

KSR FOOTWEAR LIMITED
ANNUAL REPORT
2024-25

DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

The Directors have pleasure to present the 2nd (Second) Annual Report of your Company together with Audited Financial Statements for the year ended March 31, 2025.

Financial Highlights

The Company's financial performance for the year ended March 31, 2025 is summarized below:

Amount (₹ in thousands)		
Particulars	2024-25	2023-24*
Revenue from Operations	NIL	NIL
Other Income	NIL	NIL
Total Revenue	NIL	NIL
Less: Expenses	1,067.44	153.72
Loss before Depreciation, Interest and Tax	(1,067.44)	(153.72)
Depreciation	NIL	NIL
Interest	NIL	NIL
Loss before tax	(1,067.44)	(153.72)
Tax Expenses	NIL	NIL
Loss for the year after tax	(1,067.44)	(153.72)

*Refers to period commencing from the date of incorporation i.e., August 22, 2023 to March 31, 2024.

Operations and State of Company's Affairs

Your Company has been formed on August 22, 2023 with the object of conducting the manufacturing and wholesale distribution business of footwear and accessories. Later, a Scheme of Arrangement ("Scheme") was entered into with Khadim India Limited ("Demerged Company / KIL") for transfer of the entire distribution business of KIL to the Company. The Company has incurred a loss of ₹ 1,06,74,41/- during the year under Report. The Company did not commence its operations during the year under report.

Change(s) in the nature of the business

As aforesaid, the Company was incorporated with an object to deal in the business of manufacturing and wholesale distribution of footwear and accessories. Subsequently, there has been no change(s) in the nature of business to be carried on by the Company during the year under report.

Scheme of Arrangement

The Scheme of Arrangement between KIL and the Company and their respective shareholders and creditors under Sections 230 to 232 read with the other applicable provisions of the Companies Act, 2013 for transfer of Distribution Business of the Demerged Company to our Company has been approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, Kolkata vide its order dated March 27, 2025.

Accordingly, the entire Distribution Business of the Demerged Company stands transferred and vested with our Company as a 'Going Concern' on and from April 01, 2025, being the Appointed Date as determined in terms of the said Scheme.

As consideration for transfer of the said division in accordance with the Scheme, the Company will issue its equity shares to the equity shareholders of KIL, in the ratio of 1 (One) equity share of KFL of the face value of ₹ 10/- each fully paid-up for every 1 (One) equity share of the face value of ₹ 10/- each fully paid-up held in KIL on the record date as would be decided for the purpose. The Scheme has become effective from May 1, 2025 and the Company is in process of issuance of such shares in due course. Post allotment, the Company will make application for listing of the newly issued shares with BSE Limited and National Stock Exchange Limited and the status of the Company will that be of a listed entity. Furthermore, the existing entire shares of the Company as held by KIL will stand cancelled and the Company will no longer be a Wholly-owned-subsiary of KIL.

Dividend

No dividend is declared considering the losses incurred by the Company during the year under report.

Reserves

No amount has been transferred to the General Reserve during the year under report.

Changes in Articles of Association

In order to align the existing Articles of Association of the Company in line with the relevant provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board, subject to approval of the Members of the Company at the ensuing Annual General Meeting, has approved new sets of Articles of Association replacing the existing Articles of Association and the concerned resolution in this regard is proposed for your approval.

Share Capital

The authorised Share Capital as on March 31, 2025 was ₹ 15,00,000/- divided into 1,50,000 Equity shares of face value of ₹ 10/- each. However, the same stands increased to ₹ 20,15,00,000/- divided into 2,01,50,000 Equity Shares of ₹ 10/- each as on date post approval of the Scheme.

The issued, subscribed and paid-up Share Capital as on March 31, 2025 was ₹ 1,00,000/- divided into 10,000 Equity shares of face value of ₹ 10/- each.

Changes in Share Capital, if any

No changes occurred during the during the year under report.

Disclosures regarding Issue of Equity Shares with Differential Voting Rights

The Company has not issued any shares with differential voting right during the year under report.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company have occurred between the end of the year to which the financial statements relate and the date on which this Report has been signed except as mentioned in note no. 21 of Notes to financial statements for the financial year ended 31, 2025 relating to Demerger of distribution business.

Significant and material orders passed by the regulators/courts/tribunals impacting the going concern status and the Company's operations in future

As stated above, the Scheme of Arrangement has been approved by the Hon'ble National Company Law Tribunal, Kolkata Bench vide its Order dated March 27, 2025.

