

May 29, 2024

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 FY24 Results)

This is with reference to our letter dated May 24, 2024 with respect to Investor Meet scheduled to be held today i.e., May 29, 2024.

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, 2024, 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



QUARTER 4 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.

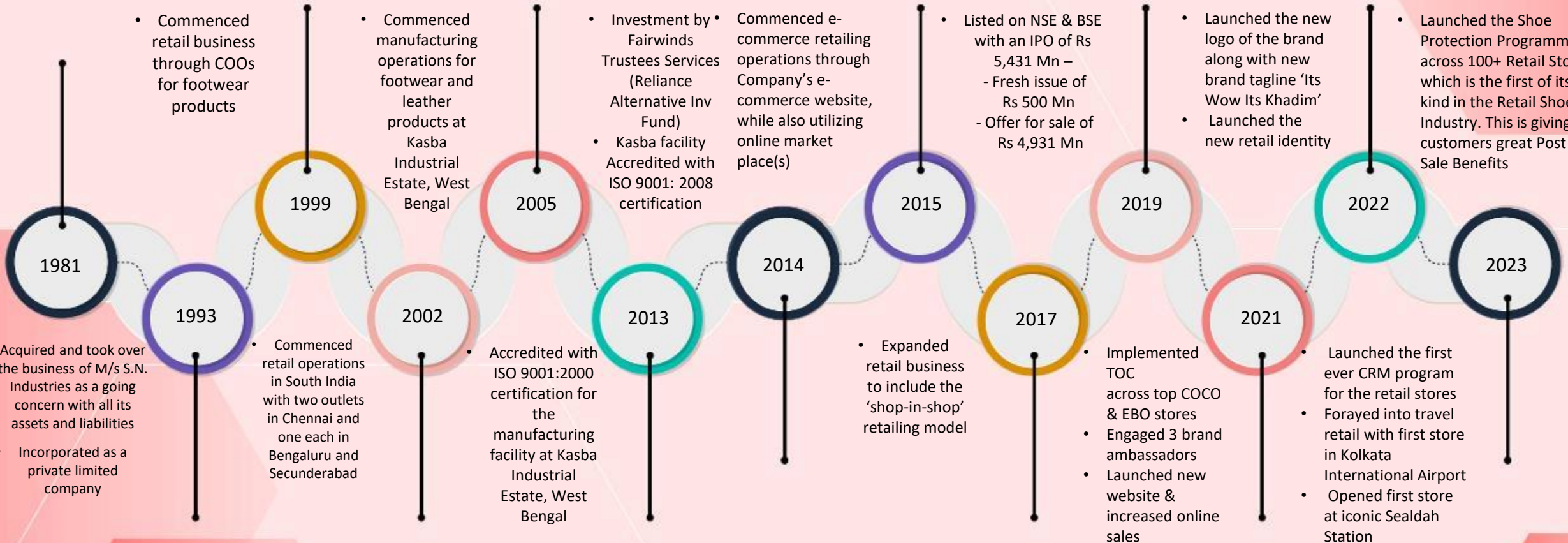


BUSINESS OVERVIEW



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



2. Asset Light Model for Growth

- **Retail business:** 74% of retail presence through franchise route. Outsource 90% of product requirement (FY24)
- **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 **27 states** & **5 union territory**
- **868** 'Khadim's' branded retail stores (March-24)
- Wide network of **753** distributors selling to **MBOs** across **India** (March -24)

