



Khadim's®

ANNUAL REPORT
2018-2019

*In Step
With Every
Indian*

KHADIM INDIA LIMITED

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Annual Report 2018-19 Online, visit:
www.khadims.com



In Step with Every Indian

Over the years, rapidly changing global trends have transformed the landscape of fashion in India. Driven by shifts in income and the penetration of global brands in the Indian market, the evolution of preference change is dynamic. To remain current, Khadim's needs to be dynamic too.

By focusing on quality and design, revamping our marketing strategy, and ensuring that the right products are placed in the right stores, we are continuously working towards matching and delivering on the preferences of a more youthful and trendy India, without compromising on comfort or quality. With our extensive product portfolio — from our 'Khadim's' brand, to all of our nine sub brands — we have the opportunity to target specific demographics at multiple price points. With a strong network of exclusive retail stores, franchises, and distributors, our reach across India is extensive.

Khadim's®

At a Glance

Khadim India Limited is a five-decade old home-grown retail chain, based in Kolkata, offering an affordable range of footwear. We are one of India's largest branded footwear retail players, in terms of exclusive stores operating under the Khadim's brand. We have the largest presence in East India and are among the top three players in South India.



Our Core Strengths

1

One of the largest footwear retailers in India

2

Largest Presence in East India

3

Presence both in retail and distribution segment

5

One of the largest footwear retail franchise network in India

4

One of the top 3 players in South India

What makes us different?

Our Business Model

We operate through two diverse business models – retail and distribution, each with its own customer base, product range and sales channels. We have established our growth and success in these two segments, with an objective of serving the needs of customers for affordable and quality footwear.

Our Market Share

Our market share in the organised market stands at 5%, with around 10 brands and sub-brands in every price bracket.

Establishing Strong Network

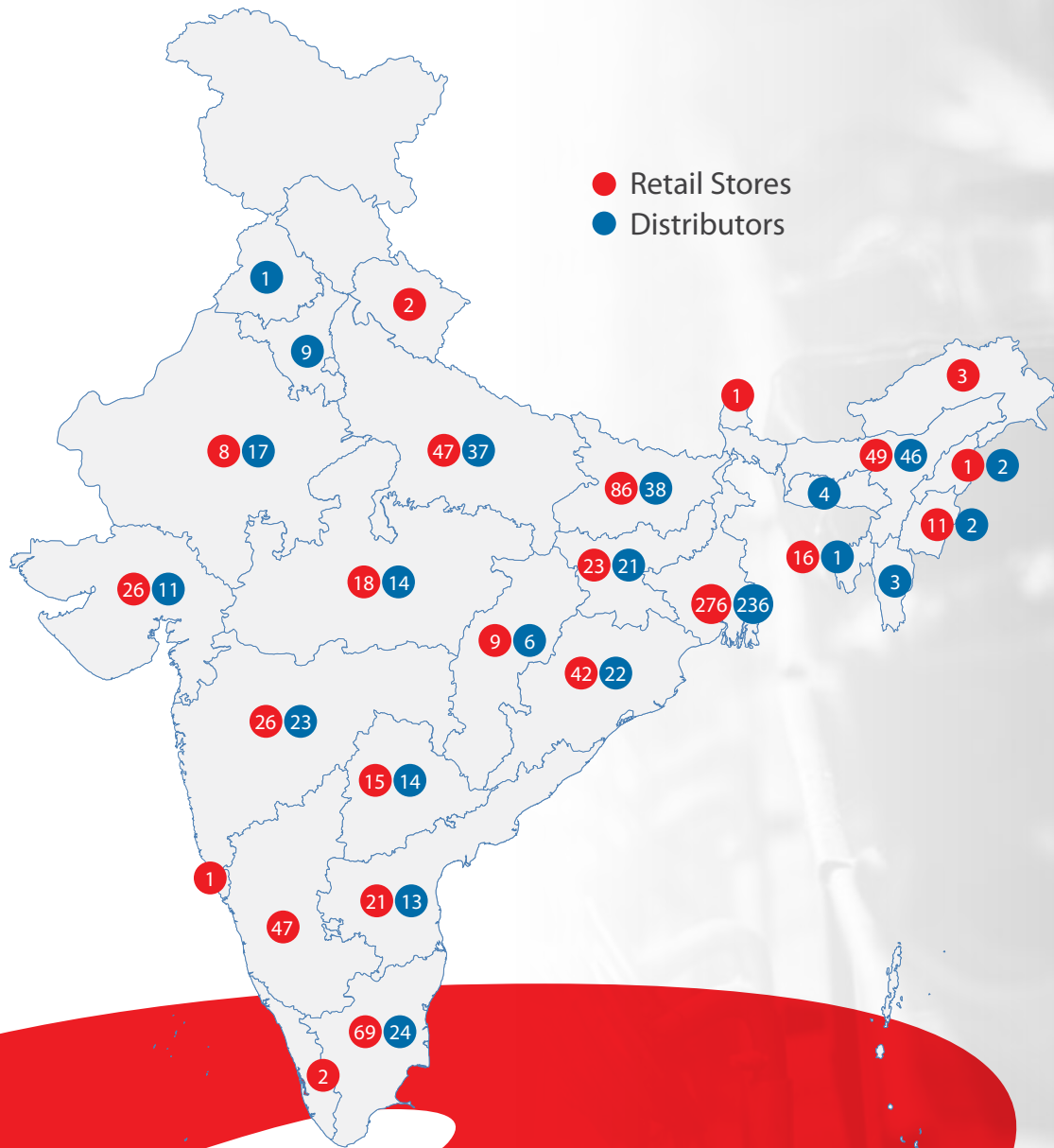
Our footwear retail franchise in India is the largest network, with a core purpose of ensuring Fashion for Everyone. Under Khadim, we own 799 branded exclusive retail stores across 23 states and 1 union territory, through our retail vertical. Our distribution business vertical has a strong network of 544 distributors. Khadim is capable of capitalising on the growth potential of both markets and de-risk dependence on any business.

