

November 17, 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 (Q2 & H1 FY24 Results)

This is with reference to our letter dated November 14, 2023 with respect to Investor Meet scheduled to be held today, i.e., November 17, 2023.

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 half year ended September 30, 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 2
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.



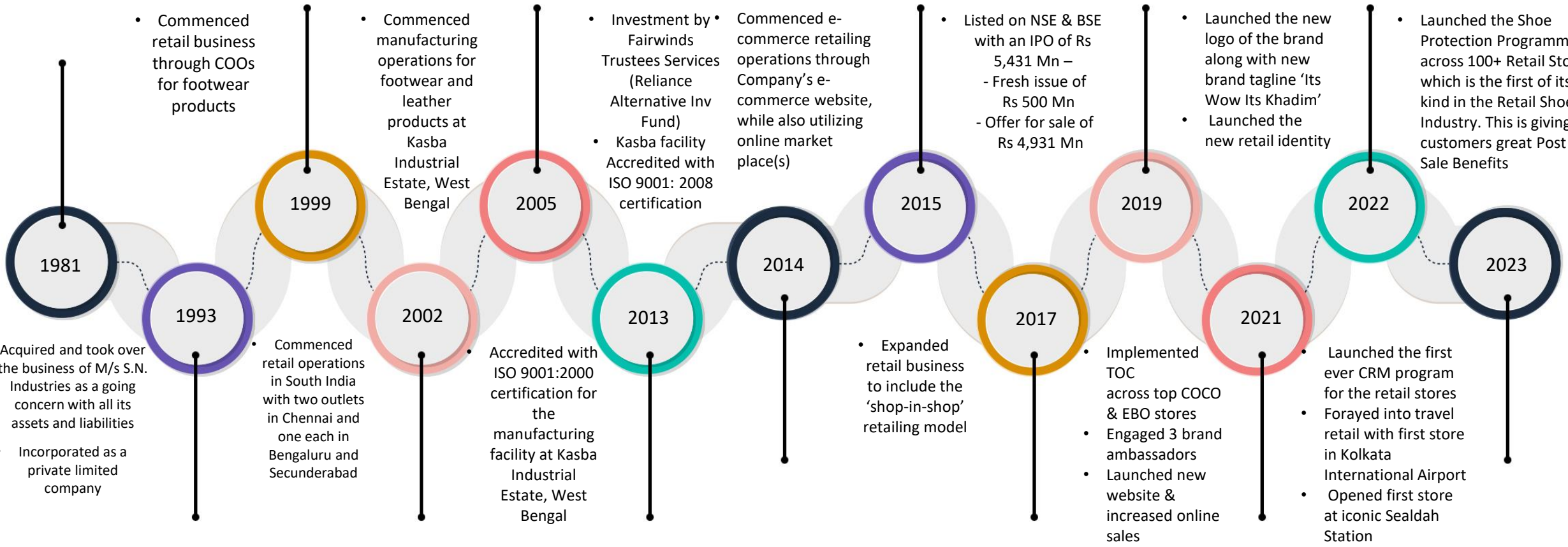
BUSINESS OVERVIEW



 **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



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 & 4 union territory
- 861 'Khadim's' branded retail stores (Sept-23)
- Wide network of 741 distributors selling to MBOs across India (Sept -23)