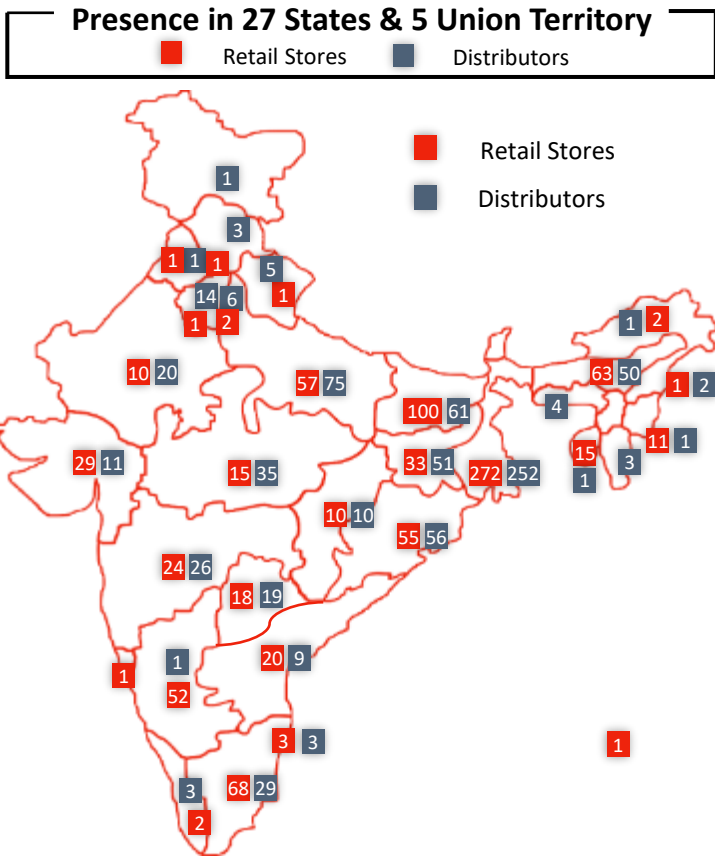
KHADIM



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.

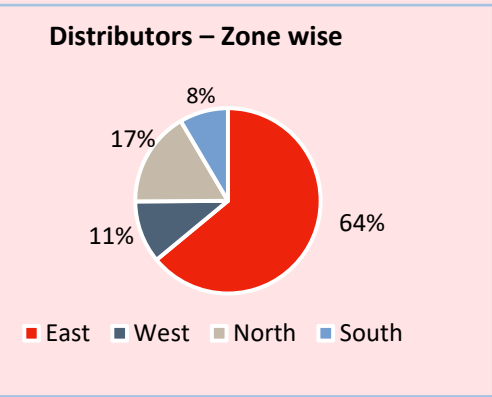
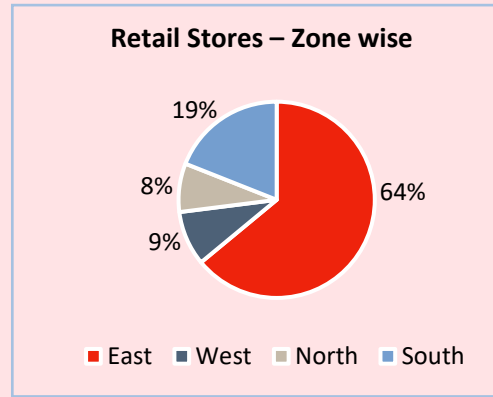
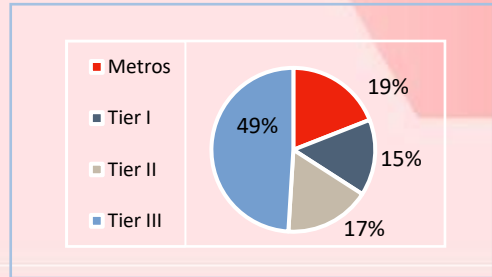
EXTENSIVE GEOGRAPHICAL REACH & PENETRATION



