

**KNS SHOETECH PRIVATE LIMITED****DIRECTOR'S REPORT**

To,  
The Shareholders,

Your Directors have pleasure in presenting their **Third (3<sup>rd</sup>) Annual Report** of your Company, together with the Audited Accounts for the Financial Year ended **March 31, 2025**.

**1. FINANCIAL RESULTS:**

Financial Statement of the Financial Year under review is as under:-

Particulars	For the year ended	For the year ended
	31.03.2025	31.03.2024
	Amount (in Rs. Crores)	Amount (in Rs. Crores)
Revenue from operations	388.98	33.36
Other Income	1.93	0.02
<b>Total Revenue</b>	<b>390.91</b>	<b>33.38</b>
Total expenditure	401.79	34.21
<b>Profit/Loss before Tax</b>	<b>(10.88)</b>	<b>(0.82)</b>
Current Tax	-	-
Deferred Tax	2.71	0.36
MAT Credit	-	-
<b>Profit/ (Loss) for the year</b>	<b>(8.17)</b>	<b>(0.47)</b>

**2. FINANCIAL PERFORMANCE OF THE COMPANY**

During the Year under review, Your Company recorded a jump of 1066% in Turnover of Rs. 388.98 Crores as compared to Turnover of Rs. 33.36 Crores for the previous Financial Year 2023-24 and reported a Net loss of Rs. 10.88 Crores in the current Financial Year as compared to Net loss of Rs. 0.82 Crores in the previous Financial Year.

Your Directors are pleased to inform you that, your Company has 5 manufacturing plants located at Haryana & Himachal Pradesh and all the plants are working in the order. Your Directors are positive that your Company will achieve robust growth in coming years ahead. The Company has commenced operations at a new facility by utilizing part of the premises of one of the Group Company's Export Oriented Undertaking under the Domestic Tariff Area.

**3. DIVIDEND**

To conserve resources and in order to strengthen the Company's financial, your Directors do not recommend any Dividend for the year under review.

#### 4. SHARE CAPITAL OF THE COMPANY

##### Change in Capital Structure

During the Year under review, your Company's Authorised Share Capital was increased from Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 55,00,00,000/- (Rupees Fifty Five Crores Only) divided into 5,30,00,000 (Five Crores Thirty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 20,00,000 (Twenty Lakhs) Preference Shares of Rs. 10 (Rupees Ten Only) by creation of additional 4,80,00,000 (Four Crore Eighty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten Only) each and additional 20,00,000 (Twenty Lakhs only) Preference shares of Rs. 10/- (Rupees Ten Only) each through Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on August 29, 2024.

Further based on the response and applications received for Rights Issue from the Existing Members, your Board of Directors in its Meeting held September 10, 2024 allotted 4,30,00,000 (Four Crore Thirty Lakhs) new Equity Shares of Rs. 10/- each fully paid up on the rights basis, in the ratio of the shareholding of members 1075:100 at an issue price of Rs. 10/- (Rupees Ten Only) each to the Shareholder.

On obtaining the Shareholder's approval through Special Resolution passed in the Extra Ordinary General Meeting of the Shareholders held on September 13, 2024 and receipt of the application money i.e., Rs. 12.5/- per share being partly up-paid out of which Rs. 2.5/ towards face value and Rs. 10/- towards premium from the identified investors, your Board of Directors had allotted 9,33,100 (Nine Lakhs Thirty Three Thousand One Hundred) CCPS having face value of Rs. 10/ each partly paid up at Rs. 2.5/- each and premium of Rs. 40/- each partly paid up at Rs. 10/- each aggregating to Rs. 1,16,63,750/- (Rupees One Crore Sixteen Lakhs Sixty Three Thousand Seven Hundred Fifty Only), on October 11, 2024.

Further on obtaining the Shareholder's approval through Special Resolution passed in the Extra Ordinary General Meeting of the Shareholders held on October 15, 2024 and receipt of the application money i.e., Rs. 2.5/- each being partly paid up from the identified investors, your Board of Directors had also allotted 19,15,640 (Nineteen Lakhs Fifteen Thousand Six Hundred Forty) Compulsorily Convertible Debentures ("CCDs") having face value of Rs. 10/ each partly paid up at Rs. 2.5/- each and premium of Rs. 40/- each partly paid up at Rs. 10/- each aggregating to Rs. 2,39,45,500/- (Rupees Two Crore Thirty Nine Lakhs Forty Five Thousand Five Hundred Only) on November 8, 2025

Consequent upon the said rights issue and allotment of CCPs your Company's Issued Subscribed and Paid-up Share Capital as on date of this report stands increased from Rs. 4,00,00,000/- (Rupees Four Crores only) divided into 40,00,000 (Forty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 47,23,32,750/- (Rupees Forty Seven Crores Twenty Three Lakhs Thirty Two Thousands Seven Hundred and Fifty only) divided into 4,70,00,000 (Four Crore Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each and 9,33,100 (Nine Lakhs Thirty Three Thousands One Hundred ) Compulsorily Convertible Preference Shares ("CCPS") of Rs. 10/- (Rupees Ten only) each and partly paid up of Rs. 2.5/- (Rupees Two and Paise 5 only) each.

Your Company's Authorised Share Capital as on the date of this report is Rs. 55,00,00,000/- (Rupees Fifty Five Crores Only) divided into 5,30,00,000 (Five Crores Thirty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 20,00,000 (Twenty Lakhs) Preference Shares of Rs. 10 (Rupees Ten Only) each and the Issued Subscribed and Paid-up Capital was Rs. 47,23,32,750/- (Rupees Forty Seven Crores Twenty Three Lakhs Thirty Two Thousands Seven Hundred and Fifty only) divided into 4,70,00,000 (Four Crore Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each and 9,33,100 (Nine Lakhs Thirty Three Thousands One Hundred ) CCPS of Rs. 10/- (Rupees Ten only) each and partly paid up of Rs. 2.5/- (Rupees Two and Paise 5 only) each.

#### **5. TRANSFER TO RESERVES IN TERMS OF SECTION 134(3)(J) OF THE COMPANIES ACT, 2013**

Your Company did not transfer any amount to the General Reserve during the year.

#### **6. MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF AUDIT REPORT**

No Material changes occurred subsequent to the close of the Financial Year of the Company to which the Balance Sheet relates and the date of the report like settlement of tax liabilities, depreciation in market value of investments etc.

#### **7. DETAILS OF SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There were no significant or material orders passed by any regulators or courts or tribunals impacting the going concern status and/or Company's operations in future.

#### **8. SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AND THEIR PERFORMANCE**

Your Company do not have any Subsidiary/ Joint Venture and Associates of your Company.

#### **9. DEPOSITS**

Your Company has not accepted any deposit falling within the purview of Section 73 of the Companies Act, 2013 read with rules made thereunder.

#### **10. STATUTORY AUDITORS**

M/s. S S SINGH AND CO, Chartered Accountants (Registration No. 157963W), had tendered their resignation from the position of Statutory Auditors of your Company w.e.f. 21/03/2025 due to pre-occupation elsewhere.

Pursuant to the casual vacancy caused due to resignation of the Statutory Auditors of your Company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"), the Board of Directors of your Company in its Meeting held on March 25, 2025 appointed subject to approval of the Member of your Company, to appoint M/s. NKN AND CO., Chartered Accountants (Firm Registration No.0152319W), Mumbai, as the Statutory Auditors of your Company for the Financial year 2024-2025 to fill the casual vacancy caused by the resignation of M/s. S S SINGH AND CO,

Chartered Accountants, to hold office until the conclusion of the ensuing Annual General Meeting, which was also approved by the Members of the Company in their Extra-Ordinary general Meeting dated April 16, 2025.

Your Board recommends to re-appoint M/s. NKN AND CO., Chartered Accountants (Firm Registration No.0152319W), as the Statutory Auditors for a 1st term period of 4 years commencing from the conclusion of the 3<sup>rd</sup> Annual General Meeting till the conclusion of the 7<sup>th</sup> Annual General Meeting to be held in the year 2029.

M/s. NKN AND CO. have consented to the said appointment, and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3)(g) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

The Auditors' Report for the financial year ended March 31, 2025 is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

#### **11. REPORTING OF FRAUD BY AUDITORS**

During the year under review, the Statutory Auditors have not provided any instances of fraud committed against your Company by its officers or employees under section 143(12) of the Act, the details of which would need to be mentioned in this Report.

#### **12. AUDITORS REPORT**

The Auditor's report is self-explanatory. There were no observations/qualifications made by the Auditors in the Audit Report.

#### **13. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information in respect of matters pertaining to conservation of energy, technology absorption, Foreign exchange earnings and outgo, as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in the **Annexure – I** to this Report.

#### **14. SECRETARIAL STANDARDS**

Your Company has complied with SS-1 & SS-2 issued by ICSI on Board Meetings and General Meetings respectively.

#### **15. RELATED PARTY TRANSACTIONS**

As per the provisions of section 188 of the Companies Act, 2013, the transaction entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. Accordingly no transactions are required to be reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

#### **16. INTERNAL CONTROL SYSTEM**

The internal control systems of your Company are effective and adequate for business processes with regards to size of the operation, compliance requirements with the applicable laws and regulations, financial reporting etc. commensurate with the size and complexities of the operations.

