

August 16, 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 (Q1 FY25 Results)

This is with reference to our letter dated August 12, 2024 with respect to Investor Meet scheduled to be held today i.e., August 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 ended June 30, 2024, which would be presented before the investors.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For **Khadim India Limited**

**ABHIJIT
DAN**

Digitally signed by
ABHIJIT DAN
Date: 2024.08.16
11:10:31 +05'30'

Company Secretary & Head – Legal
ICSI Membership No. A21358

Encl: As above



QUARTER 1 FY 2024-25

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.

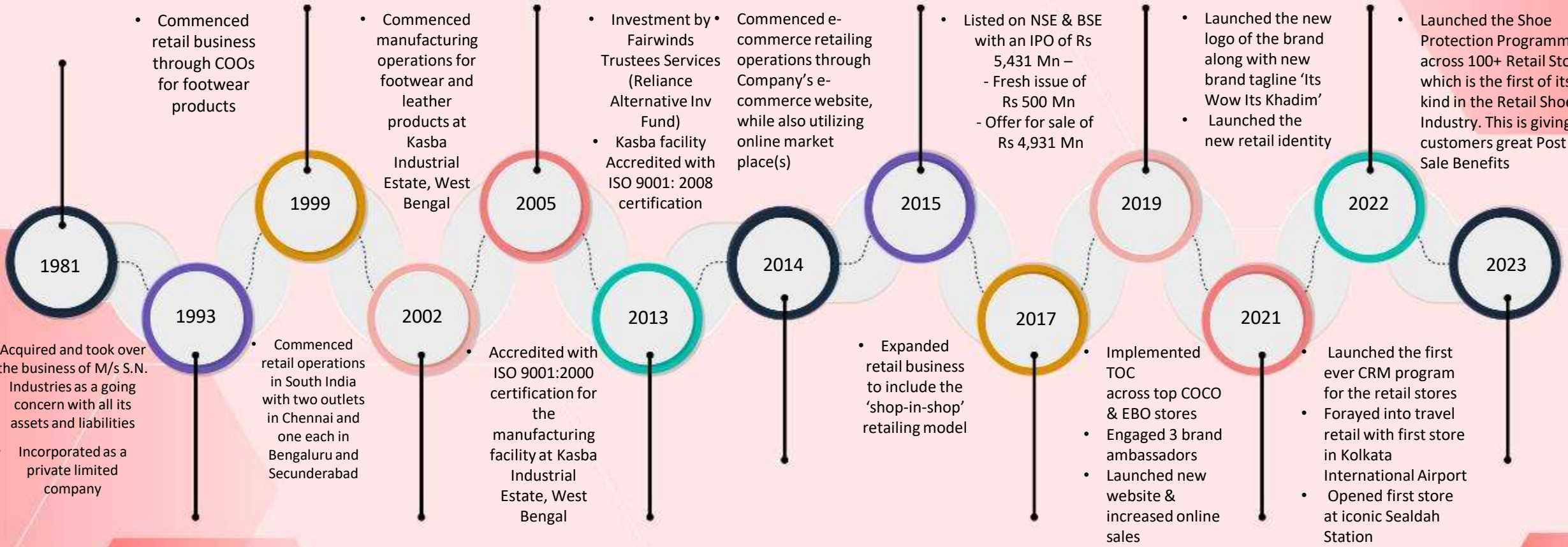


BUSINESS OVERVIEW



COMPANY OVERVIEW

KEY MILESTONES



COMPANY OVERVIEW

 **KHADIM**

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**
- **878** 'Khadim's' branded retail stores (June-24)
- Wide network of **755** distributors selling to **MBOs** across **India** (June -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.