Brand Network

Retail Stores	868
- COCO	223
- Franchises	645
Distributors	753

Retail Stores – Tier wise

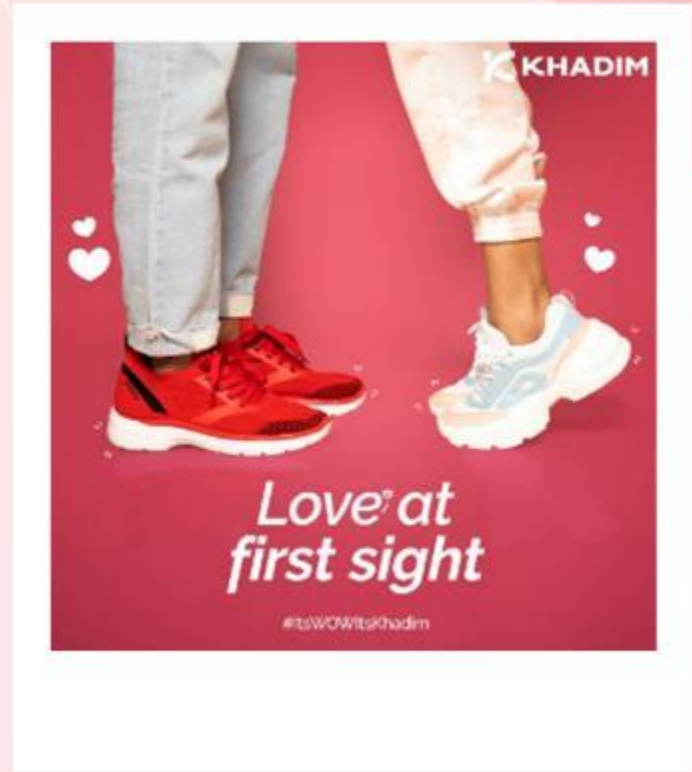




MARKETING & SOCIAL MEDIA



SOCIAL MEDIA & MARKETING INITIATIVE



SOCIAL MEDIA & MARKETING INITIATIVE



SOCIAL MEDIA & MARKETING INITIATIVE



Q4 FY24 BUSINESS HIGHLIGHTS



- Revenue for the quarter stood at Rs 1,463 mn, down by 9.8% YoY. Revenue for FY24 stood at Rs. 6,149 mn, down by 6.9% YoY.
- Gross margin for the quarter stood at 46.2%, up by 180 bps YoY and for FY24, Gross Margins stood at 45.4%, up by 350 bps YoY. Increase in gross margins due to higher contribution from retail leading to favourable product mix.
- Our focus on cost optimization and brand premiumization led to an EBITDA margin for Q4 FY24 at 11.7%, up by 140bps YoY. EBITDA margins for the FY24 stood at 11.5%, up by 50 bps YoY.
- Q4 FY24 PAT stood at Rs. 10.5 mn which de-grew by 75.6% YoY. FY24 PAT stood at Rs. 63.2 mn, a decrease of 63.9% YoY. The said reduction was mainly on account of one-time profit earned on disposal of immovable properties last year.
- Store network has grown by addition of 94 retail stores as on FY24, taking the total retail presence to 868 stores.
- Our distribution network continues to grow strong as we added 81 distributors as on FY24, taking total count to 753.

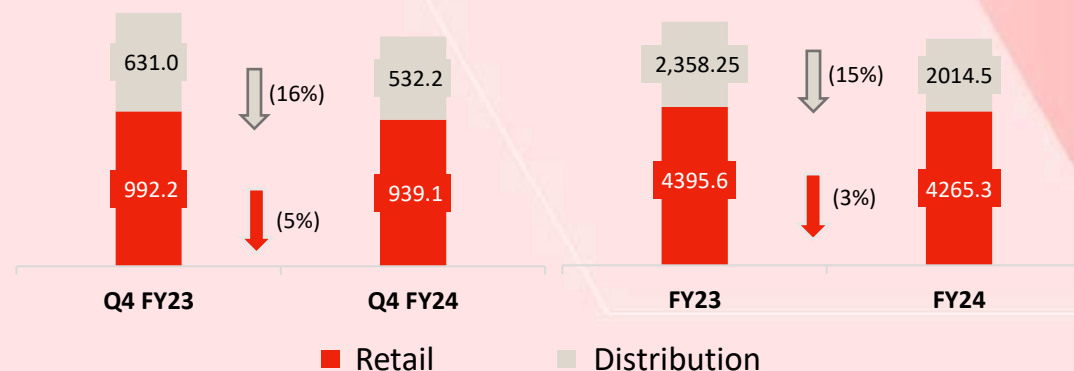
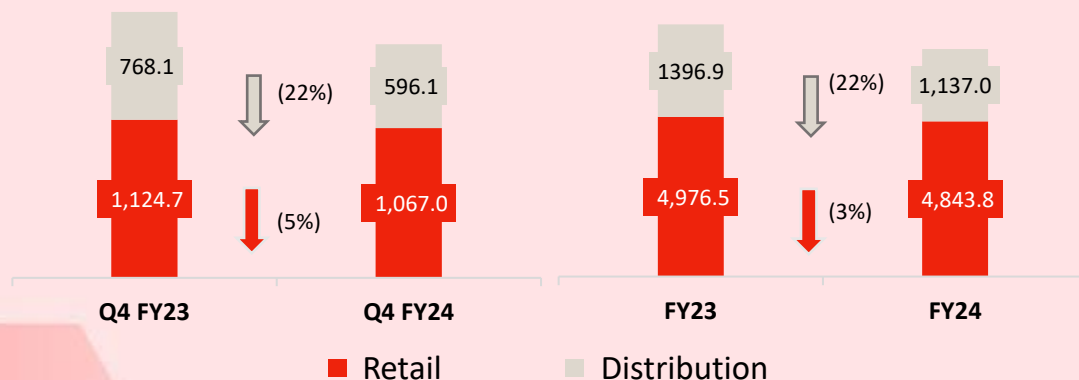
Q4 FY24 BUSINESS HIGHLIGHTS