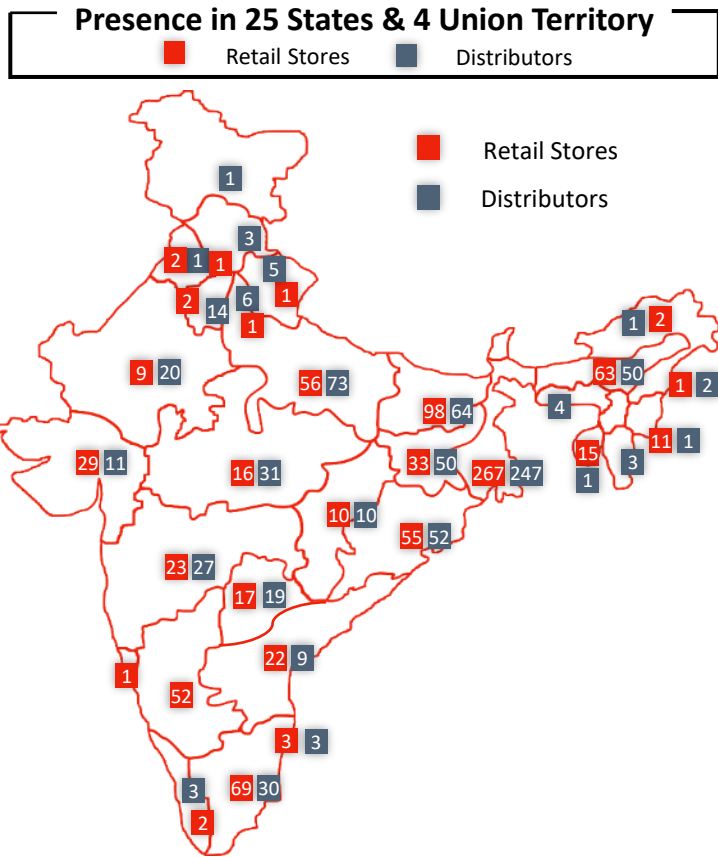
KHADIM



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.

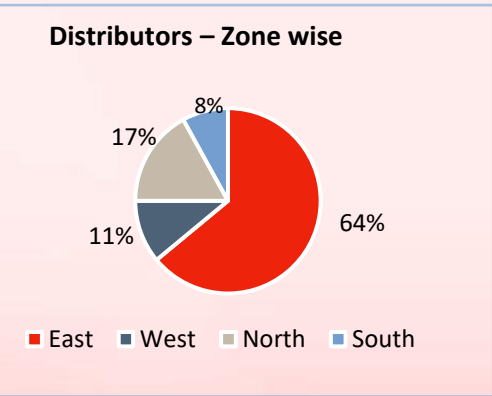
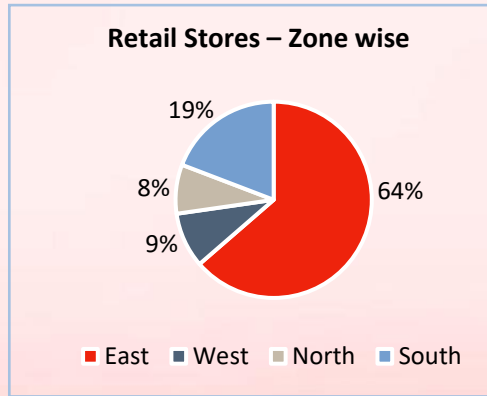
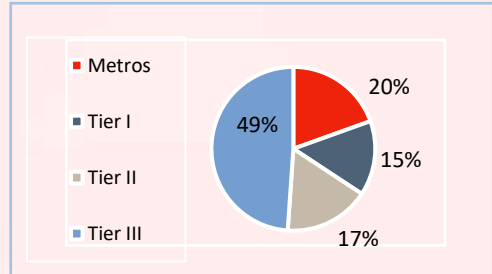
EXTENSIVE GEOGRAPHICAL REACH & PENETRATION



Brand Network

Retail Stores	861
- COCO	225
- Franchises	636
Distributors	741

Retail Stores – Tier wise





MARKETING INITIATIVE & SOCIAL MEDIA

KHADIM INDIA LIMITED

SOCIAL MEDIA & MARKETING INITIATIVE



SOCIAL MEDIA & MARKETING INITIATIVE



SOCIAL MEDIA & MARKETING INITIATIVE



কল্যাণীতে নতুন স্টোর খুলল খাদিম

পঞ্চম এডভান্স, কল্যাণী : খাদিম কিয়া সিমিটিড, খাদিম ও সাহায্য স্টোর স্থাপন সূচীভঙ্গার ব্যাপক কর্মসূচিতে তার নতুন স্টোর চালু করা খাদিম পশ্চিমবঙ্গের বিভিন্ন জেলায় ব্যাপকভাবে স্টোর খোলার মাধ্যমে তার বিট্রিশ ব্র্যান্ডের পরিচিতি জোরপূর্ব্বক করে আসছে। যার ফলে স্টোর খোলার মাধ্যমে খাদিম পশ্চিমবঙ্গের সর্বত্র উপস্থিত হবে এবং অগ্রসরিতকর।



খাদিম সর্বসময় তার গ্রাহক এবং পুষ্টিপোষকতার মাধ্যমে মূল্যবান পণ্য সামগ্রী উপলব্ধি করতে সক্ষম হবে। খাদিম সর্বত্র উপস্থিত হবে এবং অগ্রসরিতকর।