During the year under review, no other significant and material orders have been passed by the regulators / courts / tribunals that may impact the going concern status and the operations of the Company in future.

Corporate Insolvency Resolution Process initiated under the provisions of the Insolvency and Bankruptcy Code, 2016

During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated by / against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application or proceeding by / against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on March 31, 2025.

Holding Company

Your Company is a Wholly-owned subsidiary of Khadim India Limited as on 31.03.2025.

However, post allotment of the new equity shares of the Company consequent to implementation of the Scheme, the Company would cease to be a Wholly-owned subsidiary of Khadim India Limited.

Subsidiaries, joint ventures and associate companies

Your Company does not have any subsidiary / associate / joint venture Company during the year under report.

Deposits

During the year under review, the Company has not accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. There is no outstanding deposit as on March 31, 2025.

Meetings

During the year under review, five meetings of the Board of Directors were held viz April 26, 2024; August 08, 2024; November 08, 2024; March 04, 2025 and March 27, 2025.

Audit Committee

The Company has a duly constituted Audit Committee (vide Board Meeting held on April 16, 2025) in terms of the provisions of Section 177 of the Companies Act, 2013 read with rules framed thereunder.

The composition of the Audit Committee is as follows:

1. Mrs. Dhritipriya Raydasgupta, Independent Director (Chairperson)
2. Mr. Basab Ray, Independent Director (Member)
3. Mrs. Suman Murarka, Independent Director (Member)

All the recommendations as made by the Audit Committee were accepted by the Board.

Particulars of Contracts or Arrangements with Related Parties

During the year under review, the Company has entered into transactions with related parties which was on an arm's length basis and was in the ordinary course of business.

Further, the Company has not entered into any material contract or arrangement with related party, during the year under review.

Suitable disclosure as required by Accounting Standards (AS – 24) has been made in the notes forming part of Financial Statements.

Accordingly, the disclosure in Form AOC-2, pursuant to Section 134(3)(h) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.

Directors Responsibility Statement

Pursuant to provisions of Section 134(5) of the Companies Act, 2013, your Directors to the best of their knowledge and ability confirm that:

- a) In the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the loss of the Company for the year ended on that date;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and

- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended March 31, 2025.

Statutory Auditor and Auditors' Report

M/s. Agarwal & Associates, Chartered Accountants (Firm Registration No. - 323210E) was appointed as Statutory Auditors of the Company by the Members of the Company at the 1st Annual General Meeting for a term of 5 (Five) consecutive years commencing from the conclusion of the Annual General Meeting held on September 30, 2024 till the conclusion of the Annual General Meeting for the financial year 2028-29.

The Auditors' Report on the Annual Accounts of the Company forms part of the Annual Report of the Company.

The Auditor's report does not contain any qualification, reservation or adverse remarks.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with relevant Rules made thereunder and in compliance with Regulation 24A of the Listing Regulations, the Board at its meeting held on May 15, 2025, based on recommendation of the Audit Committee, has approved the appointment of M/s. Arpan Sengupta & Company, Company Secretaries, a peer reviewed firm (Firm's Registration No. S2015WB308600), represented by its Proprietor, Mr. Arpan Sengupta (FCS No. 10599, COP No. 25767), as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029- 30, subject to approval of the Members at the ensuing Annual General Meeting.

Disclosure relating to Cost Audit and Cost Records

Compliances related to Cost Audit and maintenance of cost records are not applicable to the Company.

Secretarial Standards

During the year under review the Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India to the extent as was applicable to the Company.

Internal Auditor

The Company is not required to appoint Internal Auditor. However, the Company ensures minimum standards for effective checks and balances within the system to arrest all possible gaps.

Particulars of Loans, Investments, Guarantees etc.

During the year ended March 31, 2025, the Company has not made any investment, has not given any loans, has not provided any guarantees, has not provided any security in connection with any loan, has not acquired securities by way of

subscription, purchase or otherwise in excess of the thresholds provided in Section 186 of the Companies Act, 2013.

Loan from Directors

During the year under review, the Company has taken loan from one of its Director. Suitable disclosures in this regard have been made in the Notes to the financial statements.

Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo

A. CONSERVATION OF ENERGY

The Company takes necessary steps for conservation of energy.

B. TECHNOLOGY ABSORPTION, ADAPTION, INNOVATION

During the year under review, the Company has not undergone any activity which can be categorized as Research & Development activity or Technology, Absorption, Adaption & Innovation.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there have been no foreign currency inflows and outflows.