Delivering Quality to Our Customers

We understand the expectations of a 'price conscious' customer and we therefore unceasingly work on delivering value to the expanding middle class segment in India. We offer quality footwear that is affordable for the entire family.



Our National Presence



Our One-Upmanship



Khadim's

India's leading footwear brand

- » One of the largest footwear retailers
- » Largest presence in East India
- » One of the top 3 players in South India
- » Emerging brand in West and North India



Two-pronged market strategy

- » Straddling between two distinct business models (retail and distribution), each with its own customer base, product range and sales channels
- » Potential to capitalise on the growth potential of both markets and de-risk dependence on any one business



Buoyant design capabilities

- » Understanding latest domestic and global fashion trends
- » Strong design capabilities have helped to create and grow sub-brands, drive premiumisation, and target and retain aspirational customers
- » Earning higher ASP and margins



Asset-light model for growth

Retail

- » Understanding latest domestic and global fashion trends
- » Outsourcing substantial portion of our product requirement

Distribution

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



Widespread reach and presence

- » Retail presence across 23 states and 1 Union Territory
- » 799 branded retail stores
- » Wide network of 544 distributors selling to Multi-Brand Outlets



Mounting market potential

- » Domestic footwear market projected to grow at 15% between FY2016-20
- » Branded footwear market projected to grow at 20% during the same period
 - Branded retail: 15% CAGR
 - Branded distribution: 23% CAGR

Our Product Portfolio

Khadim's is comfort and durability perfectly combined with modern elegance in a beautiful collection of slippers, sandals and shoes for men, women and children. Available in a wide variety of styles and designs serving a range of utility, we offer products that suit the ever evolving taste of consumers. We employ a team of highly skilled designers with knowledge of the latest footwear trends and market dynamics, bringing forth products that make an impression and fulfil the fashion aspirations of our customers.



British Walkers -

Premium formal shoes and sandals crafted from genuine leather, for the discerning few.



Lazard -

Trendy formal and semi-formal shoes and sandals for men made from top-grade leather and faux leather for office and after-office hours.



Turk -

Hardy, all terrain outdoor boots and sandals for adventure seekers made from premium quality faux leather.

**Adrianna -**

Cute and colourful shoes and sandals for pre-teen and teen girls in quality faux leather.

**Pro -**

Sporty sneakers, floaters and slippers featuring mesh, synthetic and canvas uppers for active men and women.

**Softouch -**

Soft, comfortable shoes and sandals with special anatomical support crafted from top quality leather and faux leather.

**Sharon -**

Fashionable and functional shoes and sandals using premium grade faux leather for the multi-tasking woman.

**Cleo -**

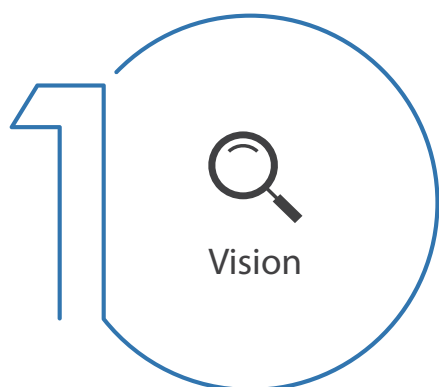
Stylish, ultra-glam sandals and shoes for young women using high quality faux leather.

**Bonito -**

Colourful shoes and sandals for the little ones to add fun to their growing years in faux leather.



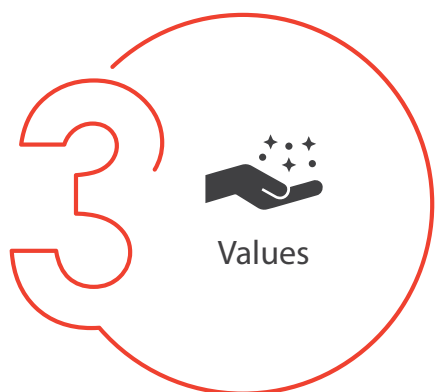
Vision, Mission and Values



To be in every Indian's step



Ensuring customer delight and stakeholders' return



Fashion for everyone

Khadim's[®]