## 17. KEY MANAGERIAL PERSONNEL AND DIRECTORS

### Board of Directors

During the Year under review, Mr. Sameer Kothari (DIN: 01361343), Mr. Ganesh Argekar (DIN: 06865379) and Mr. Mayank Samdani (DIN: 10417749) were the Directors on the Board of your Company as on March 31, 2025.

### Change in Directorate

During the Year under review, your Board had appointed Mr. Mayank Samdani (DIN: 10417749) appointed as an Additional Director with effect from April 6, 2024 and his appointment was regularized at the AGM held on September 30, 2024.

### Key Managerial Personnel (KMP)

In accordance with the provisions of Section 203 of the Companies Act, 2013, the following persons are acting as Key Managerial Personnel (KMP) of the Company:

1. Mr. Ganesh Argekar- Whole - time Director (DIN: 06865379)
2. Ms. Sunita Sunakar Rout - Company Secretary

During the year under review, the following changes occurred in the Key Managerial Personnel:

**Appointment:** As per the provisions of Section 203(1) of the Companies Act, 2013, it is specified that the Company is required to appoint a Whole-time Director. In compliance with the said requirement, your Board has re-designated Mr. Ganesh Argekar from Non-Executive Director to Whole-time Director as Executive Director of the Company without any remuneration, for the period of Five (5) years with effect from January 2, 2025 upto January 1, 2030, subject to approval of Shareholders of the Company in the ensuing Annual General Meeting.

Mr. Argekar who is presently serving as Executive Director in Hindustan Foods Limited, the Holding Company of your Company. Pursuant to Companies Act, 2013, a Whole-time Key Managerial Personnel can hold office in its subsidiary company, at the same time.

As per the provisions of Section 203(1) of the Companies Act, 2013, it is specified that the Company is required to appoint Company Secretary. In compliance with the said requirement, Ms. Sunita Rout was appointed as the Company Secretary of the Company with effect from January 2, 2025.

## 18. MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss business plan and strategies. The notice of Board meeting is given well in advance to all the Directors.

During the period under review, the Board of your Company met 12 (Twelve) times, the details of which are provided below

Sr. No.	Date of Board Meeting	Presence of Directors		
		Sameer Kothari	Ganesh Argekar	Mayank Samdani
1	06/04/2024	PRESENT	PRESENT	---
2	17/05/2024	PRESENT	PRESENT	PRESENT
3	12/08/2024	PRESENT	PRESENT	PRESENT
4	28/08/2024	PRESENT	PRESENT	PRESENT
5	10/09/2024	PRESENT	PRESENT	PRESENT
6	13/09/2024	PRESENT	PRESENT	PRESENT
7	11/09/2024	PRESENT	PRESENT	PRESENT
8	08/11/2024	PRESENT	PRESENT	PRESENT
9	11/11/2024	PRESENT	PRESENT	PRESENT
10	02/01/2025	PRESENT	PRESENT	PRESENT
11	06/02/2025	PRESENT	PRESENT	PRESENT
12	25/03/2025	PRESENT	PRESENT	PRESENT

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

#### 19. LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review, there were no loans, guarantees or investments made by your Company under Section 186 of the Companies Act, 2013 and hence the said provision is not applicable. Also, There were no guarantees and investments made by your Company.

#### 20. DISCLOSURE PURSUANT TO MANAGERIAL REMUNERATION

During the year under review, no Managerial Remuneration was required to be paid to the Directors of your Company. Further there were no employees who was drawing salary more than the prescribed limit under the provisions of the Companies Act, 2013. Hence, pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company was not required to disclose the names of the top ten employees in terms of remuneration drawn and the name of every employee.

#### 21. RISK MANAGEMENT POLICY

On November 3, 2023, your Company became the Wholly-Owned Subsidiary Company of Hindustan Foods Limited, and as a part of Vanity Case Group of Companies, it follows the group policy for its operations.

#### 22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since your Company do not fall under any criteria specified in sub-section (1) of section 135 of the Companies Act, 2013, it is not required to constitute a Corporate Social Responsibility ("CSR") Committee.

#### 23. ANNUAL RETURN

Pursuant to Companies (Amendments) Act 2017, effective from August 28, 2020, extract of the Annual return under section 92(3) of the Companies Act, 2013 is not applicable to your Company

**24. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3) (c) of the Companies Act, 2013, your Directors confirm that:

(a) In the preparation of the accounts for the Financial Year ended March 31, 2025, the applicable Accounting Standards have been followed and there were no material departures from the Accounting Standards.

(b) The Directors have selected such accounting policies and applied them consistently and make judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the said Financial Year and of the profit and loss of the Company for the said Financial Year;

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of 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 accounts for the year ended March 31, 2025 on a 'going concern' basis;

(e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act, 2013 read with rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to your Company.

**26. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company is committed to provide a safe and conducive work environment to its employees.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**27. PARTICULARS OF EMPLOYEES**

Your Directors express their deep appreciation for the co-operation and support by employees at all levels of your Company. Your Directors wish to emphasize safe working culture in the organization and urge all employees to not only follow safety standards but also excel in all safety parameters.

**28. OTHER DECLARATIONS, INFORMATIONS AND CONFIRMATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

(i) There was no change in the nature of business of the Company.

(ii) The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013

- (iii) There was (a) no application filed; and (b) no proceeding pending, under the Insolvency and Bankruptcy Code, 2016 against your Company.
- (iv) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – **Not Applicable.**
- (v) The issue of Shares to the employees of the Company under any scheme (sweat equity or stock options) Managing Director & CEO has not received any remuneration or commission from any of its subsidiaries – **Not Applicable**

### 29. ACKNOWLEDGEMENTS

Your Company takes this opportunity to thank all the Shareholders and investors of your Company for their continued support. Your Directors wish to place on record their appreciation for the co-operation and support received from employees, staff and other people associated with your Company and look forward for their continued support.

For and on behalf of the Board of Directors  
KNS Shoetech Private Limited

Date: September 8, 2025  
Place: Mumbai



  
Sameer Kothari  
Director  
(DIN: 01361343)

  
Ganesh Argekar  
Director  
(DIN: 06866379)

**Annexure-I to the Director's Report**

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014 and forming part of the Directors Report for the Financial Year ended March 31, 2025.

Particulars with respect to Conservation of Energy etc. as per the Companies (Accounts) Rules, 2014.

**A. CONSERVATION OF ENERGY**

(i) The steps taken or impact on conservation of energy

1. Energy consumption: NA
2. Total energy consumption and energy consumption per unit of production are as under:

**POWER AND FUEL CONSUMPTION**

Particulars		Unit	(Amount in Rs.) Current Year
1	Electricity		
	Purchased Units	Kwh	11,034,067
	Total amount	Rs.	90,560,271
	Rate/ unit	Rs.	8.21
2	High Speed Diesel (For DG)		
	Quantity consumed	Ltr.	229,772
	Total amount	Rs.	20,022,436
	Average Rate / Liter	Rs.	87.14
3	Briquettes – For Boiler		
	Quantity	Kgs.	0
	Total Amount	Rs.	0
	Average Rate	Rs.	0

i) The steps taken by the company for utilizing alternate sources of energy: NA

ii) The capital investment on energy conservation equipment: NA

**B. TECHNOLOGY ABSORPTION**

(i) The efforts made towards technology absorption.	NIL
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.	

	(iii) In case of imported technology (imported during the last Five years reckoned from the beginning of the Financial Year) – (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and future plans of action.	NIL
	(iv) The expenditure incurred on Research and Development.	NIL
<b>C. FOREIGN EXCHANGE EARNINGS AND OUTGO</b>		
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	The foreign Exchange earned against sales of Rs 1,00,66,194 and foreign exchange outgo against raw material, capital goods and component & spare parts of Rs 43,27,33,413 for the financial year 2024-25.



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**KNS SHOETECH PRIVATE LIMITED**

**Report on the Audit of the Financials Statement**

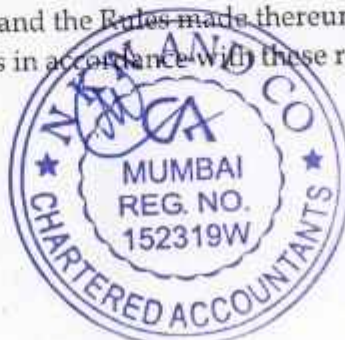
### Opinion

We have audited the financial statements of **KNS SHOETECH PRIVATE LIMITED** (the "company") which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred as "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 ("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 March 31, 2025, its loss and total comprehensive income (including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditors' 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 together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code



of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Key Audit Matter

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 Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the Key Audit Matter was addressed in our audit
<p>KNS Shoetech Private Limited (Company) has acquired business undertaking of SSIPL Retail Limited (Seller) comprising of manufacturing facility of shoes located at Kundli, Bagani and Bhagran alongwith relevant contracts ("Target Business") pursuant to a Business Transfer Agreement ("BTA") dated March 31, 2024. The total purchase consideration for the said transaction is ₹ 70.98 Crores.</p> <p>The Management of the Company has made the assessment of the said transaction and has, accordingly, accounted it as the business combination as per Ind AS 103 "Business Combination".</p> <p>Since, accounting for the business combination involves judgement in order to:</p> <ul style="list-style-type: none"> <li>Assessment of the transactions as the asset acquisition or</li> </ul>	<p>Our audit procedures included and were not limited to the following:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the process followed by the Company for assessment and determination of the effective date and the accounting treatment, including the identification of assets and liabilities and determination of their fair values.</li> <li>Evaluated the design and implementation and testing the operating effectiveness of key internal controls related to the Company's valuation process.</li> <li>Reviewed the Purchase Price Allocation report provided by the management of the company by involvement of registered valuer.</li> <li>Verified the completeness of the identified assets acquired and liabilities assumed.</li> </ol>