Particulars of Employees and related disclosures

Disclosure under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

There is no Women employee in the Company. Hence, disclosure of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable.

Fraud Reporting

During the year under review, no fraud has been reported to the management of the Company. Further, no fraud has been reported by the auditors of the Company too under sub-section (12) of section 143 of the Companies Act, 2013.

Business Risk Management

Your Company monitors its major risks and concerns at regular intervals.

Statement in respect of adequacy of internal financial controls with reference to the financial statements

The Company has adequate internal control system commensurate with the size of the Company.

Extract of Annual Return

The Company has no website and hence providing the weblink for the Annual Return is not applicable to the Company.

Corporate Social Responsibility (CSR) Policy

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within the purview of Section 135(1) of the Companies Act, 2013. The Company was not required to spend any amount towards CSR during the year under report.

Details of Directors and Key Managerial Personnel

There has been no change in the constitution of Board during the year under review, i.e., the structure of the Board remains the same.

However, the Members of the Company at Extra-ordinary General Meeting held on April 17, 2025 approved the following appointment:

- 1) Appointment of Mrs. Dhritipriya Raydasgupta (DIN: 08208813) as an "Independent Director" of the Company (not liable to retire by rotation) for a period of 5 (Five) consecutive years commencing from April 16, 2025 to April 15, 2030 (both dates inclusive).
- 2) Appointment of Mr. Basab Ray (DIN: 01801350) as an "Independent Director" of the Company (not liable to retire by rotation) for a period of 5 (Five) consecutive years commencing from April 16, 2025 to April 15, 2030 (both dates inclusive).
- 3) Appointment of Mrs. Suman Murarka (DIN: 09023369) as an "Independent Director" of the Company (not liable to retire by rotation) for a period of 5 (Five) consecutive years commencing from April 16, 2025 to April 15, 2030 (both dates inclusive).
- 4) Appointment of Mr. Rittick Roy Burman (DIN: 08537366) as "Managing Director" (also, a "Whole-time Key Managerial Personnel") of the Company for a term of 3 (Three) consecutive years with effect from April 16, 2025 till April 15, 2028 (both days inclusive).

The Board vide its Meeting held on April 16, 2025 approved the appointment of Mr. Suman Barman Roy (DIN: 07285500), Non-Executive Non-Independent Director of the Company as the "Chairman" of the Company effective April 16, 2025.

Also, Mr. Suman Barman Roy (DIN: 07285500), Chairman and Non-Executive Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible, offered himself for re-appointment. Your Directors recommend his re-appointment at the ensuing Annual General Meeting.

The Independent Directors have confirmed that they meet with the criteria of independence as required under sub section 7 of Section 149 of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations.

The Board is also of the opinion that Independent Directors meet with the criteria of independence under sub section 6 of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

All the Independent Directors have registered themselves / renewed their registration pursuant to the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019.

The Board confirms that the Independent Directors also meet the criteria of integrity, expertise and experience (including the proficiency) in terms of Rule 8(5)(iiiia) of the Companies (Accounts) Rules, 2014.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Company is not mandatorily required to appoint any whole time KMPs during the year under review.

However, as on the date of the report, Mr. Rittick Roy Burman (DIN: 08537366) is a "Whole-time Key Managerial Personnel" of the Company by virtue of his appointment as "Managing Director" for a term of 3 (Three) consecutive years with effect from April 16, 2025 till April 15, 2028 (both days inclusive).

Other Disclosures

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these items during the year under review:

- a) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- b) Buy back of the equity shares.
- c) Details regarding the difference in valuation between a one-time settlement and valuation for obtaining loans from banks or financial institutions.

Industrial Relations

Your Company maintained healthy, cordial and harmonious industrial relations at all levels.

Acknowledgement

Your Directors place on record their sincere gratitude to the shareholders and all the other stakeholders for their consistent and uninterrupted support.

**For and on behalf of the Board of Directors
For KSR Footwear Limited**

Place: Kolkata
Date: May 15, 2025

Sd/-
Suman Barman Roy
Chairman
DIN: 07285500

Sd/-
Rittick Roy Burman
Managing Director
DIN: 08537366

INDEPENDENT AUDITOR'S REPORT

To
The Members of
KSR FOOTWEAR LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **KSR FOOTWEAR LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, the profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of

India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Scheme of Arrangement under Section 230 to 232, 66 and other relevant provisions of the Companies Act 2013: Refer Note 21 of the Audited Financial Statements.