সুবিধাভোগী আমদের পথসামগ্রী আমদের সামনে তুলে ধরতে চাই। আমদের নতুন স্টোরের মাধ্যমে খাদিম পশ্চিমবঙ্গের সর্বত্র উপস্থিত হবে এবং অগ্রসরিতকর।

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रिसड़ा में खादिम इंडिया के शोरूम का पुनः उद्घाटन



रिसड़ा : शानदार, आकर्षक डिजाइन और क्वालिटी होने के कारण बाजार में खादिम की एक खास पहचान है. आकर्षक जूते और चमड़े की वस्तुओं के साथ रिसड़ा में 'खादिम इंडिया' के शोरूम का पुनः उद्घाटन किया गया. धरेलू स्तर पर सभी प्रकार के लोगों की वित्तीय क्षमताओं को ध्यान में रखते हुए जीटी रोड पर बागखाल पेट्रोल पंप के पास स्थित यह स्टोर पूजा को ध्यान में रखकर खुला है. इसके प्राथमिक ब्रांड खादीम और ब्रिटिश वॉकर, लाजार्ड, तुर्क, शेरोन, क्लियो प्रो, बोनिटो इत्यादि जैसे उप ब्रांडों में पहले से ही विभिन्न प्रकार के जूते पुरुषों, महिलाओं और बच्चों के लिए उपलब्ध हैं. खादिम कलेक्शन की स्थापना, प्रस्तुति और उद्घाटन पर टिप्पणी करते हुए, खादिम इंडिया के सीएफओ इंद्रजीत चौधरी ने कहा, हमने रिसड़ा के निवासियों के बीच हमारे उत्पादों की स्टाइलिश रेंज की बढ़ती मांग देखी है. कंपनी से जुड़ी पामेला हम अपने उत्पादों को यथासंभव सुविधाजनक तरीके से जनता के सामने पेश करना चाहते हैं.

मेवड़ाफुली में खुला खादिम इंडिया का नया स्टोर

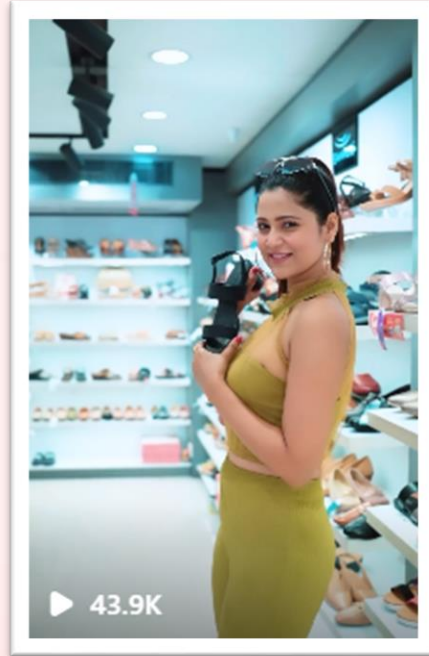
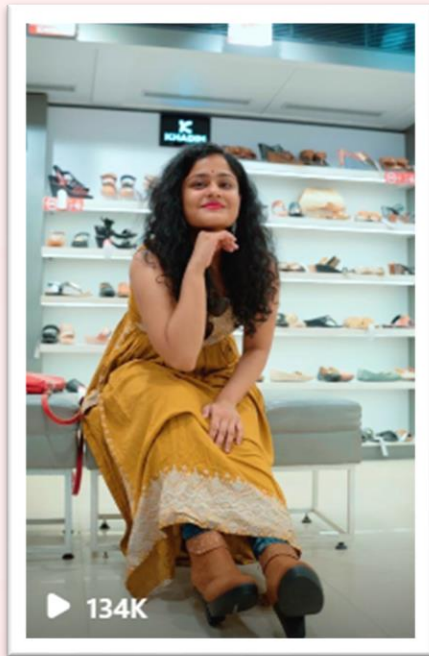
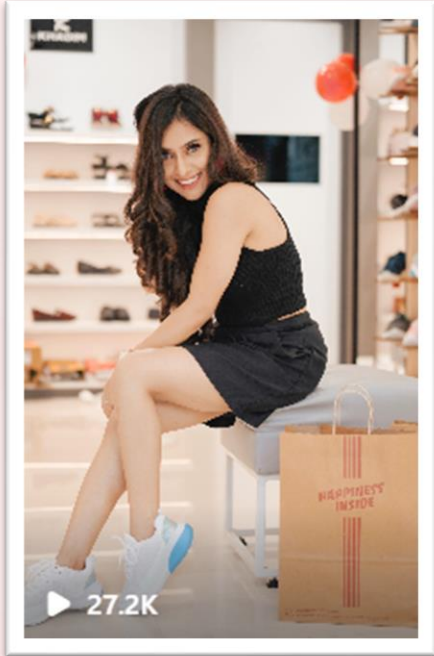