<p>business combination as per Ind AS 103.</p> <ul style="list-style-type: none"> <li>Identify and measure the fair value of the identifiable assets acquired and liabilities assumed.</li> <li>Allocate the consideration transferred towards identifiable assets, liability and goodwill/other intangible assets.</li> </ul> <p>Since, the amount of the acquisition is material to the Company and significant management judgement is required in identification of fair values and the allocation of the consideration into identifiable tangible and intangible assets, we have identified this as a Key Audit Matter.</p>	<ol style="list-style-type: none"> <li>Assessed the appropriateness of methods and inputs used in the valuation of assets and liabilities.</li> <li>Assessed the adequacy and appropriateness of the disclosures made in the Financial Statements in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ol>
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### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for 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, and Shareholder's information, but does not include the financial statements and our auditor's report(s) thereon.

Our opinion on the financial statements does not cover the other information and we will 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.



## **Responsibilities of Management and Board of Directors 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 gives a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

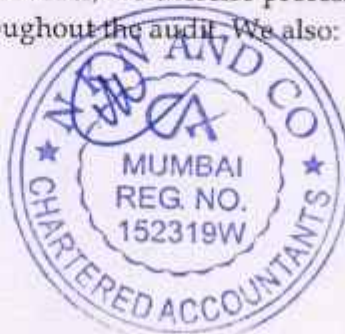
In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either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

The Board of Directors are also 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 a 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 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 with reference to financial statements 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 the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes its probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the affect of any identified misstatements in the financial statements.



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 Ind AS financial statements for the financial year ended March 31, 2025, 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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we 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 it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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 the Companies (Indian Accounting Standards) Rules, 2015.
- e. On the basis of the written representations received from the directors as on March 31, 2025 taken on the 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- 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, in our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations as at March 31, 2025 on its financial position in its financial statements - Refer Note 34 to the financial statements.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



iv)

(i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 45 (ix) to the financial statements, 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:

- 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.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 45 (ix) to the financial statements, 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:

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

(iii) Based on the audit procedures performed that have been 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 (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

v) The Company has not declared and paid any dividend during the year in accordance with Section 123 of the Act.

vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which have the 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 the audit trail



feature being tampered with and the audit trial has been preserved by the Company as per the statutory requirements for record retention.

For N K N AND CO  
Chartered Accountants  
[FRN: 152319W]



Nikita Mahadik  
Partner [M. No. 160267]  
UDIN: 25160267BMOVJX3964

Place: Mumbai  
Date: May 17, 2025



**Annexure A to the Independent Auditor's Report on the Financial Statements of  
KNS SHOETECH PRIVATE LIMITED for the year ended March 31, 2025**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and Books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:-

- i) In respect of the Company's property, plants and equipment and right-of-use assets and intangible assets:
  - (a)
    - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
    - B. The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a regular programme of physical verification of its property, plants and equipment and right-of-use assets by which all property, plants and equipment and right-of-use assets are verified in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. In accordance with this programme, the Property, Plant and Equipment and right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
  - (c) The title deeds of the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 03 to the Financial Statement are held in the name of the Company as at the balance sheet date, except for the following which are not held in the name of the Company:

Description of the Property	Gross Carrying value (Rs. In Crore)	Held in name of	Whether held in the name of promoter,	Period Held	Reason for that	Dispute, if any



	s)		director or their relative or employ ee			
Freehold Land at Poanta, Himacha I Pr adesh	4.85 Crores	SSIP L Retai l Limi ted	No	April , 2024	The Land was purchased by the Company vide Agreement entered with SSIPL Retail Limited. The Company is in the process of transferring the title in the name of KNS Shoetech Private Limited.	No

- (d) The Company has not revalued its Property, Plant and Equipment including right- of- use assets or Intangible Assets during the year.
- (e) There are no proceedings initiated or pending against the Company as at March 31, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii)
- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the financial statements, statements filed with such Banks are in agreement with the books of accounts of the Company.



- iii) The Company has not granted loans or given advances in the nature of loans or made investment or provided any guarantee or security to Companies, firms, limited liability partnerships or any other parties during the year.
- a)
- A. Based on the audit procedures carried on by us and as per information and explanations given to us, the Company has not given loans or advances in the nature of loans or stood guarantees or provided security to subsidiaries, joint ventures and associates during the year.
- B. Based on the audit procedures carried on by us and as per information and explanations given to us, the Company has not given loans or advances in the nature of loans or stood guarantees or provided security to parties other than subsidiaries, joint ventures and associates during the year.
- b) The reporting under this clause regarding loans, advances, investments, guarantee or security being prejudicial to the interest of the Company is not applicable since the Company has not granted loans or given advances in the nature of loans or made investment or provided any guarantee or security.
- c) The reporting under this clause regarding repayment of principal and interest is not applicable since the Company has not given any loans or advances in the nature of loans.
- d) The reporting under this clause regarding overdue of amount more than 90 days is not applicable since the Company has not given any loans or advances in the nature of loans.
- e) The reporting under this clause regarding renewed or extended or fresh loans granted to settle over dues is not applicable since the Company has not given any loans or advances in the nature of loans.
- f) The reporting under this clause regarding any loans or advances in the nature of loans granted which are either repayment on demand or without specifying any terms or period of repayment is not applicable since the Company has not given any loans or advances in the nature of loans.



- iv) According to information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or given guarantees or provided security to directors or to persons in whom the directors are interested and hence, the provisions of section 185 of the Companies Act, 2013 are not applicable and the Company has not given loans or advances in the nature of loans, made investment, provided guarantee or security to anybody corporate and hence, the provisions of section 186 of the Companies Act, 2013 are not applicable.
- v) The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- vi) The Central Government has not specified maintenance of Cost Records under sub-section (1) of section 148 of the Companies Act, 2013, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order is not applicable.
- vii)
- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, Provident Fund, employee's state insurance, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were in outstanding, at the year ending, for a period of more than six months from the date they become payable.
- (b) There are no statutory dues of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited on account of any dispute.
- viii) The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirements to report on clause 3(viii) of the Order is not applicable to the



Company.

ix)

- (a) In respect of term loans, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to lenders. The loans from the holding company are repayable on demand and the interest is payable on half yearly basis and the demand for repayment of principal to the extent made during the year was paid and the interest was paid.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has taken term loans during the year and the same has been applied for the purpose, the term loans were obtained.
- (d) The Company has used funds raised on short-term basis aggregating to ₹29.96 Crores during the year for long-term purposes. The Company has taken inter corporate loan from its holding company which as per the terms, is repayable on demand (short-term) which has been used for the purpose of acquisition of property, plants and equipment, and other non-current assets.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x)

- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) The Company has made private placement of shares and also issue of fully convertible Preference Shares and fully convertible Debentures during the year and requirements of Section 42 and Section 62 of the Companies Act, 2013, have been complied with. The amount raised has been used for the purpose for which they were raised.

xi)



- (a) Based on examination of the books and records of the Company and considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADI-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv)
- (a) The Company is not required to conduct internal audit as per provision of the Companies Act, 2013. Accordingly, clause 3(xiv)(a) of the Order is not applicable.
- (b) The Company is not required to conduct internal audit as per provision of the Companies Act, 2013 Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.



xvi)

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted any Non- Banking Financial or Housing Finance activities.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii) Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

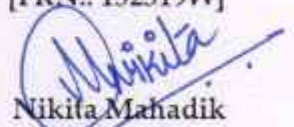
xviii) There has been resignation of the Statutory Auditors during the year. However, the outgoing Auditor has not raised any issues, objections or concerns for taking into consideration by us.

xix) On the basis of the financial ratios disclosed in Note 43 to the Financial Statements, ageing and expected dates of realisation 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 the 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) According to the information and explanations given to us, the provision of Section 135 of the Companies Act, 2013 is not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi) Reporting under clause 3(xxi) is not applicable to the Company. Accordingly, no comment in respect of the said Clause has been included in the report.

For N K N AND CO  
Chartered Accountants  
[FRN: 152319W]



Nikita Mahadik  
Partner [M. No. 160267]  
UDIN: 25160267BMOVJX3964

Place: Mumbai  
Date: May 17, 2025





**Annexure B to the Independent Auditor's Report on the financial statements of  
KNS SHOETECH PRIVATE LIMITED for the year ended March 31, 2025**

**Report on the internal financial controls with reference to the aforesaid financial  
statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory  
Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of KNS SHOETECH PRIVATE 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.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial  
Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.



### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(.10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, 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 with reference to financial statements.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For N K N AND CO  
Chartered Accountants  
[FRN.: 152319W]



Nikita Mahadik  
Proprietor [M. No. 160267]  
UDIN: 25160267BMOVJY7901

Place: Mumbai  
Date: May 17, 2025



KNS Shootech Private Limited  
Balance Sheet as at 31 March 2025  
Amount in Rs Crore, unless otherwise stated (except earning per share)

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	59.18	13.77
(b) Capital Work In Progress		2.65	-
(c) Right-of-use assets	3	37.59	11.02
(d) Goodwill	4	2.15	2.15
(e) Other intangible assets	5	5.09	0.02
(e) Financial assets			
i. Other financial assets	6	12.32	0.29
(f) Other non-current assets	7	0.65	0.12
(g) Income tax assets (net)	12	0.29	0.05
(h) Deferred tax Assets (net)	19	8.69	0.63
		<b>137.81</b>	<b>28.05</b>
<b>Current assets</b>			
(a) Inventories	8	105.22	13.32
(b) Financial assets			
i. Trade receivables	9	45.24	34.04
ii. Cash and bank balances	10	0.03	0.42
iii. Loans	11	-	-
iv. Other financial assets	6	1.27	0.04
(c) Other current assets	7	7.44	2.58
		<b>161.20</b>	<b>50.41</b>
<b>TOTAL ASSETS</b>		<b>299.01</b>	<b>78.46</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	47.00	4.00
(b) Instrument entirely equity in nature	14	3.55	-
(c) Other equity	15	(1.16)	(1.35)
<b>TOTAL EQUITY</b>		<b>49.40</b>	<b>2.65</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
i. Borrowings	16	57.79	-
ii. Lease liabilities	17	23.65	10.28
(b) Provisions	18	13.18	0.98
(c) Deferred tax liabilities (net)	19	-	-
		<b>94.62</b>	<b>11.26</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
i. Borrowings	20	72.82	45.14
ii. Lease liabilities	17	2.03	0.98
iii. Trade payables	21		
- Total outstanding dues of micro and small enterprises		2.05	2.39
- Total outstanding dues to creditors other than micro and small enterprises		51.80	13.54
iv. Other financial liabilities	22	21.84	2.03
(b) Other current liabilities	23	3.57	0.44
(c) Provisions	18	0.57	0.02
<b>TOTAL LIABILITIES</b>		<b>154.79</b>	<b>64.54</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>299.01</b>	<b>78.46</b>

Summary of material accounting policies 2  
The accompanying notes 1 to 49 are an integral part of financial statements.

As per our report of even date

For N K N AND CO  
Chartered Accountants  
Firm Registration No.: 152319W

Nikita Mahadik  
Partner  
Membership No.: 160267

Place: Mumbai  
Date: 17-May-2025



For and on behalf of Board of Directors of  
KNS Shootech Private Limited

Sameer Ramanlal Kothari  
Director  
DIN: 01361343

Place: Mumbai  
Date: 17-May-2025

Sunita Sunakar Rout  
Company Secretary  
Membership No.: 72852

Place: Mumbai  
Date: 17-May-2025

Mayank Ashok Samdani  
Director  
DIN: 10417749

Place: Mumbai  
Date: 17-May-2025



**KNS Shootech Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2025**  
Amount in Rs Crore, unless otherwise stated (except earning per share)

Particulars	Note No.	Year ended 31 March 2025	Year ended 31 March 2024
<b>Income</b>			
Revenue from operations	24	388.98	33.36
Other income	25	1.93	0.02
<b>Total Income</b>		<b>390.91</b>	<b>33.38</b>
<b>Expenses</b>			
Cost of materials consumed	26	251.98	22.16
Changes in inventories	27	(33.93)	(2.63)
Employee benefits expense	28	117.61	9.09
Finance costs	29	14.86	1.87
Depreciation and amortisation expense	30	13.47	1.32
Manufacturing and Operating Cost	31	20.39	1.63
Other expenses	32	17.41	0.75
<b>Total expenses</b>		<b>401.79</b>	<b>34.21</b>
<b>Profit / (Loss) before tax</b>		<b>(10.88)</b>	<b>(0.82)</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax income / (Expenses)	33	2.71	0.36
<b>Profit / (Loss) for the period</b>		<b>(8.17)</b>	<b>(0.47)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
Re-measurement gains / (loss) on defined benefit plans		(0.23)	0.18
Income tax credit/(expense)		0.06	-
<b>Other comprehensive income for the period, net of tax</b>		<b>(0.17)</b>	<b>0.18</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>(8.34)</b>	<b>(0.29)</b>
<b>Earnings per equity share (face value of ₹ 10 each)</b>			
Basic earnings per share (₹)	39	Rs. (2.93)	(0.01)
Diluted earnings per share (₹)		Rs. (2.93)	(0.01)

Summary of material accounting policies 2  
The accompanying notes 1 to 49 are an integral part of financial statements.

As per our report of even date

For N K N AND CO  
Chartered Accountants  
Firm Registration No., 152319W

*Nikita Mahadik*

Nikita Mahadik  
Partner  
Membership No.: 160267

Place: Mumbai  
Date: 17-May-2025



For and on behalf of Board of Directors of  
KNS Shootech Private Limited

*Sameer Ramanial Kothari*

Sameer Ramanial Kothari  
Director  
DIN: 01361343

Place: Mumbai  
Date: 17-May-2025

*Mayank Ashok Samdani*

Mayank Ashok Samdani  
Director  
DIN: 10417749

Place: Mumbai  
Date: 17-May-2025

*Sunita Sunakar Rout*  
Sunita Sunakar Rout  
Company Secretary  
Membership No : 72852

Place: Mumbai  
Date: 17-May-2025



**KNS Shootech Private Limited**  
 Regd. Industrial Shed No. 153 New Okha Phase-1, Industrial Complex, South Delhi, Delhi, India, 110019

**STATEMENT OF AUDITED CASH FLOWS FOR THE YEAR ENDED 31 March 2025**

Amount in Rs Crore, unless otherwise stated (except earning per share)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Cash flow from operating activities</b>		
Profit before tax	(10.88)	(0.82)
Adjustments for:		
Depreciation and amortisation expense	13.47	1.32
Interest on borrowings	12.25	1.35
Interest on lease liability	2.60	0.52
Exchange Fluctuation Gain	(0.03)	(0.00)
Loss on Sales of Fixed assets	0.03	0.00
Re-measurement gains on defined benefit plans reclassified to OCI	-	0.18
Interest income	(0.98)	(0.02)
<b>Operating profit before working capital changes</b>	<b>16.46</b>	<b>2.52</b>
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(48.70)	(6.77)
Trade receivables	25.18	(3.93)
Other assets	(4.55)	(1.61)
Other financial assets	(10.48)	0.03
Adjustments for (increase)/(decrease) in operating liabilities:		
Trade payables	(15.54)	1.61
Other financial liabilities	12.71	1.45
Other current liabilities	3.23	0.37
Provisions	1.98	0.24
<b>Cash generated from operating activities</b>	<b>(17.72)</b>	<b>(8.99)</b>
Income tax paid (net)	(0.25)	(0.05)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>(17.98)</b>	<b>(9.14)</b>
<b>Cash flow from investing activities</b>		
Investment in property, plant and equipment and intangible assets	(28.45)	(1.49)
Payment of acquisition of business	(99.76)	(31.08)
Sale proceeds of property, plant and equipment	0.28	0.05
Interest received	-	0.00
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(97.92)</b>	<b>(32.52)</b>
<b>Cash flow from financing activities</b>		
Interest paid	(11.88)	(0.94)
Repayment of lease liabilities	(4.28)	(0.89)
Proceeds from right issue of share	43.00	-
Proceed from issuance of Pref and Debenture fully convertible	3.56	-
Proceeds/(repayment) from/of borrowings (net)	84.88	43.75
Repayment of borrowings (Net)	20.53	(3.14)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>115.50</b>	<b>38.92</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(0.39)</b>	<b>0.26</b>
Cash and cash equivalents at the beginning of the period	0.42	0.16
<b>Cash and cash equivalents at the end of period</b>	<b>0.03</b>	<b>0.42</b>

**Cash and cash equivalents comprise of (refer note 10)**

Balance with banks		
- In current accounts	0.00	0.42
- In fixed deposit	0.03	-
Cash in Hand	0.01	0.00
<b>Cash and cash equivalents at the end of period</b>	<b>0.03</b>	<b>0.42</b>

**Foot note :-**

(i) Figures in brackets represent cash outflow.

(ii) The above Cash Flow Statement has been prepared under indirect method as set out in Ind AS-7 Cash Flow Statement notified under the section 133 of the companies Act, 2013.

For N K N AND CO  
Chartered Accountants  
Firm Registration No.: 152319W

*Nikhil*  
Nikhil Mahesh  
Partner  
Membership No.: 160267

Place: Mumbai  
Date: 17-May-2025



For and on behalf of Board of Directors of  
KNS Shootech Private Limited

*S. R. K.*  
Sameer Ramanlal Kothari  
Director  
DIN: 01361343

Place: Mumbai  
Date: 17-May-2025

Sunita Sunakar Rout  
Company Secretary  
Membership No.: 72892

Place: Mumbai  
Date: 17-May-2025

*Sunday*  
Mayank Ashok Samdani  
Director  
DIN: 10417749

Place: Mumbai  
Date: 17-May-2025



## **KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

### **1. General information**

KNS Shoetech Private Limited ('the Company') is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on 31 May 2022. The Company is engaged in the manufacturing of footwear and footwear components.