Key Audit Matters	How the matter was addressed in our audit
The Board at its meeting dated 29 September 2023, had approved a Scheme of Arrangement between Khadim India Limited (KIL) and KSR Footwear Limited (KFL) and their respective shareholders and creditors under sections 230 to 232, 66 and other relevant provisions of the Companies Act, 2013 for the demerger of Distribution business of KIL into the Company. The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), vide Order dated 27 March, 2025, sanctioned the Scheme of Arrangement.	The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), vide Order dated 27 March, 2025, sanctioned the Scheme of Arrangement. No accounting adjustments in respect of the scheme has been given in the Financial statements as the effective date and appointed date of the scheme are subsequent to the year end i.e 1st of April 2025.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the Financial Position and Financial Performance including Other Comprehensive Income, Cash Flows and the statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the

accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section

143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure - A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-B**" to this report.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

- The Company has neither paid nor provided for any remuneration to its directors during the year.

h. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

- i) The Company does not have any pending litigations which would impact its financial position.

- ii) The Company did not have any long-term contracts including derivative contracts, as such the question of commenting on any material foreseeable losses thereon does not arise.

- iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

- iv) a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether,

directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v) The Company has neither declared nor paid any dividend during the year.
- vi) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Agarwal & Associates
Chartered Accountants
(Firm Regn No: 323210E)
Sd/-
(CA. Naresh Agarwal)
(Partner)
(Membership No. 063049)
UDIN: 25063049BMJJTV8509

Place: Kolkata
Date: 15.05.2025

Annexure – “A” to Independent Auditor’s Report

Statement referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date to the Members of KSR FOOTWEAR LIMITED.

- i) According to the information explanation provided to us, the Company does not hold any Property, Plant and Equipment. Accordingly, the provisions stated in paragraph 3(i)(a) to (e) of the Order are not applicable to the Company.
- ii) a) The Company does not have inventory, accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.

b) The Company has not availed any working capital loan from banks or financial institutions, hence clause 3(ii)(b) of the Order is not applicable.
- iii) According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi) The Company is not required to maintain the cost records as required under section 148(1) of the Companies Act, hence clause 3(vi) of the Order is not applicable.
- vii) a) As per records of the Company and according to the information and explanations given to us, the Company is regular in depositing undisputed applicable statutory dues including

Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount in arrears as on 31st March 2025, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Duty of Customs, Cess or other statutory dues which have not been deposited by the Company on account of disputes.

viii) The Company has not surrendered or disclosed any transaction, previously not recorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix) In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) of the Order is not applicable to the Company.

x) a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer, further public offer including debt instruments during the year.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3(x)(b) of the order are not applicable.

xi) a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of material fraud by the Company or on the Company has been noticed or reported during the year.

b) We have not submitted any report under subsection (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this audit report.

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year, accordingly, provisions of clause 3(xi)(c) of the order are not applicable.

xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable

- xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- xiv) In our opinion and based on our examination, the Company does not require to comply with provision of section 138 of the Act. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause 3(xv) of the Order is not applicable to the Company.
- xvi)
 - a) In our opinion and according to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
 - b) According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities therefore the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the Order are not applicable.
 - c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- xvii) Based on overall review of financial statements, the Company has incurred cash losses in the current year amounting to Rs 10,67,441/- and in the immediately preceding financial year of Rs 1,53,723/-.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall

due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) The provisions of section 135 of the Companies Act 2013 are not applicable to the company, Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable.

Place: Kolkata
Date: 15-05-2025

For Agarwal & Associates
Chartered Accountants
(Firm Regn No: 323210E)
Sd/-
(CA. Naresh Agarwal)
(Partner)
(Membership No. 063049)
UDIN: 25063049BMJJTV8509

Annexure – “B” to Independent Auditor’s Report

Statement referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirements” section of our report of even date to the Members of KSR FOOTWEAR LIMITED.

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of **KSR FOOTWEAR LIMITED** (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants Of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our

audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the

Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Agarwal & Associates

Chartered Accountants

(Firm Regn No: 323210E)

Sd/-

(CA. Naresh Agarwal)

(Partner)

(Membership No. 063049)

UDIN: 25063049BMJJTV8509

Place: Kolkata

Date: 15-05-2025

KSR FOOTWEAR LIMITED

Balance Sheet as at 31st March 2025

(All amounts in Rupees thousands, unless otherwise stated)

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
ASSETS			
1 Non - current assets			
Other non-current assets	4	20.00	-
2 Current assets			
(a) Financial Assets			
Cash and cash equivalents	5	352.31	89.08
(b) Other current assets	6	165.61	-
Total Assets		537.92	89.08
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	7	100.00	100.00
(b) Other Equity	8	(1,221.16)	(153.72)
LIABILITIES			
1 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	1,500.00	100.00
(ii) Trade payables	10	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		153.68	38.30
(b) Other current liabilities	11	5.40	4.50
Total Equity and Liabilities		537.92	89.08

See accompanying notes to the financial statements.