मेवड़ाफुली : खूप ही विविध प्रकार के जूते, चमड़े की वस्तुएं, ब्रांडेड वस्तुएं और डिजाइनों के साथ, खादिम इंडिया का नया स्टोर मेवड़ाफुली में खुला. खादिम इंडिया के सीएफओ इंद्रजीत चौधरी ने कहा, हमने रिसड़ा के निवासियों के बीच हमारे उत्पादों की स्टाइलिश रेंज की बढ़ती मांग देखी है. कंपनी से जुड़ी पामेला हम अपने उत्पादों को यथासंभव सुविधाजनक तरीके से जनता के सामने पेश करना चाहते हैं.

रिसड़ा में खुला खादिम इंडिया का नया शोरूम

हुगली. रिसड़ा के बागखाल में जीटी रोड पर खादिम इंडिया का नया शोरूम का शनिवार को उद्घाटन हुआ. कंपनी के सीएफओ इंद्रजीत चौधरी ने बताया कि दुर्गापूजा सामने है. उसी को ध्यान में रख कर नये कलेक्शन रखे गये हैं. उन्होंने बताया कि कंपनी ने 1960 में कोलकाता के चितपुर से अपनी यात्री शुरू की थी और आज यह पूरे देश में अपनी पहचान बना चुकी है. 23 राज्यों और एक यूनियन टेरिटरी में कंपनी के 846 रिटेल स्टोर हैं.

SOCIAL MEDIA & MARKETING INITIATIVE



Q2 FY24 BUSINESS HIGHLIGHTS



- In Q2 FY24, Revenue stood at Rs 1,571 mn, down by 16% YoY. Revenues for H1 FY24 stood at Rs. 3,151 mn, down by 11% YoY.
- Gross margin for the quarter stood at 44.7%, up by 400 bps YoY and for H1 FY24, Gross Margins stood at 44.8%, up by 380 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 H1 FY24 at 11.4%, up by 20 bps YoY. EBITDA margins for the Q2 FY24 stood at 11.2%.
- Q2 FY24 PAT stood at Rs. 17.9 mn which de-grew by 64% YoY. H1 FY24 PAT stood at Rs. 34.4 mn, a decrease of 59% YoY.
- Store network has grown by addition of 51 retail stores in Q2 FY24, taking the total retail presence to 861 stores.
- Our distribution network continues to grow strong as we added 19 new distributors in Q2 FY24, taking total count to 741.

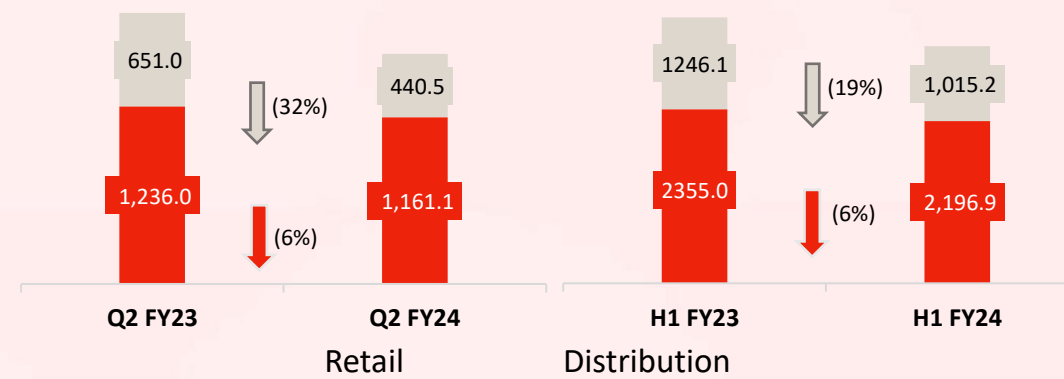
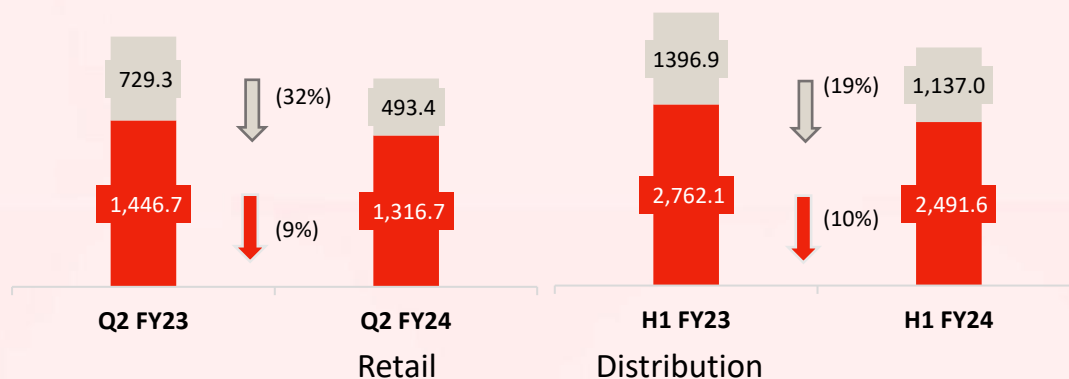
Q2 FY24 BUSINESS HIGHLIGHTS

