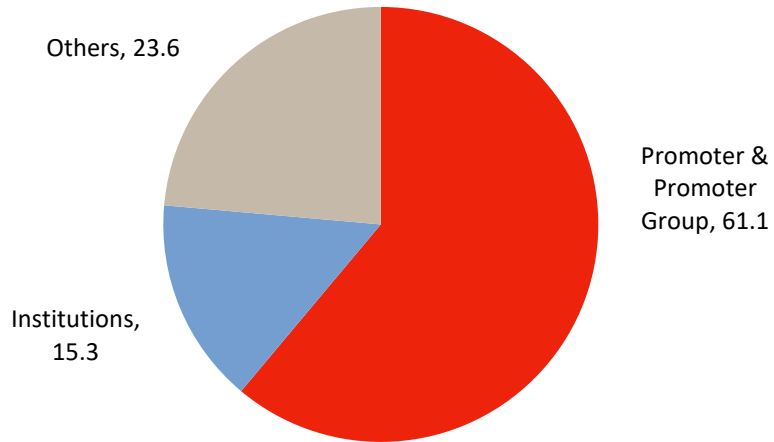
- 17 years of experience in supply chain operations, buying and merchandising
- He is responsible for supply chain, logistics, procurement and merchandising in the company
- Earlier worked with ICI India Limited and ITC Limited

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 15 years in footwear domain across retail sales

SHAREHOLDING STRUCTURE

% Shareholding – Mar '21



Key Institutional Investors

% Holding

UTI MF	4.6%
SUNDARAM MUTUAL FUND	4.5%
IDFC MUTUAL FUND	3.6%
TRUSTLINE DEEP ALPHA	1.9%

Source: BSE

KEY MILESTONES

1981

- Acquired and took over the business of M/s S.N. Industries as a going concern with all its assets and liabilities
- Incorporated as a private limited company

1993

- Commenced retail business through COOs for footwear products

1999

- Commenced retail operations in South India through with two outlets in Chennai and one each in Bengaluru and Secunderabad

2002

- Commenced manufacturing operations for footwear and leather products at Kasba Industrial Estate, West Bengal

2005

- Accredited with ISO 9001:2000 certification for with respect to the manufacturing facility at Kasba Industrial Estate, West Bengal

2019

- Implemented TOC across top COCO & EBO stores
- Engaged 3 brand ambassadors
- Launched new website & increased online sales

2017

- Listed on NSE & BSE with an IPO of Rs 5,431 Mn –
 - Fresh issue of Rs 500 Mn
 - Offer for sale of Rs 4,931 Mn

2016

- Accredited with ISO 9001:2015 certification with respect to Kasba facility

2015

- Expanded retail business to include the 'shop-in-shop' retailing model

2014

- Commenced e-commerce retailing operations through Company's e-commerce website, while also utilizing online market place(s)

2013

- Investment by FairwindsTrustees Services (Reliance Alternative Inv Fund)
- Accredited with ISO 9001: 2008 certification with respect to Kasba facility

2010

- Commenced distribution operations at central distribution centre at Bantala, West Bengal



Namrata Chotrani
CEO

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Indrajit Chowdhury
CFO

Contact No : + 91 33 40090505

Email – indrajit.chowdhury@khadims.com

DICKENSON

Vikash Verma/ Nachiket Kale
IR Consultant

Contact: + 91 9664009029/ 9920940808

Email – khadim@dickensonworld.com