### **2. Material accounting policies**

#### **2.1 Basis of preparation of financial statements**

##### **a) Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards "(Ind AS)" notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Act (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on accrual & going concern basis. Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### **b) Basis of measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for defined benefit plans - plan assets measured at fair value and certain financial assets and financial liabilities.

##### **c) Current / non-current classification**

The Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities. The Company presents its assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Employee Stock Options plan measured at fair value
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.



**KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

**d) Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the balance sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected.

**e) Rounding off of amounts**

The financial statements are reported in Indian Rupee which is functional currency of the Company and all the values are rounded to the nearest crores (INR 00,00,000).

**2.2 Property, plant and equipment**

Freehold land is carried at acquisition cost and is not depreciated. All other items of property, plant and equipment are stated at acquisition cost less accumulated depreciation and impairment, if any. Acquisition cost includes expenditure that is directly attributable to the acquisition of the items.

Spare parts are recognised when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets which are not ready for intended use before such date are disclosed under 'Capital work-in-progress'.



## KNS Shoetech Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2025

(Amounts in Rs. Crores, unless otherwise stated except EPS)

### Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives prescribed under Schedule II of Companies Act, 2013 using the straight-line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Estimated useful life
Leasehold improvement*	Lease period
Building	30 years
Plant & Machinery	15 years
Mould	8 years
Last	15 years
Furniture and Fixtures	10 years
Office Equipment	5 to 10 years
Electrical equipment	9 to 10 years
Computers:	3 years
Vehicles	8 years

\* Leasehold improvements are-amortised over the lease period, which corresponds with the useful lives of the assets.

Based on the technical expert's assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date when assets are ready for intended use. Depreciation on sale from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, if any, as appropriate.

### 2.3 Other intangible assets

Other intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises of purchase price and any cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".



## KNS Shoetech Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2025

(Amounts in Rs. Crores, unless otherwise stated except EPS)

### Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

The Company amortised intangible assets over their estimated useful lives using the straight-line method. The estimated useful lives of intangible assets are as follows:

Other intangible assets	Estimated useful life
Computer software	6 years
Customer Relationship	6 years
Non-compete	3 years

### 2.4 Impairment of non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

For non-financial assets, an assessment is made at each reporting period end or whenever triggering event occurs as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimation of the recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimations used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, or had no impairment loss been recognised for the asset in prior years.



## **KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

### **2.5 Foreign currency transactions**

#### **a) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

#### **b) Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

### **Revenue Recognition**

The Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring the promised goods or services to a customer. The promised good or service is transferred when (or as) the customer obtains control over a good or service and revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is reported net of taxes and duties as applicable.

For sale of goods, the Company recognizes revenue when it transfers control of goods to the customer. Control is passed on to the customer when goods are dispatched from Company's premises or as per terms with customers.

For sale of services, the Company recognises revenue as or when the performance obligation in relation the service is satisfied by the Company based on terms of the agreements with customers and there are no unfulfilled obligations.

Revenue in excess of invoices are classified as unbilled revenue, while invoicing in excess of revenue are classified income received in advance.

Insurance claims are recognised when its amount can be measured reliably, and ultimate collection is reasonably certain.

Interest income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Export Incentives under various schemes are accounted in the year of export on accrual basis.



## **KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

### **2.6 Taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

#### **a) Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered 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 year-end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **b) Deferred tax**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **2.7 Leases**

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time



**KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) The contract involves the use of an identified asset
- (ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## **2.8 Inventories**

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.



## **KNS Shoetech Private Limited**

### **Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

Manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on item by item basis.

#### **2.9 Provisions and contingent liabilities**

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### **2.10 Cash and cash equivalents**

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

#### **2.11 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of



**KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**2.12 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**a) Financial assets**

**i. Initial recognition and measurement**

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**ii. Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortised cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income



## KNS Shoetech Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2025

(Amounts in Rs. Crores, unless otherwise stated except EPS)

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

### Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortised cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognize during the year is recognised as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



**KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

**iii. Derecognition of financial assets**

A financial asset is derecognised only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognised only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

**b) Financial liabilities**

**i. Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

**ii. Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**iii. Non-cumulative redeemable non-cumulative non-convertible preference shares**

Redeemable non-cumulative non-convertible preference shares where payment of dividend is discretionary and which are mandatorily redeemable on a specific date, are classified as compounded Instruments. The fair value of the liabilities portion is determined by discounting amount repayable at maturity using market rate of interest. Difference between proceed receive and fair value of liability on initial recognition is included in



**KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

shareholder equity, net off income tax effect and not subsequently re-measured. Subsequently liability component of preference share is measured at amortised cost.

**iv. Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss as finance costs.

**c) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**2.13 Employee benefits**

**a) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**b) Other long-term employee benefit obligations**

**i. Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.



## KNS Shoetech Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2025

(Amounts in Rs. Crores, unless otherwise stated except EPS)

### ii. Defined benefit plans

Gratuity (funded): The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the other comprehensive income in the year in which they arise.

### iii. Other long- term employee benefit obligations

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the statement of profit and loss in the year in which they arise.

## 2.14 Contributed equity

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 2.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares."

## 2.16 Segment reporting



## KNS Shoetech Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2025

(Amounts in Rs. Crores, unless otherwise stated except EPS)

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as contract manufacturing. Consequently, no separate segment information has been furnished

### 2.17 Business Combination

Business Combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of profit and loss.

Business Combinations under common control are accounted as per Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

### 2.18 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

#### i.) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year-end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### a) Taxes



**KNS Shoetech Private Limited**

**Notes forming part of the Financial Statements for the year ended March 31, 2025**

(Amounts in Rs. Crores, unless otherwise stated except EPS)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**b) Defined benefit plans and other long-term benefits (gratuity benefits and leave encashment)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 36.

**c) Impairment of non-financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**d) Provision against obsolete and slow-moving inventories**

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items.

**e) Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.



## 3 Property, plant and equipment

Amount in Rs Crore, unless otherwise stated (except earning per share)

Particulars	Gross carrying amount					Depreciation & Impairment					Net Carrying amount
	As at 01 April 2024	Additions (Adjustment during the year)	Acquisition through Business purchase (refer note 44)	Disposals	As at 31 March 2025	As at 01 April 2024	Acquisition through Business purchase (refer note 44)	Depreciation for the year	Disposals	As at 31 March 2025	As at 31 March 2025
<b>I.) Owned Assets</b>											
Freehold Buildings	-	0.16	12.38	-	12.54	-	3.11	0.36	-	3.47	9.07
Computers	0.44	0.18	1.75	-	2.36	0.23	1.47	0.25	-	1.95	0.43
Electrical Installation	0.21	0.05	2.41	-	2.66	0.04	0.84	0.14	-	1.02	1.64
Furniture And Fixtures	0.67	0.17	1.12	-	1.96	0.20	0.74	0.10	-	1.04	0.92
Freehold Land	-	-	4.85	-	4.85	-	-	-	-	-	4.85
Last	0.28	0.76	4.51	0.08	5.48	0.09	2.15	0.67	0.06	2.84	2.64
Lease Improvement	0.47	-	-	-	0.47	0.06	-	0.04	-	0.11	0.36
Moulds	-	6.09	15.41	0.30	21.20	-	5.21	2.65	0.02	7.83	13.37
Office Equipment	1.22	0.35	1.88	-	3.45	0.50	1.48	0.22	-	2.20	1.25
Plant And Machinery	12.84	3.08	25.64	-	41.56	2.22	6.81	2.15	-	11.18	30.38
Tools & Die	1.13	1.10	4.31	0.02	6.53	0.21	1.50	0.78	0.00	2.49	4.04
Vehicles	0.07	0.14	0.34	-	0.55	0.02	0.28	0.02	-	0.32	0.23
<b>Total (A)</b>	<b>17.33</b>	<b>12.08</b>	<b>74.61</b>	<b>0.40</b>	<b>103.62</b>	<b>3.56</b>	<b>23.58</b>	<b>7.39</b>	<b>0.09</b>	<b>34.45</b>	<b>69.18</b>
			51.02								
<b>II.) Right to use assets</b>											
Leasehold Building	11.98	31.34	-	-	43.32	0.90	-	4.77	-	5.73	37.59
<b>Total (B)</b>	<b>11.98</b>	<b>31.34</b>			<b>43.32</b>	<b>0.90</b>		<b>4.77</b>		<b>5.73</b>	<b>37.59</b>

## Notes:

- a) The Company has not revalued its property plant and equipment during the current period and previous period.