MARKETING & SOCIAL MEDIA



SOCIAL MEDIA & MARKETING INITIATIVE

 **KHADIM**



SOCIAL MEDIA & MARKETING INITIATIVE



SOCIAL MEDIA & MARKETING INITIATIVE



Q1 FY25 BUSINESS HIGHLIGHTS



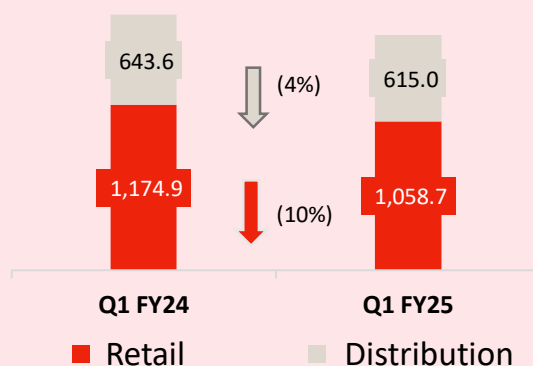
- Revenue for the quarter stood at Rs 1,538.9 mn, down by 2.6% YoY.
- Gross margin for the quarter stood at 47.1%, up by 220 bps YoY. Increase in gross margins due to higher contribution from retail leading to favorable product mix.
- EBITDA for the quarter stood at Rs 173.9 mn, down by 4.8% YoY. EBITDA margin for Q1 FY25 at 11.3%.
- Q1 FY25 PAT stood at Rs. 6.6 mn which de-grew by 60.2% YoY. |
- Store network has grown by addition of 20 retail stores during Q1 FY25, taking the total retail presence to 878 stores.
- Our distribution network continues to grow strong as we added 16 distributors during Q1 FY25, taking total count to 755.

Q1 FY25 BUSINESS HIGHLIGHTS

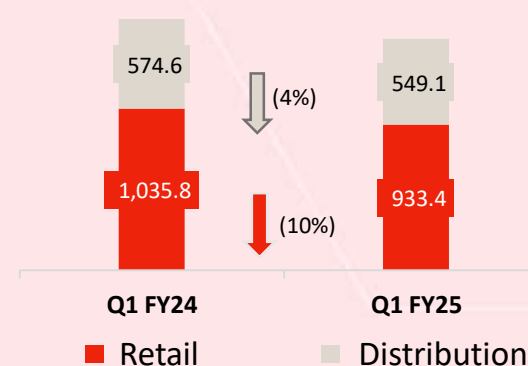
REVENUE BREAK UP



GROSS SALES



NET SALES



Segment Share %	Q1 FY24	Q1 FY25
Retail	61.5%	56.8%
Distribution	34.1%	33.4%
Gross Margin %	Q1 FY24	Q1 FY25
Retail	56.0%	57.1%
Distribution	39.8%	41.6%
EBIDTA %	Q1 FY24	Q1 FY25
Retail	15.09%	16.37%
Distribution	4.86%	0.71%

Q1 FY25 BUSINESS HIGHLIGHTS



Particulars (In Rs Mn)	Q1 FY25	Q1 FY24	YoY %	Q4 FY24	QoQ %	FY24
Revenue from Operations	1,538.9	1,579.8	-2.6%	1,436.4	7.1%	6,149.0
Cost of Materials consumed	361.4	408.6		320.9		1,320.7
Purchase of stock-in-trade	-223.5	-299.7		121.7		2,145.5
Changes in inventories	675.6	762.2		330.6		-105.8
Gross Profit	725.3	708.7		663.2		2,788.6
Gross Profit Margin %	47.1%	44.9%		46.2%		45.4%
Employee Benefits Expense	184.9	181.2	-	177.7		721.6
Other Expenses	366.6	344.8		317.3		1,357.6
EBITDA	173.8	182.7	-4.9%	168.2	3.4%	709.4
EBITDA Margin %	11.3%	11.6%		11.7%		11.5%
Depreciation	102.6	101.0		100.8		404.4
Finance Costs	77.4	74.9		84.6		313.0
Other Income	15.2	15.3		31.1		90.2
Profit Before Tax (PBT)	9.0	22.2		13.9		82.2
Tax Expenses	2.6	5.7		3.7		19.4
Profit After Tax (PAT)	6.5	16.4	-60.5%	10.3	-36.6%	62.8
PAT Margin %	0.4%	1.0%		0.7%		1.0%