In terms of our Report attached

For and on behalf of Board of Directors

For Agarwal & Associates

Chartered Accountants

Sd/-

Naresh Agarwal

Partner

Membership No 063049

Place: Kolkata

Date: 15th May 2025

Sd/-

Rittick Roy Burman

Managing Director

(DIN: 08537366)

Sd/-

Suman Barman Roy

Chairman

(DIN: 07285500)

KSR FOOTWEAR LIMITED

Statement of Profit and Loss for the year ended 31st March 2025
(All amounts in Rupees thousands, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2025	For the year ended 31st March 2024
I. Revenue From Operations	12	-	-
II. Other Income		-	-
III. Total Income (I + II)		-	-
IV. Expenses :			
Other expenses		1,067.44	153.72
Total expenses		1,067.44	153.72
V Loss before tax (III - IV)		(1,067.44)	(153.72)
VI Tax expense		-	-
VII. Loss for the year (V - VI)		(1,067.44)	(153.72)
VIII. Other Comprehensive Income		-	-
IX Total Comprehensive Loss for the year		(1,067.44)	(153.72)
X. Earnings per equity share : [Nominal Value per Share Rs.10/-	13		
(1) Basic (In Rs.)		(106.74)	(25.16)
(2) Diluted (In Rs.)		(106.74)	(25.16)

See accompanying notes to the financial statements.

In terms of our Report attached

For Agarwal & Associates
Chartered Accountants

Sd/-
Naresh Agarwal
Partner
Membership No 063049

Place: Kolkata
Date: 15th May 2025

For and on behalf of Board of Directors

Sd/-
Rittick Roy Burman
Managing Director
(DIN: 08537366)

Sd/-
Suman Barman Roy
Chairman
(DIN: 07285500)

KSR FOOTWEAR LIMITED**Statement of Changes in Equity for the year ended 31st March 2025**

(All amounts in Rupees thousands, unless otherwise stated)

(a) Equity Share Capital

Balance as at 1st April 2024	Changes in equity share capital due to prior period errors	Restated balance as at 1st April 2024	Changes in equity share capital during the year	Balance as at 31st March 2025
100.00	-	100.00	-	100.00

Balance as at 1st April 2023	Changes in equity share capital due to prior period errors	Restated balance as at 1st April 2023	Changes in equity share capital during the year	Balance as at 31st March 2024
-	-	-	100.00	100.00

(b) Other Equity

	Retained earnings	Total Other equity
Balance as at 1st April 2024	(153.72)	(153.72)
Loss for the year	(1,067.44)	(1,067.44)
Other comprehensive income (net of tax)	-	-
Total comprehensive loss	(1,067.44)	(1,067.44)
Balance as at 31st March 2025	(1,221.16)	(1,221.16)
Balance as at 1st April 2023	-	-
Loss for the year	(153.72)	-
Other comprehensive income (net of tax)	-	-
Total comprehensive loss	(153.72)	(153.72)
Balance as at 31st March 2024	(153.72)	(153.72)

The Board of Directors of the Company has not recommended any dividend for the current financial year.

Retained earnings: This Reserve represents the cumulative profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.

See accompanying notes to the financial statements.

In terms of our Report attached

For and on behalf of Board of Directors

For Agarwal & Associates

Chartered Accountants

Sd/-
Rittick Roy Burman
Managing Director
(DIN: 08537366)

Sd/-
Naresh Agarwal
Partner
Membership No 063049

Sd/-
Suman Barman Roy
Chairman
(DIN: 07285500)

Place: Kolkata
Date: 15th May 2025

KSR FOOTWEAR LIMITED**Cash Flow Statement for the year ended 31st March 2025**
(All amounts in Rupees thousands, unless otherwise stated)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
A CASH FLOW FROM OPERATING ACTIVITIES		
Loss before Tax for the year	(1,067.44)	(153.72)
Operating Profit before Working Capital Changes	(1,067.44)	(153.72)
Adjustments for:		
Trade Receivables, Loans and Advances and Other Assets	(185.61)	-
Trade Payables, Other Liabilities and Provisions	116.28	42.80
Cash Generated from Operations	(1,136.77)	(110.92)
Net income tax paid	-	-
Net Cash used in Operating Activities	(1,136.77)	(110.92)
B CASH FLOW FROM INVESTING ACTIVITIES	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	100.00
Short term loans received	1,400.00	100.00
Net Cash generated from Financing Activities	1,400.00	200.00
Net Increase in Cash and Cash Equivalents (A+B+C)	263.23	89.08
Cash and Cash Equivalents at beginning of year	89.08	-
Cash and Cash Equivalents at end of year (Note 5)	352.31	89.08

Notes:

I The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Ind AS - 7 on "Statement of Cash Flows".