REVENUE BREAK UP



GROSS SALES

NET SALES



Segment Share %	Q4 FY23	Q4 FY24
Retail	59.1%	61.4%
Distribution	37.6%	34.8%
Gross Margin %	Q4 FY23	Q4 FY24
Retail	52.3%	56.5%
Distribution	33.7%	40.7%
EBIDTA %	Q4 FY23	Q4 FY24
Retail	16.63%	16.07%
Distribution	-0.60%	3.66%

Segment Share %	FY23	FY24
Retail	63.0%	65.4%
Distribution	33.8%	30.9%
Gross Margin %	FY23	FY24
Retail	53.0%	56.1%
Distribution	34.9%	38.5%
EBIDTA %	FY23	FY24
Retail	16.13%	16.81%
Distribution	0.59%	-0.45%

Q4 FY24 BUSINESS HIGHLIGHTS



Particulars (In Rs Mn)	Q4 FY24	Q4 FY23	YoY %	Q3 FY24	QoQ %	FY24	FY23	YoY %
Revenue from Operations	1,436.4	1,592.1	-9.8%	1,562.0	-8.0%	6,149.0	6,602.6	-6.9%
Cost of Materials consumed	320.9	417.0		316.3		1,320.7	1,626.6	
Purchase of stock-in-trade	121.7	420.1		498.6		2,145.5	2,457.4	
Changes in inventories	330.6	48.9		32.8		-105.8	-250.7	
Gross Profit	663.2	706.1		714.3		2,788.6	2,769.4	
Gross Profit Margin %	46.2%	44.4%		45.7%		45.4%	41.9%	
Employee Benefits Expense	177.7	187.2		177.8		721.6	719.1	
Other Expenses	317.1	355.1		354.5		1,357.2	1,325.4	
EBITDA	168.4	163.8	2.8%	182.0	-7.5%	709.8	724.9	-2.1%
EBITDA Margin %	11.7%	10.3%		11.7%		11.5%	11.0%	
Depreciation	100.8	99.1		99.8		404.4	383.7	
Finance Costs	84.6	79.1		75.4		313.0	290.6	
Other Income	31.1	65.3		17.8		90.2	174.8	
Profit Before Tax (PBT)	14.2	51.0		24.7		82.6	225.4	
Tax Expenses	3.7	8.1		6.5		19.4	50.6	
Profit After Tax (PAT)	10.5	42.9	-75.5%	18.2	-42.3%	63.2	174.8	-63.9%
PAT Margin %	0.7%	2.7%		1.2%		1.0%	2.6%	

