

KHADIM INDIA LIMITED



KHADIM

ANNUAL REPORT

2021-22



It's WOW
It's KHADIM



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Brands for a
Billion+ Indians



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Connecting with
Aspirational 'Bharat'



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'WOW'ing the
Customer



To know more about the Company,
scan the QR Code



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www.khadims.com/annual-report

IT'S **WOW** IT'S KHADIM

Where **WOW** epitomizes much more than a successful business strategy.

WOW

Products define our Fashionable Range of Products

WOW

Stores resonate with our Refreshing Retail Experience

WOW

Price Range reinforces our Affordable Price Points

Collectively, our WOW proposition underscores our brand ethos, which bespeaks a unique excellence. It signals our commitment to deliver a 'WOW' experience to our customers and a 'WOW' value to our other stakeholders.



KHADIM – AT A GLANCE

Khadim is one of India's largest branded footwear companies, crafting and delivering affordable and high quality footwear to the entire family. Since its inception in 1981, the Company is catering to the needs of the aspiring, fashion-conscious and price-sensitive Indians for affordable, quality footwear to suit every occasion. With its large portfolio of vibrantly-designed footwear aligned to the evolving domestic and global trends, Khadim continues to create the best of footwear experiences for its growing customer base, across 'Bharat'.

2nd Largest

Footwear retailer in India

Largest

Footwear retail franchise network in India

Largest

Presence in Eastern India

Among Top 3 Players

In South India

Growing Retail Presence

In 23 States & 1 Union Territory

Key Strengths

Our sustained growth is propelled by our bouquet of deep-rooted strengths, encompassing:



Wide portfolio across price points



Extensive geographical reach and presence



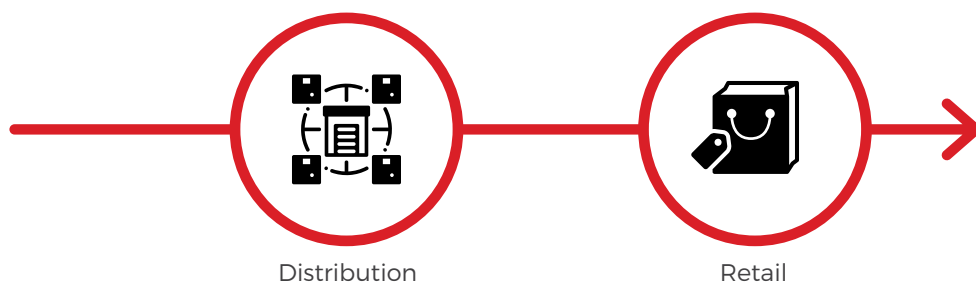
Strong design capabilities



Asset-light business model

Business Model

Our 2-pronged revenue-diversified business strategy is modeled around the verticals of:



Growth in each of these segments is powered by its own customer base, exceptional product ranges and multi sales channels.

In the Distribution business, our model is a mix of in-house and contract manufacturing.

Our Vision

To be one of the largest and successful affordable fashion footwear brand in India for the entire family for every occasion

Our Mission

Ensuring customer delight and stakeholders return by delivering quality products at an affordable price



Our deep understanding of the evolving fashion trends, in India and around the world, is complemented by our strong design capabilities. This has enabled us to create and grow several leading sub-brands, drive premiumization and connect with India's growing aspirational customer base.

74%

Of Retail presence through franchise route

(As on March 31, 2022)

84%

Retail product requirement is outsourced

(As on March 31, 2022)



Diversified business model



Well-coordinated & streamlined supply chain



Visionary management & leadership



Experienced & committed team

BRANDS FOR A BILLION+ INDIANS

We have, over the years, developed a well-diversified brand portfolio that is capable to address ~85% of the total Indian footwear market potential. Our bouquet of brands and products are designed to cater to the new-age needs of Bharat's aspirational new consumer class, which desires for and seeks quality, value and choicest selection in footwear.