## Property, plant and equipment

Amount in Rs Crore, unless otherwise stated (except earning per share)

Particulars	Gross carrying amount					Depreciation & Impairment					Net Carrying amount	
	As at 01 April 2023	Additions /Adjustment during the year	Acquisition through Business purchase	Disposals	As at 31 March 2024	As at 01 April 2023	Acquisition through Business purchase	Depreciation for the year	Disposals	As at 31 March 2024	As at 31 March 2024	
<b>I.) Owned Assets</b>	-	-	-	-	-	-	-	-	-	-	-	
Computers	0.13	0.02	0.30	0.00	0.44	0.02	0.16	0.05	-	0.23	0.22	
Electrical Installation	-	-	0.21	-	0.21	-	0.04	0.00	-	0.04	0.17	
Furniture And Fixtures	0.11	0.02	0.54	-	0.67	0.00	0.18	0.02	-	0.20	0.47	
Last	-	-	0.28	-	0.28	-	0.08	0.00	-	0.09	0.20	
Lease Improvement	0.28	0.09	0.10	-	0.47	0.01	0.02	0.03	-	0.06	0.41	
Moulds	-	-	-	-	-	-	-	-	-	-	-	
Office Equipment	0.10	0.03	1.09	0.01	1.22	0.01	0.46	0.03	0.00	0.50	0.72	
Plant And Machinery	5.14	1.13	6.61	0.05	12.84	0.08	1.71	0.43	0.00	2.22	10.62	
Tools & Die	-	0.20	0.63	-	1.13	-	0.19	0.02	-	0.21	0.92	
Vehicles	0.02	-	0.05	-	0.07	0.00	0.02	0.00	-	0.02	0.05	
<b>Total (A)</b>	<b>5.77</b>	<b>1.49</b>	<b>10.12</b>	<b>0.06</b>	<b>17.33</b>	<b>0.12</b>	<b>2.85</b>	<b>0.59</b>	<b>0.00</b>	<b>3.56</b>	<b>13.77</b>	
<b>II.) Right to use assets</b>												
Leasehold Building	3.57	8.41	-	-	11.98	0.23	-	0.72	-	0.96	11.02	
<b>Total (B)</b>	<b>3.57</b>	<b>8.41</b>	<b>-</b>	<b>-</b>	<b>11.98</b>	<b>0.23</b>	<b>-</b>	<b>0.72</b>	<b>-</b>	<b>0.96</b>	<b>11.02</b>	

## Notes:

- a) The Company has not revalued its property plant and equipment during the current period and previous period  
b) The Company modified its depreciation method during the period, as decided by the Company's management. Additionally, the Company prepared its first financial statements in accordance with Indian Accounting  
c) The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows

	Leasehold Improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
<b>As at 31 March 2023</b>							
Gross block	0.28	5.14	0.11	0.10	0.13	0.02	0.06
Accumulated depreciation	0.03	0.23	0.01	0.02	0.04	0.00	0.00
<b>Net block</b>	<b>0.25</b>	<b>4.91</b>	<b>0.10</b>	<b>0.08</b>	<b>0.09</b>	<b>0.01</b>	<b>0.05</b>



4	Goodwill	Goodwill
	<b>Cost</b>	
	Balance as at 01 April 2023	2.15
	Additions	
	Disposals / Adjustments	
	Balance as at 31 March 2024	<u>2.15</u>
	Additions	-
	Disposals / Adjustments	-
	Balance as at 31 March 2025	<u>2.15</u>
	<b>Impairment</b>	
	Balance as at 01 April 2023	-
	Impairment loss recognised	-
	Net exchange difference	-
	Balance as at 31 March 2024	<u>-</u>
	Impairment loss recognised	-
	Net exchange difference	-
	Balance as at 31 March 2025	<u>-</u>
	<b>Net book Value</b>	
	As at 31 March 2025	2.15
	As at 31 March 2024	2.15
5	<b>Intangible assets</b> (At cost)	
	<b>Computer Software, Customer relationship and non-competes</b>	
	<b>As at cost</b>	
	Balance as at 01 April 2023	0.03
	Additions	-
	Disposals	-
	Balance as at 31 March 2024	<u>0.03</u>
	Additions- Acquisition through business combination (refer note 44)	7.76
	Additions	-
	Disposals	-
	Balance as at 31 March 2025	<u>7.79</u>
	<b>Accumulated amortisation</b>	
	Balance as at 01 April 2023	0.00
	Charge for the period	0.00
	Disposals	-
	Balance as at 31 March 2024	<u>0.01</u>
	Add : Accumulated Dep on Acquisition through business combination (refer note 44)	0.38
	Charge for the period	1.31
	Disposals	-
	Balance as at 31 March 2025	<u>1.70</u>
	<b>Net carrying amount</b>	
	As at 31 March 2025	6.09
	As at 31 March 2024	0.02



	As at 31 March 2025	As at 31 March 2024
<b>6 Other financial assets</b>		
(Unsecured, considered good, valued at amortised cost)		
<b>Non-current</b>		
Security deposits	12.32	0.29
	<u>12.32</u>	<u>0.29</u>
<b>Current</b>		
Loans to employees	0.40	0.04
Interest Accrued	0.00	-
Other receivable	0.87	-
	<u>1.27</u>	<u>0.04</u>
<b>7 Other assets</b>		
(Unsecured, considered good)		
<b>Non-current</b>		
Capital advances	0.65	0.12
	<u>0.65</u>	<u>0.12</u>
<b>Current</b>		
Advance to vendors	4.69	1.55
Prepaid expenses	0.66	0.33
Balance with government authorities	1.89	0.70
	<u>7.44</u>	<u>2.58</u>
<b>8 Inventories</b>		
(Valued at lower of cost and net realisable value)		
Raw materials	49.11	9.30
Work-in-progress	39.90	1.97
Consumable, spares and tools	0.80	0.26
Finished goods	16.41	1.79
	<u>106.22</u>	<u>13.32</u>
<b>9 Trade receivables</b>		
(Unsecured, considered good unless otherwise stated)		
- From related parties	-	0.13
- From others	46.24	33.91
	<u>46.24</u>	<u>34.04</u>
Less: Allowances for doubtful debts	-	-
	<u>46.24</u>	<u>34.04</u>
<b>Trade receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	46.24	34.04
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	<u>46.24</u>	<u>34.04</u>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	<u>-</u>	<u>-</u>
<b>Trade receivables (Net)</b>	<u>46.24</u>	<u>34.04</u>

Ageing for trade receivables as at 31 March 2025 is as follows:

	Not due	Less than 6 months	6 -12 months	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	28.90	17.34	-	-	-	-	46.24
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-



**KNS Shootech Private Limited**

Notes forming part of the financial statements for the year ended 31 March 2025

Amount in Rs Crore, unless otherwise stated (except earning per share)

Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	<b>28.80</b>	<b>17.44</b>	-	-	-	-	<b>46.24</b>

Ageing for trade receivables as at 31 March, 2024 is as follows:

	Not due	Less than 6 months	6 -12 months	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	9.91	24.13	-	-	-	-	34.04
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	<b>9.91</b>	<b>24.13</b>	-	-	-	-	<b>34.04</b>

Notes:

- i) Trade receivables ageing have been disclosed from due date.

	As at 31 March 2025	As at 31 March 2024
<b>10 Cash and bank balances</b>		
Balances with banks		
- in current accounts	0.00	0.42
- in fixed deposit	0.02	-
- in escrow current accounts	-	-
Cash in Hand	0.01	0.00
	<b>0.03</b>	<b>0.42</b>

Note:

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

<b>11 Loans</b>		
(At amortised cost)		
Current		
- Loan receivables considered good - Unsecured	-	-
<b>12 Income Tax Assets</b>		
Advance income tax	0.29	0.05
	<b>0.29</b>	<b>0.05</b>



	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
<b>13 Equity share capital</b>				
Authorised				
Equity shares of Rs. 10 each	50,000,000	50.00	5,000,000	5.00
Issued, subscribed and fully paid-up				
Equity shares of Rs. 10 each	47,000,000	47.00	4,000,000	4.00
	<b>47,000,000</b>	<b>47.00</b>	<b>4,000,000</b>	<b>4.00</b>
a) Reconciliation of equity shares				
Balance as at the beginning of the period	4,000,000	4.0	4,000,000	4.00
Share issued during the period	43,000,000	43	-	-
Balance as at the end of the period	<b>47,000,000</b>	<b>47.00</b>	<b>4,000,000</b>	<b>4.00</b>

b) Terms and rights of equity shareholders

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per share. In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity shareholders.

c) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% holding	No. of shares	% holding
Hindustan Foods Limited	46,999,999	100.00%	3,999,999	100.00%
Ganesh Tukaram Argekar <i>jointly with Hindustan food Ltd.</i>	1	0.00%	1	0.00%
	<b>47,000,000</b>	<b>100.00%</b>	<b>4,000,000</b>	<b>100.00%</b>

d) Details of shareholding of promoters as given below

	As at 31 March 2025		As at 31 March 2024		% change during the period
	No. of shares	Amount	No. of shares	Amount	
Hindustan Foods Limited	46,999,999	47.00	3,999,999	4.00	4500%

(e) Information regarding issue of Equity Shares since the date of Incorporation

- (i) No share is allotted pursuant to contracts without payment being received in cash.  
 (ii) No bonus share has been issued  
 (iii) No share has been bought back

(iv) In the year KNS Shootech Private Limited ('KNS'), has allotted of 4,30,00,000 (Four Corore thirty lac) Equity shares of face value of Rs. 10/- each at an issue price of Rs. 10/- each and paid-up price of Rs. 10/- each through right issue to Hindustan Food Limited.