CONSOLIDATED PROFIT & LOSS STATEMENT

Q4 FY24 BUSINESS HIGHLIGHTS

CONSOLIDATED BALANCE SHEET



Particulars (Rs. Mn)	Mar-24	Mar-23
ASSETS		
Non - Current Assets		
Property, plant and equipment	774.4	830.1
Capital work-in-progress	1.5	4.4
Right of use assets	1,652.2	1,603.3
Intangible assets under development	0.0	3.2
Intangible assets	9.0	2.3
Financial Assets		
(i) Investments	0.0	0.0
(ii) Others	190.7	212.7
Deferred Tax Assets (net)	116.9	136.0
Income Tax Assets (net)	31.5	20.5
Other non-current assets	103.4	93.5
Total Non - Current Assets	2,879.5	2,905.9
Current Assets		
Inventories	1,936.4	1,804.2
Financial Assets		
(i) Trade receivables	1,847.0	1,875.5
(ii) Cash and cash equivalents	55.5	64.3
(iii) Other Bank Balances	116.4	79.0
(iv) Others	85.9	92.4
Other current assets	394.6	528.9
Total Current Assets	4,435.7	4,444.3
TOTAL ASSETS	7,315.2	7,350.3

Particulars (Rs. Mn)	Mar-24	Mar-23
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	181.3	179.7
(b) Other equity	2,214.7	2,072.5
Total Equity	2,396.1	2,252.2
Liabilities		
Non - Current Liabilities		
Financial liabilities		
(i) Borrowings	62.5	118.5
(ii) Lease liabilities	1,741.7	1,684.6
Provisions	1.0	0.6
Other Non-Current Liabilities	6.1	8.2
Total Non - Current Liabilities	1,811.2	1,811.8
Current Liabilities		
Financial liabilities		
(i) Borrowings	1,160.6	1,073.9
(ii) Lease liabilities	241.1	220.7
(iii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	2.1	0.0
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,556.7	1,808.8
(iv) Other financial liabilities	104.8	128.1
Other current liabilities	41.5	53.7
Provisions	1.2	1.0
Total Current Liabilities	3,108.0	3,286.2
TOTAL EQUITY AND LIABILITIES	7,315.2	7,350.3