Retail Footwears and Accessories

Footwears



Fashionable & casual footwear for the entire family



Handcrafted premium leather footwear for the working Man



Hi-fashion footwear for the young Man



Men's outdoor footwear



Athleisure footwear for All



Soft & Comfort footwear for Men & Women



Footwear for the working Woman



Hi-fashion footwear for young Girls and Women



Fashionable footwear for Kids



Fashionable footwear for young Girls

Accessories



Cross body bag
for Men



Portfolio bag for
Men



Laptop bag for
Men



Wallet for Men



Belt for Men



Sling bag for
Women



Clutch bag for
Women



Satchel bag for
Women



Tote bag for
Women



Backpack for
Women

Distribution Footwears



Basic Hawaai



Premium Hawaai and
Fabrication Chappals



PVC Footwear



DIP & PU Footwear



Athleisure sandal
and shoes



Formal sandal and
shoes



Footwear for Kids

TAKING EXCITING NEW STEPS

Khadim's journey of growth and expansion is marked by many exciting milestones. During FY 2021-22, we took several significant new steps to scale the momentum of our growth to touch new highpoints in our trajectory.



Embarking on a New Brand Journey

We have onboarded Indian cricketer Shardul Thakur, who plays for Delhi Capital in the IPL, as our Brand Ambassador, to steer our new brand campaign "It's WOW It's Khadim". Our evolved brand identity and tag line highlight the Company's new fashionable range of products and its refreshed in-store experience, while reinforcing the affordable price point.



Strong growth recovery

Despite headwinds triggered by the COVID-induced challenges and the geopolitical tensions that have led to a global inflationary environment, we have made strong recovery to deliver growth as per our strategic initiatives, across our business segments.

Expanding reach and presence

We continued to expand our pan-India reach and presence with the addition of stores and distributors.



76

Stores added in Retail during FY 2021-22

70

Distributors added during FY 2021-22

782

Total store count

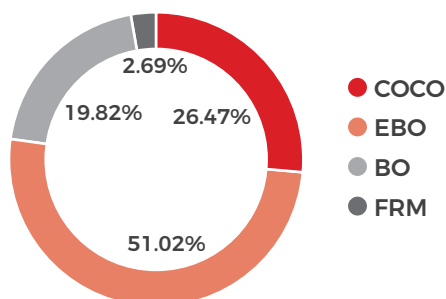
(As on March 31, 2022)

627

Total number of distributors

(As on March 31, 2022)