See accompanying notes to the financial statements.

In terms of our Report attached

For and on behalf of Board of Directors

For Agarwal & Associates
Chartered Accountants

Sd/-
Rittick Roy Burman
Managing Director
(DIN: 08537366)

Sd/-
Naresh Agarwal
Partner
Membership No 063049

Sd/-
Suman Barman Roy
Chairman
(DIN: 07285500)

Place: Kolkata
Date: 15th May 2025

KSR FOOTWEAR LIMITED

Notes to Financial Statements for the year ended 31st March 2025

(All amounts in Rupees thousands, unless otherwise stated)

1 Corporate information

KSR Footwear Limited (the 'Company') is a Public Limited Company engaged in the business of footwear manufacturing and wholesale trading. The Company is incorporated and domiciled in Republic of India. The address of its Registered office is Flat No. 4A, 4th Floor, Kalyani Complex, P-22, Block-A, Bangur Avenue, Kolkata-700055. The Company was incorporated on 22nd August 2023 and is a wholly owned subsidiary of Khadim India Limited.

2 Significant accounting policies

2.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

2.2 Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain assets and liabilities that are measured at fair values, as explained in the accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- I In the principal market for the asset or liability, or
- II In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions, if any that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

2.3 Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – "Presentation of Financial Statements", based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Accordingly, the Company has determined its operating cycle to be 12 months.

KSR FOOTWEAR LIMITED

Notes to Financial Statements for the year ended 31st March 2025

(All amounts in Rupees thousands, unless otherwise stated)

2.4 Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discounts to customers. Revenue from the sale of goods is recognized when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery.

2.5 Taxes on Income

Taxes on income comprises of current taxes and deferred taxes.

Current income tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relates to the same taxation authority.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

2.6 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as part of finance costs.

2.7 Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.8 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.9 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial assets

Recognition

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss. Investment in Subsidiary is carried at cost.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification. Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognized in other comprehensive income.
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc, if any, are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

KSR FOOTWEAR LIMITED**Notes to Financial Statements for the year ended 31st March 2025****(All amounts in Rupees thousands, unless otherwise stated)****Impairment**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Derecognition

Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- a. amortised cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b. fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition

Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognized at the value of the proceeds, net of direct costs of the capital issue.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

KSR FOOTWEAR LIMITED

Notes to Financial Statements for the year ended 31st March 2025
(All amounts in Rupees thousands, unless otherwise stated)

4 OTHER NON-CURRENT ASSETS

Advances other than capital advances:
Security deposits

Total

As at 31st March 2025	As at 31st March 2024
20.00	-
20.00	-

5 CASH AND CASH EQUIVALENTS

Balances with banks
On Current Accounts

Total

As at 31st March 2025	As at 31st March 2024
352.31	89.08
352.31	89.08

6 OTHER CURRENT ASSETS**Unsecured, Considered Good**

Advances other than capital advances:
Advance to Government Authorities
Prepaid Expenses

Total

As at 31st March 2025	As at 31st March 2024
76.30	-
89.31	-
165.61	-

7 EQUITY SHARE CAPITAL**Authorised ****

1,50,000 (31st March 2024: 1,50,000) Equity Shares of Rs.10/- each

Issued , Subscribed and Paid up

10,000 (31st March 2024: 10,000) Equity Shares of Rs.10/- each

Total

As at 31st March 2025	As at 31st March 2024
1,500.00	1,500.00
100.00	100.00
100.00	100.00

** The Authorised Share Capital of the company has been increased as on 31.03.2025 through filing of requisite Forms with MCA. However the same is not yet reflected at MCA portal as on date of signing of the Financials and therefore the effect of the same is not been considered in the current financial year.