CONSOLIDATED PROFIT & LOSS STATEMENT



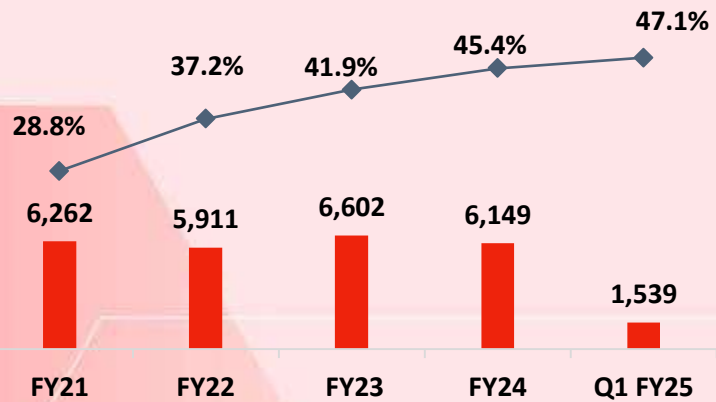
**PERFORMANCE
TRACK RECORD**



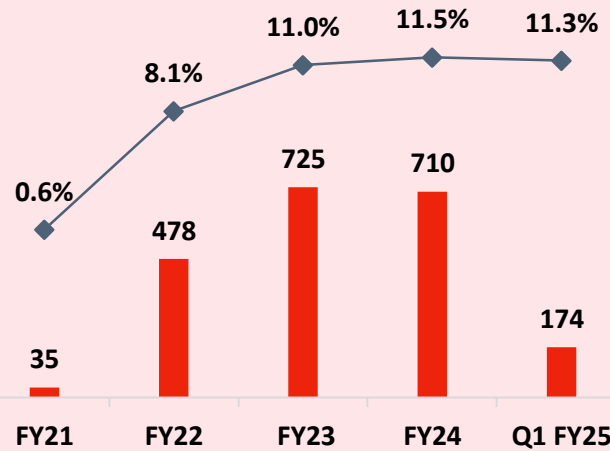
FINANCIAL SUMMARY



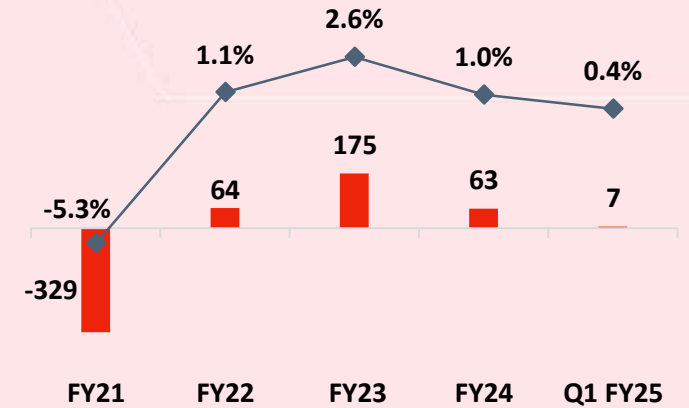
Revenue & Gross Margin



EBITDA & EBITDA Margin



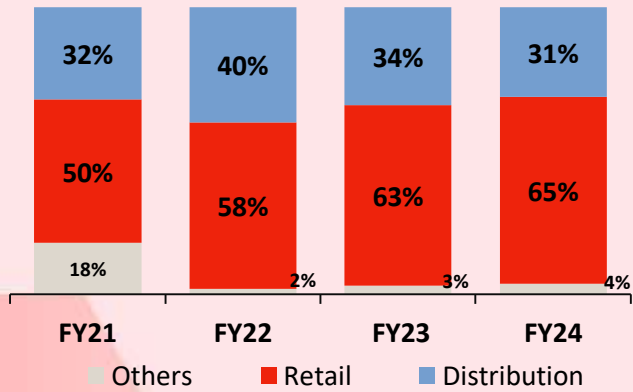
PAT & PAT Margin



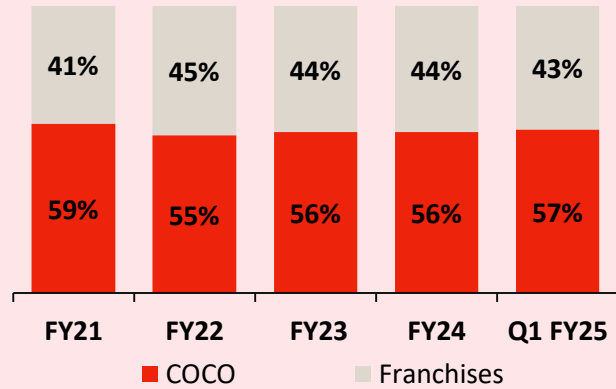
FINANCIAL SUMMARY



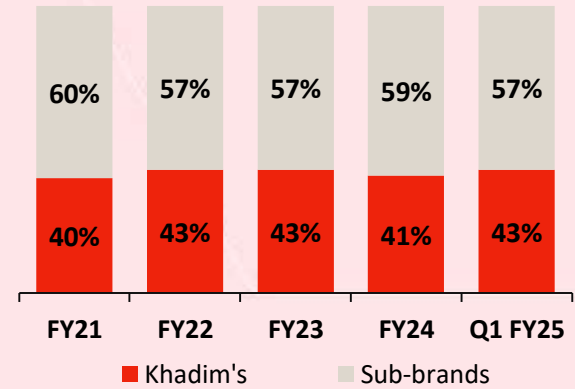
Revenues – Segment wise



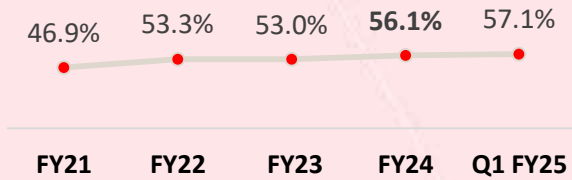
Retail revenues – COCO vs Franchise



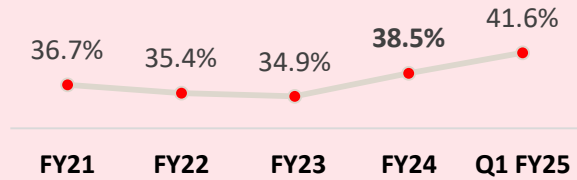
Retail Revenues – Khadim’s vs Sub-brands



Retail Gross Margin



Distribution Gross Margin





BUSINESS STRATEGY & OUTLOOK



BUSINESS MODEL

TWO-PRONGED STRATEGY



RETAIL BUSINESS

878 'Khadim's exclusive branded outlets as on 30th June 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

755 distributors supplying to MBOs across India as on 30th June 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

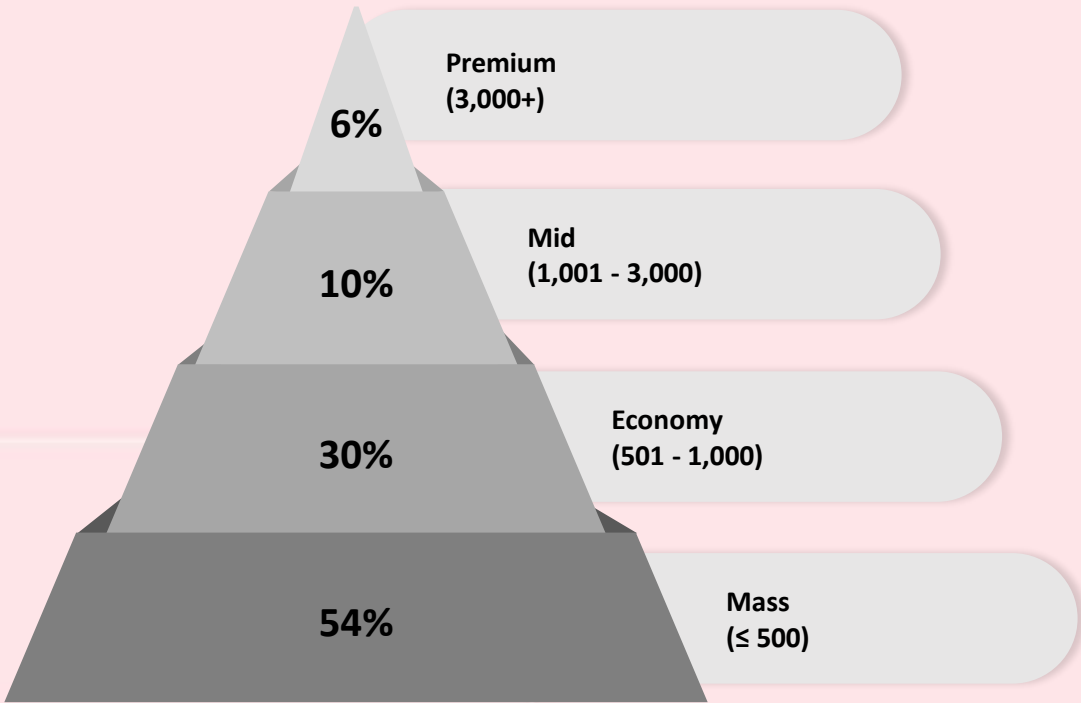
Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

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)



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



Distinct brand positioning to target customers



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**
LONDON

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**
LONDON

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



Augo

Footwear for Kids

BOARD OF DIRECTORS PROMOTER & MANAGEMENT TEAM



Siddhartha Roy Burman
Chairman & Managing
Director

- Associated with the Company since its incorporation. He has 41 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 26+ 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

- 23+ 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

- 28+ 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

- 24+ 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

- 20+ 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

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