14 Instrument entirely equity in nature

- (a) Compulsory Convertible Preference Share  
 (b) Compulsory Convertible Debenture

	As at 31 March 2025	As at 31 March 2024
	1.17	-
	2.39	-
	<b>3.56</b>	<b>-</b>

(i) In the current year, KNS Shootech Private Limited ('KNS'), has allotment of 9,33,100 (Nine Lakhs Thirty Three Thousand One Hundred) Compulsorily Convertible Preference Shares ('CCPS') of face value of Rs. 10/- each at an issue price of Rs. 50/- each and paid-up price of Rs. 12.5/- each to the certain identified allottees and the balance payment to be received by KNS in tranches as and when called by KNS.

(ii) In the current year, KNS Shootech Private Limited ('KNS'), has allotment of 19,15,640 (Nineteen Lakhs Fifteen Thousand Six Hundred Forty) Compulsorily Convertible Debentures ('CCDs') of face value of Rs. 10/- each at an issue price of Rs. 50/- each and paid-up price of Rs. 12.5/- each to the certain identified allottees and the balance payment to be received by KNS in tranches as and when called by KNS.

15 Other equity

- a) Retained earnings  
 b) Other comprehensive income  
 c) Capital reserve

	(9.70)	(1.53)
	0.00	0.18
	8.54	-
	<b>(1.16)</b>	<b>(1.36)</b>

a) Retained earnings

- Opening balance  
 Add: Loss for the period  
 Closing balance

	(1.53)	(1.06)
	(8.17)	(0.47)
	<b>(9.70)</b>	<b>(1.53)</b>

b) Other comprehensive income

- Opening  
 Movement during the period  
 Closing balance

	0.18	-
	(5.17)	0.18
	<b>0.00</b>	<b>0.18</b>

c) Capital Reserve

- Opening  
 Add: Acquire through business acquisition (refer Note 44)  
 Closing balance

	-	-
	8.54	-
	<b>8.54</b>	<b>-</b>

Notes:

a) Retained earnings

The above balance represents profits/(losses) earned by the Company that can be distributed by the Company as dividends to its equity shareholders, same is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

b) Other comprehensive income

Other comprehensive income comprises the balance of re-measurement of retirement benefit plans.



	As at 31 March 2025	As at 31 March 2024
18 Borrowings (at amortised cost)		
Non current borrowings		
i) Secured		
Term loan		
From banks	64.94	-
	<u>64.94</u>	<u>-</u>
Less: Current maturities of long term borrowings (refer note 2D)	7.15	-
	<u>57.79</u>	<u>-</u>

Notes:

A) Terms of non-current borrowing are as under

Particulars	Rate of interest (p.a.)	Repayment terms
<b>Non current, secured borrowings</b>		
Term loan from Banks	Ranging from 9.00% to 9.50%	Repayment to commence after a moratorium period of 12 months from the date of 1st disbursement & thereafter in 108 monthly principal instalments of Repayable

B) Nature of security :

For term loan from banks

i. Term loan from SVC bank has been secured by exclusive charge on land & building bearing plot no 110 & 111 at Aml in the Dan Udyog Sahkari Sangh Limited and Factory building admeasuring 789.6758sq Mtrs constructed on land bearing survey no 452/ 3, Hacter 25 of Village Masat of UT of Dadra & Nagar Haveli.

Personal Guarantee of Mr Sameer Kothari and Corporate Guarantee of Hindustan Food Limited.

ii. Term loan from Yes bank has been secured by first charge Pari passu by way of Hypothecation on all movable fixed assets and first charges Pari Passu by way of Equitable Mortgage of specific building (Factory land building )located at plot no 110 & 111 situated at Aml in the Dan Udyog Sahkari Sangh Limited & Himachal Pradesh along with factory shed and building constructed there on valuing of Rs 4 Crore.

Personal Guarantee of Mr Sameer Kothari & Corporate Guarantee of Hindustan Food Limited.

C) Period and amount of default:

The Company has made no defaults in the payment of principal or interest during the year ended 31 March 2025.

D) The Bank loans contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, current ratio, net Borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Company meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements.

Particulars of Loans	Purpose of loan	Whether used for the purpose stated in the loan Agreement
Term Loan - SVC BANK	Towards acquisition of manufacturing unit of KNS Trading Pvt Ltd. and SSIPL Retail Ltd	Yes
Term Loan - Yes Bank	Part Takeover of SVC Bank Term loan (disbursed for purchase of machines taken under BTA with SSIPL Retail Ltd)	Yes

F) The Company have not pledged any financial and non financial assets as security for current or non-current borrowing

	As at 31 March 2025	As at 31 March 2024
17 Lease liabilities: (see note below)		
Non-current Lease liabilities	23.85	10.28
	<u>23.85</u>	<u>10.28</u>
Current Lease liabilities	2.03	0.98
	<u>2.03</u>	<u>0.98</u>
Movement in lease liabilities during the period:		
a) Lease liabilities		
Non current	23.85	10.28
Current	2.03	0.98
	<u>25.88</u>	<u>11.26</u>
b) Balance at the beginning of the period	11.26	3.30
Additions during the period	16.29	8.32
	<u>27.55</u>	<u>11.62</u>
Finance costs accrued during the period	2.60	0.52
Payment of lease liabilities	(4.28)	(0.98)
Derecognised during the period	-	-
Balance as at end of the period	<u>25.88</u>	<u>11.26</u>



	As at 31 March 2025	As at 31 March 2024
<b>c) Maturity analysis of lease liabilities</b>		
The table below provides details regarding the maturities of lease liabilities		
Due within one year	4.31	1.50
Due later than one year and not later than five years	15.98	6.24
Due later than five years	13.34	5.17
	<b>36.63</b>	<b>12.91</b>
<b>d) Expenses recognised in the Statement of Profit and Loss</b>		
	<u>Note No.</u>	
Interest on lease obligations	29	2.80
Amortization of right to use assets	30	4.77
		<b>7.37</b>
<b>e) Cash outflow of the leases</b>		
Payment of lease liabilities	4.28	0.88
	<b>4.28</b>	<b>0.88</b>
	<b>As at</b>	<b>As at</b>
	<b>31 March 2025</b>	<b>31 March 2024</b>
<b>18 Provisions</b>		
<b>Non-current</b>		
Provision for gratuity	9.03	0.60
Provision for compensated absence	4.15	0.38
	<b>13.18</b>	<b>0.98</b>
<b>Current</b>		
Provision for gratuity	0.40	0.00
Provision for compensated absence	0.17	0.01
	<b>0.57</b>	<b>0.02</b>
<b>19 Deferred tax assets / liabilities (net)</b>		
<b>Deferred tax liability</b>		
Arising on account of timing differences in depreciation or	0.99	0.32
<b>Deferred tax assets</b>		
Arising on account of timing differences in accrued expenses	7.88	0.95
	<b>6.89</b>	<b>0.63</b>
<b>Note:</b>		
For deferred tax movement and tax reconciliation refer note 33.		
<b>20 Current borrowings</b>		
<b>i) Secured</b>		
<b>a) From banks (Secured)</b>		
Cash credit facility	30.91	-
Current maturities of long term debt (Refer note 16 above)	7.15	-
	<b>38.06</b>	<b>-</b>
<b>ii) Unsecured</b>		
<b>Repayable on Demand</b>		
From related parties (see note 42 below)	34.76	45.14
	<b>34.76</b>	<b>45.14</b>
	<b>72.82</b>	<b>45.14</b>

Note:

A) **Terms of current borrowing are as under**

Particulars	Rate of Interest (p.a)	Repayment terms
Current, secured borrowings	Ranging from 9.00% to 9.5%	Repayable on demand
Current, unsecured borrowings	9.50%	Repayable on demand

B) **Nature of security :**

i. Cash credit from SVC Bank has been secured by exclusive charge on land & building bearing plot no 110 & 111 at Amli in the Dan Udyog Sahkari Sangh Limited and Factory building admeasuring 789.69 sq Mtrs constructed on land bearing survey no 452/ 3, Hecter 25 of Village Masat of UTof Dadra & Nagar Haveli and Hypothecation of stock and book debts (up to 90 days for the purpose of DP), Personal Guarantee of Mr Sameer Kothari and Corporate Guarantee of Hindustan Food Limited.

ii. Cash credit from Yes bank has been secured by first charge Pari passu by way of Hypothecation on all movable fixed assets and first charges Pari Passu by way of Equitable Mortgage of specific building (Factory land building )located at plot no 110 & 111 situated at Amli in the Dan Udyog Sahkari Sangh Limited & Himachal Pradesh along with factory shed and building constructed there on valuing of Rs 4 Crore, Personal Guarantee of Mr Sameer Kothari & Corporate Guarantee of Hindustan Food Limited.

C) During the year, Company has taken loan from Hindustan Food Limited ("Holding Company"), on short term basis and out of which amounting to Rs 29.86 Crore has been used for long term purpose. The loan amount utilized by the company is as per the object clause of the Holding Company towards proceeds from convertible share warrant.



D) **Period and amount of default:**  
The Company has made no defaults in the payment of principal or interest.

E) The statements of current assets and stocks submitted by the Company with banks are in agreement with the books of accounts.