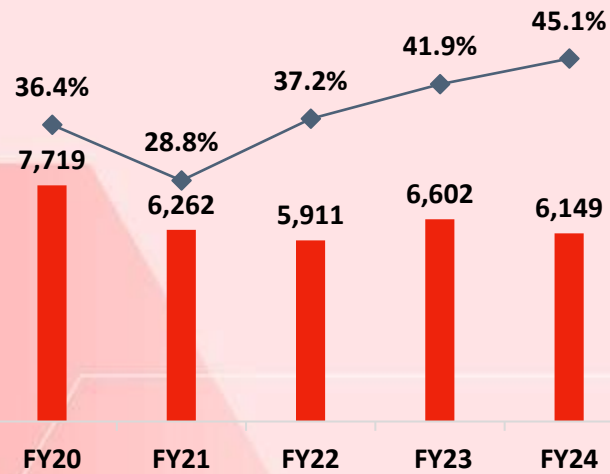


**PERFORMANCE
TRACK RECORD**

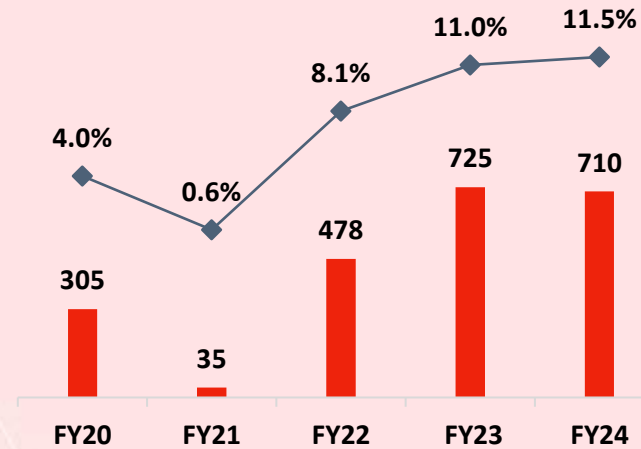
FINANCIAL SUMMARY



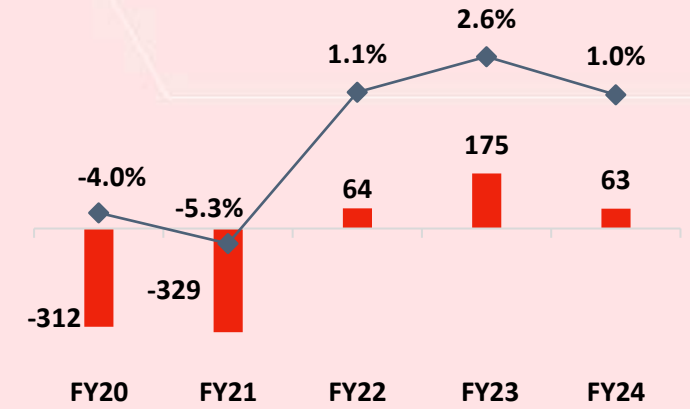
Revenue & Gross Margin



EBITDA & EBITDA Margin



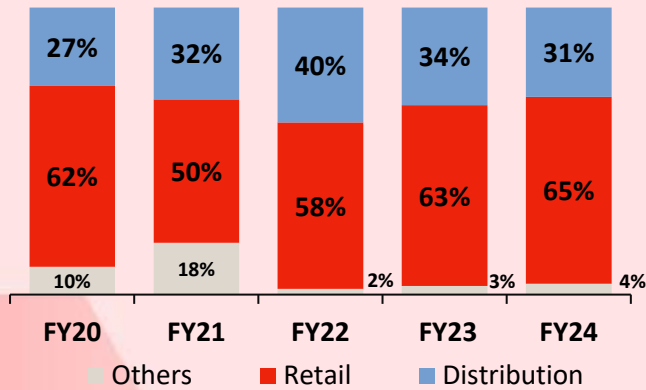
PAT & PAT Margin



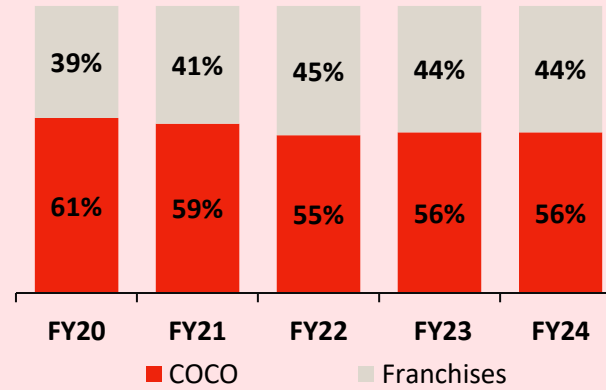
FINANCIAL SUMMARY



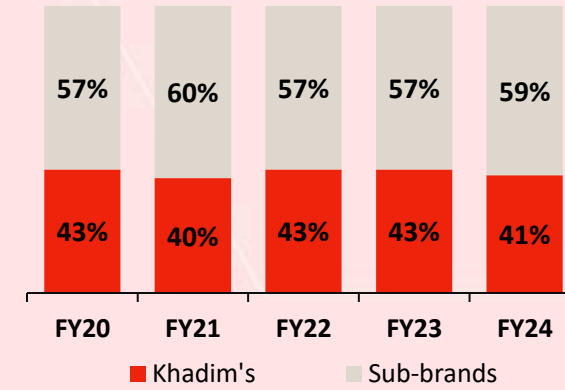
Revenues – Segment wise



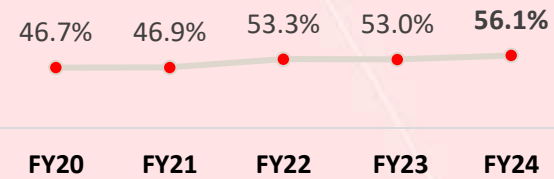
Retail revenues – COCO vs Franchise



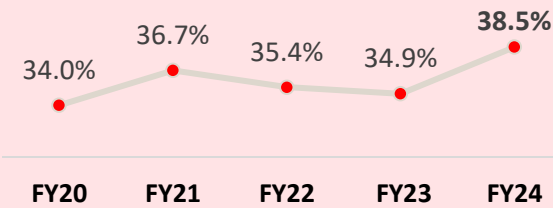
Retail Revenues – Khadim's vs Sub-brands