REVENUE BREAK UP



GROSS SALES

NET SALES



Segment Share %	Q2 FY23	Q2 FY24
Retail	63.2%	70.2%
Distribution	33.3%	26.6%
Gross Margin %	Q2 FY23	Q2 FY24
Retail	51.5%	55.7%
Distribution	35.2%	34.7%
EBIDTA %	Q2 FY23	Q2 FY24
Retail	15.3%	19.6%
Distribution	4.8%	-13.4%

Segment Share %	H1 FY23	H1 FY24
Retail	62.9%	65.8%
Distribution	33.3%	30.4%
Gross Margin %	H1 FY23	H1 FY24
Retail	52.7%	55.8%
Distribution	35.9%	37.6%
EBIDTA %	H1 FY23	H1 FY24
Retail	15.4%	17.5%
Distribution	2.4%	-2.8%

Q2 FY24 BUSINESS HIGHLIGHTS



Particulars (In Rs Mn)	Q2 FY24	Q2 FY23	YoY %	Q1 FY24	QoQ %	H1 FY24	H1 FY23	YoY %
Revenue from Operations	1,570.9	1,860.3	-15.6%	1,579.8	-0.6%	3,150.7	3,521.1	-10.5%
Cost of Materials consumed	274.9	368.7		408.6		683.5	901.9	
Purchase of stock-in-trade	763.0	843.9		762.2		1525.2	1,619.0	
Changes in inventories	-169.4	-109.7		-299.7		-469.1	-442.9	
Gross Profit	702.3	757.4		708.7		1,411.0	1,443.0	
Gross Profit Margin %	44.7%	40.7%		44.9%		44.8%	41.0%	
Employee Benefits Expense	184.9	185.8		181.2		366.1	355.6	
Other Expenses	341.0	348.9		344.8		685.7	693.8	
EBITDA	176.4	222.8	-20.8%	182.7	-3.4%	359.2	393.6	-8.7%
EBITDA Margin %	11.2%	12.0%		11.6%		11.4%	11.2%	
Depreciation	102.9	97.9		101.0		203.8	183.3	
Finance Costs	78.2	75.5		74.9		153.1	138.5	
Other Income	26.0	22.4		15.3		41.3	45.4	
Profit Before Tax (PBT)	21.4	71.8		22.2		43.6	117.2	
Tax Expenses	3.6	21.6		5.7		9.3	33.5	
Profit After Tax (PAT)	17.9	50.2	-64.4%	16.5	8.7%	34.3	83.7	-59.0%
PAT Margin %	1.1%	2.7%		1.0%		1.1%	2.4%	

CONSOLIDATED PROFIT & LOSS STATEMENT

Q2 FY24 BUSINESS HIGHLIGHTS

CONSOLIDATED BALANCE SHEET



Particulars (Rs. Mn)	Sept-23	Mar-23
ASSETS		
Non - Current Assets		
Property, plant and equipment	803.6	830.1
Capital work-in-progress	2.7	4.4
Right of use assets	1673.8	1603.3
Intangible assets under development	0.0	3.2
Intangible assets	6.8	2.3
Financial Assets		
(i) Investments	0.0	0.0
(ii) Others	201.7	212.7
Deferred Tax Assets (net)	126.3	136.0
Income Tax Assets (net)	24.8	20.5
Other non-current assets	99.1	93.5
Total Non - Current Assets	2,938.9	2,905.9
Current Assets		
Inventories	2283.3	1804.2
Financial Assets		
(i) Trade receivables	1928.4	1875.5
(ii) Cash and cash equivalents	29.8	64.3
(iii) Other Bank Balances	95.7	79.0
(iv) Others	94.5	92.4
Other current assets	468.3	528.9
Total Current Assets	4,900.0	4,444.3
TOTAL ASSETS	7,838.9	7,350.3