7.1 Reconciliation of the number of Equity shares

Particulars	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	10,000	100.00	-	-
Add: Equity shares issued on incorporation	-	-	10,000	100.00
Balance as at the end of the year	10,000	100.00	10,000	100.00

7.2 Details of Shares held by Shareholders holding more than 5 % of the aggregate shares in the Company

Name of Shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khadim India Limited (Holding Company)	10,000	100.00	10,000	100.00

7.3 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares having a face value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

7.4 Disclosure of Shareholding of Promoters

Promoter name	Shares held by promoters				% change during the year
	As at 31st March 2025		As at 31st March 2024		
	No. of shares	% of total shares	No. of shares	% of total shares	
Khadim India Limited	10,000	100.00%	10,000	100.00%	0.00%
Total	10,000	100.00%	10,000	100.00%	0.00%

KSR FOOTWEAR LIMITED

Notes to Financial Statements for the year ended 31st March 2025
(All amounts in Rupees thousands, unless otherwise stated)

8 OTHER EQUITYRetained Earnings

Balance at the beginning of the reporting period
Loss for the year
Other comprehensive income (net of tax)
Balance at the end of the reporting period

As at 31st March 2025	As at 31st March 2024
(153.72)	-
(1,067.44)	(153.72)
-	-
(1,221.16)	(153.72)

9 BORROWINGS - CURRENT**UNSECURED**

Loans repayable on demand
From Related parties

As at 31st March 2025	As at 31st March 2024
1,500.00	100.00
1,500.00	100.00

Total

9.1 The company has taken an interest-free unsecured loan of Rs.15,00,000/- (Previous Year: Rs.1,00,000/-) from a Director.

10 TRADE PAYABLES**Trade payables ageing schedule - as at 31st March 2025**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	135.38	18.30	-	-	153.68
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	135.38	18.30	-	-	153.68

Trade payables ageing schedule - as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	38.30	-	-	-	38.30
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	38.30	-	-	-	38.30

11 OTHER CURRENT LIABILITIES

Statutory remittances (GST, Withholding Tax)

As at 31st March 2025	As at 31st March 2024
5.40	4.50
5.40	4.50

Total

KSR FOOTWEAR LIMITED**Notes to Financial Statements for the year ended 31st March 2025****(All amounts in Rupees thousands, unless otherwise stated)****12 OTHER EXPENSES**

	As at 31st March 2025	As at 31st March 2024
Audit fees	20.00	20.00
Bank charges	98.12	0.60
Rent	56.68	18.31
Repairs and maintenance	150.48	-
Rates and taxes	671.25	65.81
Professional fees	70.91	49.00
Total	1,067.44	153.72

KSR FOOTWEAR LIMITED**Notes to Financial Statements for the year ended 31st March 2025****(All amounts in Rupees thousands, unless otherwise stated)****13 Earnings Per Share (EPS) - The numerator and denominator used to calculate Basic and Diluted EPS :**

	Year Ended 31st March 2025	Year Ended 31st March 2024
i. Loss after Tax attributable to the Equity Shareholders	(1,067.44)	(153.72)
ii. Weighted average number of equity shares outstanding for the purpose of basic earnings per share	10,000	6,110
iii. Weighted average number of equity shares in computing diluted earnings per share	10,000	6,110
iv. Earnings per share on loss for the year (Face value Rs.10/- per share)		
- Basic [(i) / (ii)]	(106.74)	(25.16)
- Diluted [(i) / (iii)]	(106.74)	(25.16)

14 The Company was incorporated on 22nd August 2022 and the previous year figures relates to the period from the said date onwards till 31st March 2024.

15 The Company has not provided for Deferred Tax asset on account of carry forward of unused tax losses in pursuance to para 34 of Ind AS 12, as there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

16 Related Party Disclosure as per requirements of Ind AS 24 on "Related Party Disclosures"**A) List of Related Parties**

Holding Company	Khadim India Limited
Key Management Personnel (KMP)	Mr. Rittick Roy Burman - Managing Director Mr. Rittoban Roy Burman - Director Mr. Suman Barman Roy - Chairman
Enterprises over which KMP and their relatives exercise significant influence	-

B) Particulars of transactions during the year ended 31st March 2025:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
I) Holding Company		
a) License fees and CAM charges paid to Khadim India Limited	41.48	-
II) Key Management Personnel		
a) Unsecured loan from Rittick Roy Burman	1,400.00	100.00
Outstanding balances		
I) Holding Company		
a) Khadim India Limited	76.65	-
II) Key Management Personnel		
a) Rittick Roy Burman	1,500.00	100.00

KSR FOOTWEAR LIMITED

Notes to Financial Statements for the year ended 31st March 2025

(All amounts in Rupees thousands, unless otherwise stated)

17 Financial Instruments and related disclosures**A Capital Management**

The Company's capital management objectives are to maintain a strong capital base so as to maintain confidence of its business partners and to sustain future development of the business.