Retail Gross Margin



Distribution Gross Margin





BUSINESS STRATEGY & OUTLOOK



BUSINESS MODEL

TWO-PRONGED STRATEGY



RETAIL BUSINESS

868 'Khadim's exclusive branded outlets as on 31st March 2024

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

Rs 105 – Rs 4,199 Leather / non-leather sandals, slippers, boots, ballerinas, stilettos, moccasins, sports shoes and accessories*

90% outsourced (FY24) – smaller quantities of premium high-quality products

Reach

Target Segment

Price & Product

Sourcing

DISTRIBUTION BUSINESS

753 distributors supplying to MBOs across India as on 31st March 2024

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

Rs 75 – Rs 999 EVA, basic and premium Hawai, 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

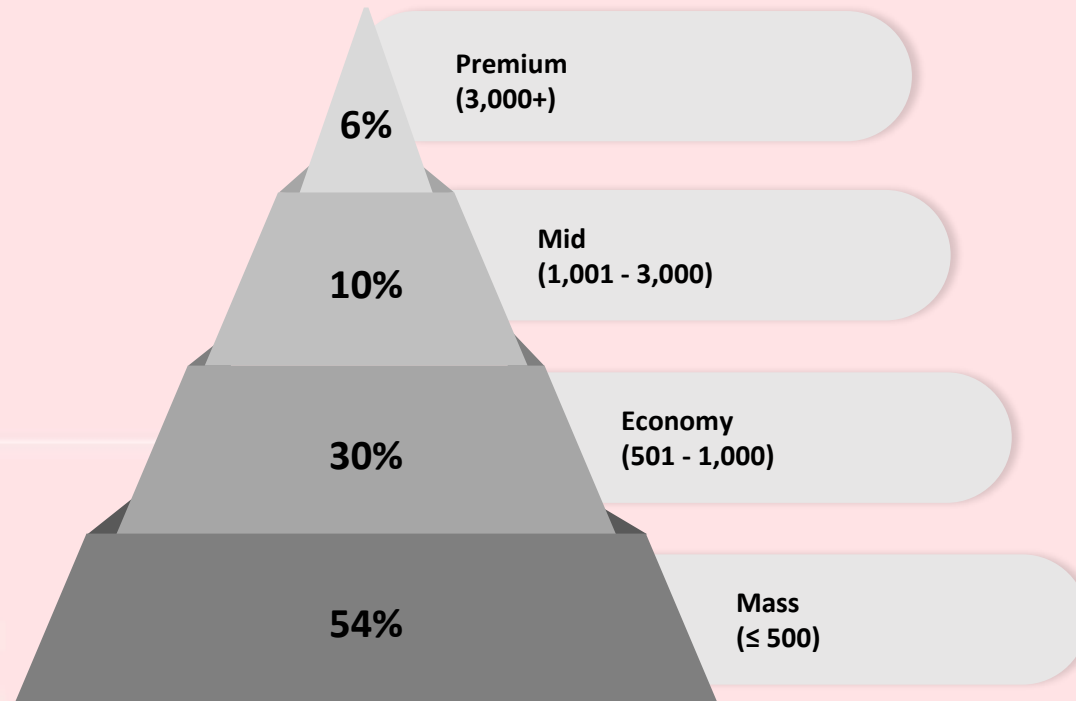
Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

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

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



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**
SHOES

Womenswear Fashionable
yet functional sandals
using premium quality
faux leather



 **cleo**
SHOES

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



 **TURK**

Menswear Outdoor
boots / sandals using
premium quality faux
leather



 **adrianna**
WITH LOVE & PASSION

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



 **bonito**
SHOES

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



Kalypto

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 academican
- 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.



CFO

INDRAJIT CHAUDHURI

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