Particulars (Rs. Mn)	Sept-23	Mar-23
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	179.7	179.7
(b) Other equity	2107.9	2072.5
Total Equity	2,287.6	2,252.2
Liabilities		
Non - Current Liabilities		
Financial liabilities		
(i) Borrowings	92.3	118.5
(ii) Lease liabilities	1759.3	1684.6
Provisions	1.6	0.6
Other Non-Current Liabilities	7.2	8.2
Total Non - Current Liabilities	1,860.4	1,811.8
Current Liabilities		
Financial liabilities		
(i) Borrowings	1166.3	1073.9
(ii) Lease liabilities	228.1	220.7
(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	2134.1	1808.8
(iv) Other financial liabilities	120.7	128.1
Other current liabilities	40.6	53.7
Provisions	1.0	1.0
Total Current Liabilities	3,690.9	3,286.2
TOTAL EQUITY AND LIABILITIES	7,838.9	7,350.3



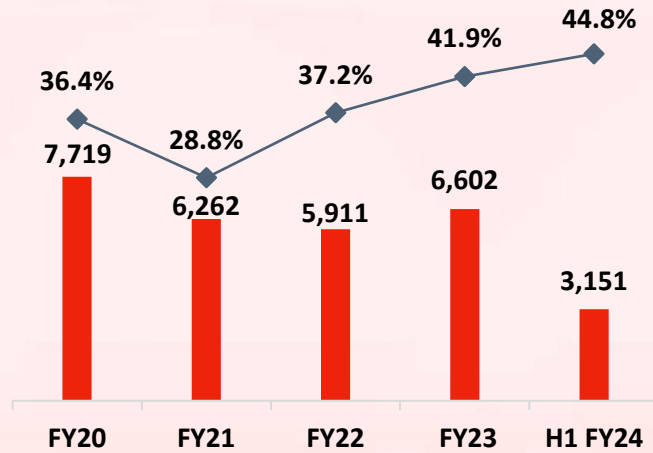
KHADIM

**PERFORMANCE
TRACK
RECORD**

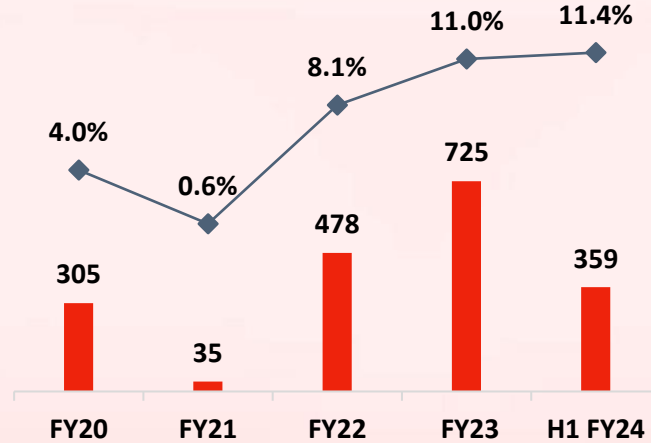
FINANCIAL SUMMARY



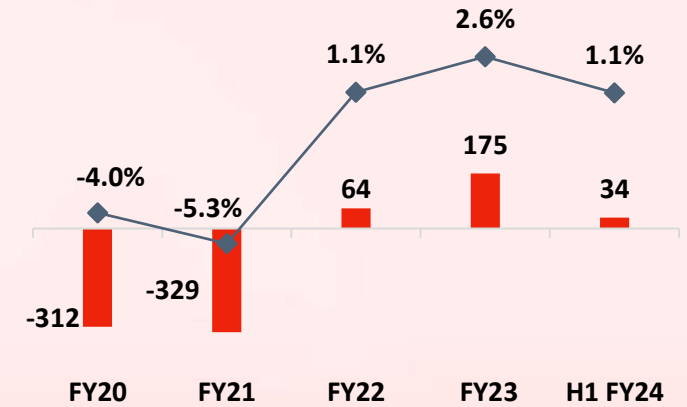
Revenue & Gross Margin



EBITDA & EBITDA Margin



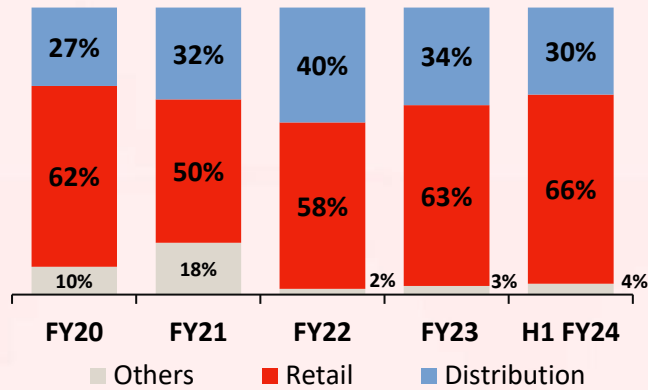
PAT & PAT Margin



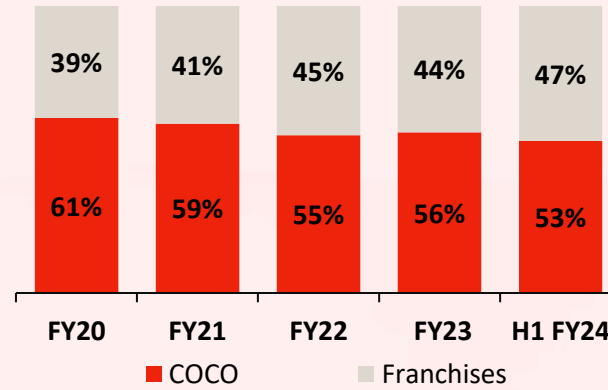
FINANCIAL SUMMARY



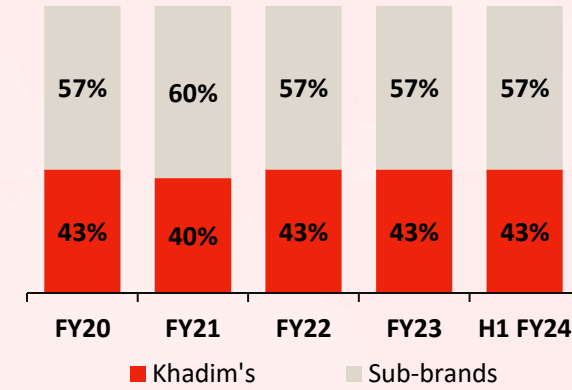
Revenues – Segment wise



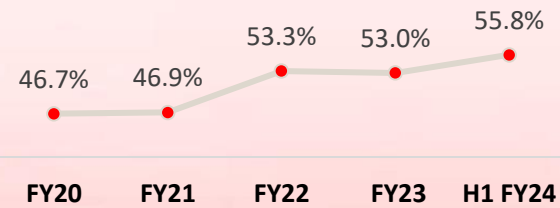
Retail revenues – COCO vs Franchise



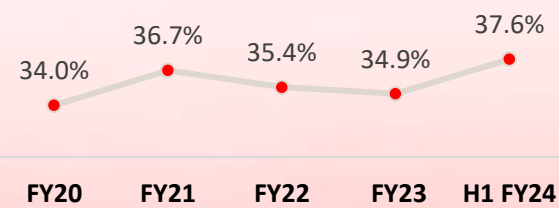
Retail Revenues – Khadim's vs Sub-brands