B Categories of Financial Instruments

	As at 31st March 2025		As at 31st March 2024	
	Carrying value	Fair value	Carrying value	Fair value
I Financial assets				
a. Measured at amortised cost				
Cash and cash equivalents	352.31	352.31	89.08	89.08
Total Financial assets	352.31	352.31	89.08	89.08
II Financial liabilities				
a. Measured at amortised cost				
Borrowings	1,500.00	1,500.00	100.00	100.00
Trade payables	153.68	153.68	38.30	38.30
Total Financial liabilities	1,653.68	1,653.68	138.30	138.30

C Financial risk management objectives

The Company has a process of regular reviews/audit to monitor all financial risks, including market risk, credit risk and liquidity risk as and when applicable.

18 Fair value measurement

Financial assets & Financial liabilities comprises of Cash & Cash Equivalents, Borrowings, Trade Payables and other financial liabilities

The fair value of trade payables are considered to be equal to the carrying amount due to their short-term nature.

Fair value hierarchy

Fair value of the financial instruments is classified in various hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs).

KSR FOOTWEAR LIMITED**Notes to Financial Statements for the year ended 31st March 2025****(All amounts in Rupees thousands, unless otherwise stated)****19 Ratios**

Ratio	Numerator	Denominator	Current year	Previous year
Current Ratio (times)	Current assets	Current liabilities	0.31	0.62
Debt-Equity Ratio (times)	Total debt	Equity	-	-
Debt Service Coverage Ratio (times)	Earning for Debt Service = Net profit after taxes + Finance Costs + Depreciation and amortisation expenses	Debt service = Interest and lease payments + Principal repayments	-	-
Return on Equity Ratio (%)	Net profit after taxes	Average Shareholder's equity	-	-
Inventory Turnover Ratio (times)	Revenue from operations	Average inventory	-	-
Trade Receivables Turnover Ratio (times)	Revenue from operations	Average trade receivables	-	-
Trade Payables Turnover Ratio (times)	Purchases of Stock-in-Trade and raw materials	Average trade payables	-	-
Net Capital Turnover Ratio (times)	Revenue from operations	Average working capital (i.e. Current assets - Current liabilities)	-	-
Net Profit Ratio (%)	Net profit after taxes	Revenue from operations	-	-
Return on Capital Employed (%)	Earnings before interest and taxes	Capital employed = Total equity + Borrowings	-	-
Return on Investment (%)	Net profit after taxes	Equity share capital + Securities premium	-	-

Most of the ratios are not given as the company is yet to commence business operations and profits and equity are both in the negative.

20 Additional Regulatory Information

- (i) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 21 The Board of Directors of the Company, at its meeting dated 29 September 2023, had approved a Scheme of Arrangement between Khadim India Limited (KIL) and KSR Footwear Limited (KFL) and their respective shareholders and creditors under sections 230 to 232, 66 and other relevant provisions of the Companies Act, 2013 for the demerger of Distribution business of KIL into the Company. Pursuant to the approved scheme, KIL shall demerge its distribution business, as a going concern, into KFL. Post the scheme becoming effective, the existing paid up equity share capital i.e., Rs.1,00,000/- divided into 10,000 equity shares of face value Rs.10/- each of the Company shall stand reduced and cancelled pursuant to section 66 and other applicable provisions of the Companies Act, 2013 and the Company will issue 1 (one) equity share of face value of Rs.10/- each fully paid up for every 1 (one) equity share of face value Rs.10/- each fully paid up held by equity shareholders of KIL. KFL will reflect a mirror shareholding as that of KIL and thereafter function as an independent listed company. KFL has to record the assets, liabilities and identified reserves pertaining to the distribution business, transferred at their carrying values as appearing in the books of the demerged company.

The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), vide Order dated 27 March, 2025, sanctioned the Scheme of Arrangement. No accounting adjustments in respect of the scheme has been given in the Financial statements for the year ended 31st March 2025 as the effective date and appointed date of the scheme are subsequent to the year end i.e 1st April 2025.

For and on behalf of Board of Directors

Sd/-
Rittick Roy Burman
Managing Director
(DIN: 08537366)

Sd/-
Suman Barman Roy
Chairman
(DIN: 07285500)

Place: Kolkata
Date: 15th May 2025