Retail network as on March 31, 2022



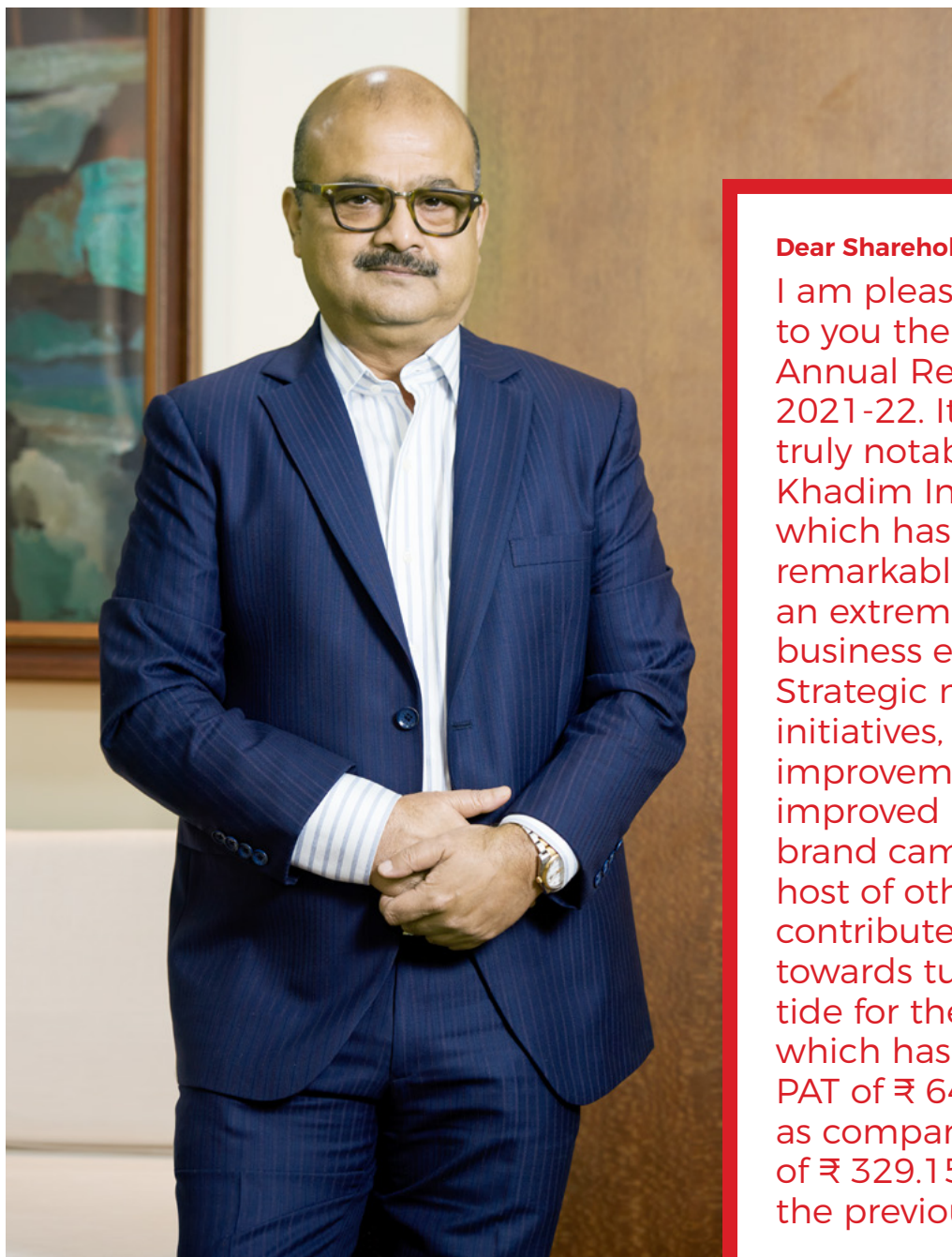
Strengthening the Supply Chain

We have in place a well-articulated Theory of Constraints (TOC) model, running efficiently at both the Retail and Distribution Center (DC) levels. The model is structured around regular replenishment of the stock based on the movement of a particular item. Norms have accordingly been set for each item in the stores, based on its performance, and replenishment happens in tandem. The model applies to our COCOs and franchisees.

We have established a state-of-the-art warehouse, spread over 1.5 lakh sq.ft. area, at Sreerampore, to function as the central DC for the distribution segment. We have also consolidated all our Regional Distribution Centers (RDC), with Bantala becoming the central DC for our Retail business. A dedicated Supply Chain Management team monitors and controls material sourcing by vendors to

ensure timely delivery of the raw material to the vendor, backed by quality and cost optimization. We have also installed barcode machines at vendor premises to expedite supply and reduce down pressure at the warehouses. Reduction in lead time, enabling faster inventory turnover and streamlining of the logistics/transportation movement, have also led to faster product supply.

CMD'S MESSAGE



Dear Shareholders,

I am pleased to present to you the Company's Annual Report for fiscal 2021-22. It has been a truly notable year for Khadim India Limited, which has reported a remarkable recovery in an extremely difficult business environment. Strategic marketing initiatives, product improvements, improved margins, brand campaigns and a host of other measures contributed collectively towards turning the tide for the Company, which has clocked a PAT of ₹ 64.59 million as compared to a loss of ₹ 329.15 million in the previous fiscal.