Retail Gross Margin



Distribution Gross Margin





BUSINESS STRATEGY & OUTLOOK

KHADIM INDIA LIMITED

BUSINESS MODEL

TWO-PRONGED STRATEGY



RETAIL BUSINESS

861 'Khadim's exclusive branded outlets as on 30th September 2023

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*

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

Reach

Target Segment

Price & Product

Sourcing

DISTRIBUTION BUSINESS

741 distributors supplying to MBOs across India as on 30th September 2023

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

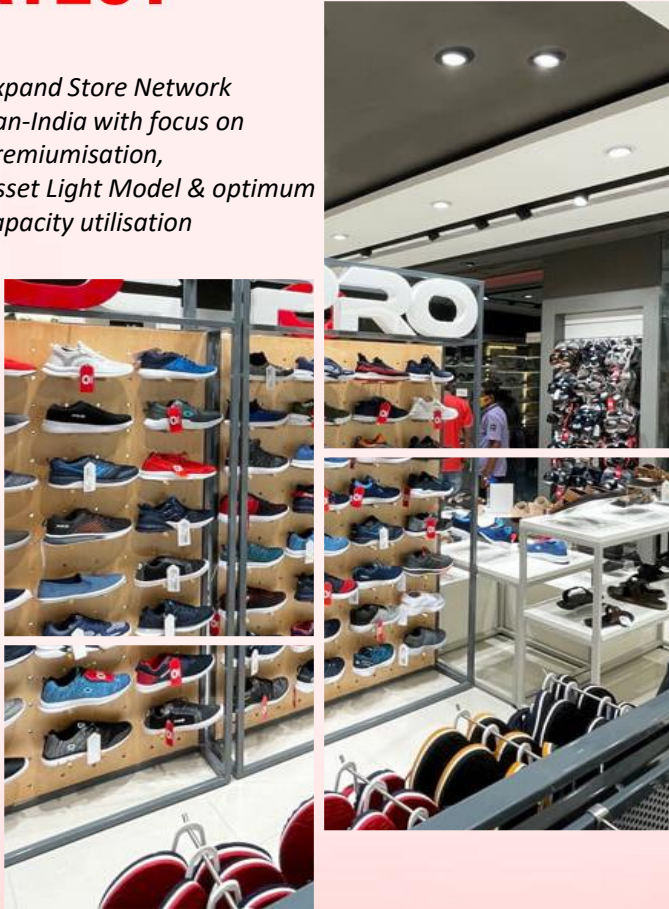
Rs 75 – Rs 999 EVA, basic and premium Hawaii, PVC, PVC DIP and PU and Stuck On products

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

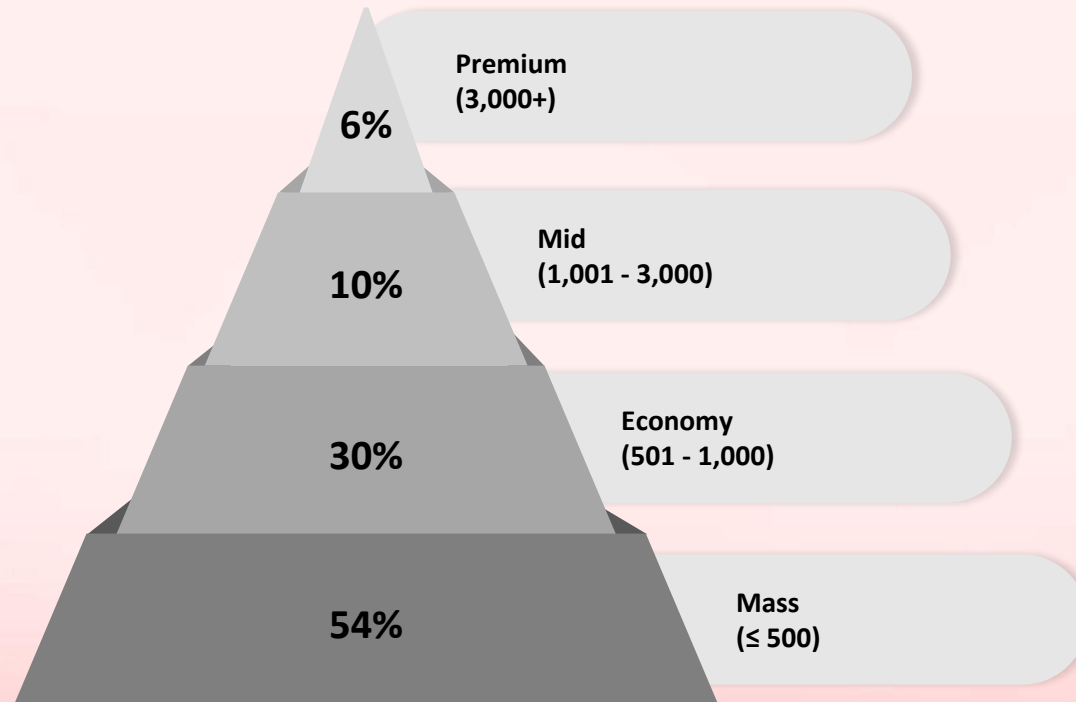
Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

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

 **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 WITH 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



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

CFO

- 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

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