	As at 31 March 2025	As at 31 March 2024
<b>21 Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises*	2.06	2.39
- Total outstanding dues of creditors other than micro enterprises and small enterprises	51.82	13.55
	<u>53.88</u>	<u>16.94</u>

\* For detailed disclosure of micro and small enterprises see note 35.

Notes:

- a) Trade payable to related parties (see note 41).  
b) The ageing analysis has been considered from the transaction date.

Ageing for trade payables outstanding as at 31st March 2025 is as follows:

	Not due	Outstanding for the following periods from due date of payment				Total
		Less than 1 year	1-2 years	2 to 3 year	More than 3 Year	
Total outstanding dues of micro enterprises and small enterprises	1.83	0.43	-	-	-	2.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	29.47	22.38	-	-	-	51.82
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<u>31.10</u>	<u>22.78</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53.88</u>

Note: The above balances includes unbilled dues of Rs. 0.89 crores

Ageing for trade payables outstanding as at 31 March 2024 is as follows:

	Not due	Outstanding for the following periods from due date of payment				Total
		Less than 1 year	1-2 years	2 to 3 year	More than 3 Year	
Total outstanding dues of micro enterprises and small enterprises	0.91	1.48	-	-	-	2.39
Total outstanding dues of creditors other than micro enterprises and small enterprises	8.34	5.21	-	-	-	13.55
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<u>6.25</u>	<u>6.69</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15.94</u>

Note: The above balances includes unbilled dues of Rs. 0.44 lakhs.

	As at 31 March 2025	As at 31 March 2024
<b>22 Other financial liabilities</b> (At amortised cost)		
Employee related payable	16.05	1.92
Security deposit received	0.06	-
Payable against Business acquisition	1.23	-
Capital Creditors	2.50	0.11
	<u>21.84</u>	<u>2.03</u>
<b>23 Other current liabilities</b>		
Advance from customers	0.02	0.00
Statutory dues	3.64	0.44
	<u>3.67</u>	<u>0.44</u>



	Year ended 31 March 2025	Year ended 31 March 2024
<b>24 Revenue from operations</b>		
Revenue from contracts with customers		
Sale of products	387.31	32.95
Sale of services	0.02	0.40
<b>Total (A)</b>	<b>387.33</b>	<b>33.35</b>
Other operating revenue		
Export Incentive	0.02	0.01
Scrap Sales	1.62	-
<b>Total (B)</b>	<b>1.65</b>	<b>0.01</b>
<b>Total revenue from operations (A)+(B)</b>	<b>388.98</b>	<b>33.36</b>
Notes:		
<b>A. Revenue from contracts with customers disaggregated based on nature of product or service</b>		
<b>a. Revenue from sale of products</b>		
Manufactured goods (refer note below)	387.31	32.95
	<b>387.31</b>	<b>32.95</b>
<b>b. Revenue from sale of services</b>		
Job work charges	0.02	0.40
	<b>0.02</b>	<b>0.40</b>
<b>Total revenue from operations</b>	<b>387.33</b>	<b>33.35</b>
<b>B. Revenue from contracts with customers disaggregated based on geography</b>		
a. Domestic	386.30	32.53
b. Exports	1.01	0.42
	<b>387.31</b>	<b>32.95</b>
<b>C. Reconciliation of gross revenue from contracts with customers</b>		
Gross revenue from contract with customer	387.31	32.95
Add/ less: Cash discount and credit note etc	-	-
	<b>387.31</b>	<b>32.95</b>
<b>D. Contract balances</b>		
Advance from customers	0.02	0.00
<b>25 Other income</b>		
Interest received on:		
- Bank deposits	0.00	0.00
- Interest on unsecured loan given	-	0.00
- Interest on Security deposit	1.05	0.02
- Interest on income tax refund	0.00	-
Insurance Income	0.75	-
Exchange Fluctuation Gain	0.12	0.00
	<b>1.93</b>	<b>0.02</b>
<b>26 Cost of materials consumed</b>		
Material at the beginning of the period		
- Raw materials	9.30	0.12
- Consumables, spares and tools	0.26	0.03
Inventory Acquired on business combination (refer note no 44)	-	-
- Raw materials	27.57	5.25
- Consumables, spares and tools	-	0.02
	<b>37.13</b>	<b>5.42</b>
- Purchase of raw materials	263.97	26.30
	<b>301.10</b>	<b>31.72</b>
Material at the end of the period		
- Raw materials	49.11	9.30
- Consumables, spares and tools	-	0.26
	<b>49.11</b>	<b>9.56</b>
	<b>251.98</b>	<b>22.16</b>



**KNS Shoetech Private Limited**

Notes forming part of the financial statements for the year ended 31 March 2025

Amount in Rs Crore, unless otherwise stated (except earning per share)

	Year ended 31 March 2025	Year ended 31 March 2024
<b>27 Changes in inventories of finished goods, stock in trade and work in progress</b>		
Inventories at the beginning of the period		
Finished goods	1.79	0.00
Work-in-progress	1.97	-
Inventory Acquired on business combination (refer note no 44)		
Finished goods	13.81	0.67
Work-in-progress	4.81	0.46
	<u>22.38</u>	<u>1.13</u>
Inventories at the end of the period		
Finished goods	16.41	1.79
Work-in-progress	39.90	1.97
	<u>56.31</u>	<u>3.76</u>
	<u>(33.93)</u>	<u>(2.63)</u>
<b>28 Employee benefits expense</b>		
Salaries, wages and bonus	101.80	7.75
Provision for gratuity (refer note 40)	2.93	0.32
Contribution to provident and other funds	11.13	0.92
Staff welfare expenses	1.69	0.10
	<u>117.61</u>	<u>9.09</u>
<b>29 Finance costs</b>		
Interest on borrowings to bank	8.51	0.05
Interest on borrowings to related party	3.61	0.70
Interest on lease liabilities	2.80	0.52
Other finance charge	0.13	-
	<u>14.86</u>	<u>1.87</u>
<b>30 Depreciation and amortization expense</b>		
Depreciation on property, plant and equipment	7.39	0.59
Amortization of other intangible assets	1.31	0.00
Amortization of right to use assets	4.77	0.72
	<u>13.47</u>	<u>1.32</u>
<b>31 Manufacturing and Operating Cost</b>		
Job Work Expenses	2.99	0.79
Power and fuel	11.00	0.59
Repairs and maintenance - plant and machinery	3.80	0.25
Repairs and maintenance - building	0.18	-
Repairs and maintenance - others	1.82	0
Other Manufacturing Expenses	0.74	-
	<u>20.39</u>	<u>1.63</u>
<b>32 Other expenses</b>		
Auditors remuneration	0.07	-
Bank charges	0.85	0.03
Business Promotion Expenses	0.02	-
Communication expenses	0.25	0.04
Factory Rent	0.85	-
Foreign exchange fluctuation (net)	-	-
Freight Outwards Expenses	6.71	0.01
Insurance	0.32	0.03
Legal and professional fee	1.70	0.40
Loss on sale of Fixed Assets	0.03	0.00
Miscellaneous expenses	0.34	0.00
Printing and stationery	0.14	0.01
Rates and taxes	0.21	0.03
Stores and spares consumed	2.41	-
Security charges	0.44	-
Travelling and conveyance	1.27	0.19
	<u>17.41</u>	<u>0.75</u>
<b>Auditors remuneration</b>		
<b>As auditors</b>		
Statutory audit	0.05	0.02
Limited review fees	0.02	-
	<u>0.07</u>	<u>0.02</u>



	Period ended 31 March 2025	Period ended 31 March 2024
<b>33. Tax expense</b>		
Current tax expense	-	-
Deferred tax expenses	2.71	0.36
	<u>2.71</u>	<u>0.36</u>
Income tax for earlier years (net)	-	-
<b>Tax expenses for the year recognised in profit and loss</b>	<u>2.71</u>	<u>0.36</u>
Tax expense recognised in other comprehensive income ('OCI')	0.06	-
	<u>0.06</u>	<u>-</u>

**A. Reconciliation of tax expenses and accounting profit multiplied by India's domestic tax rate for 31 March 2025 and 31 March 2024**

(Loss) before tax	(10.88)	(0.82)
Applicable income tax rate	25.17%	25.17%
Estimated income tax expense	(2.74)	(0.21)
Tax effect of adjustments to reconcile expected income tax expense to reported		
Non-taxable income	-	-
Income tax not recognized on prudence basis	(2.74)	(0.21)
<b>Income tax expense in the Statement of Profit and Loss</b>	<u>-</u>	<u>-</u>

**B. Movement in the deferred tax liabilities (net)**

Deferred tax (net)		
a. Deferred tax liability	0.99	0.32
b. Deferred tax assets	7.88	0.95
	<u>6.89</u>	<u>0.63</u>

	As at 1 April 2024	Recognised in profit and loss	Deferred tax on Acquisition	As at 31 March 2025
<b>Deferred tax liabilities</b>				
Written down value of property, plant and equipment and intangible assets	0.32	0.67	-	0.99
	<u>0.32</u>	<u>0.67</u>	<u>-</u>	<u>0.99</u>
<b>Deferred tax assets</b>				
Expenses allowed on payment basis (Bonus)	0.18	0.18	0.84	1.20
Provision for employee benefits	0.25	0.58	2.85	3.48
Security Deposit	-	0.12	-	0.12
Net lease liability - 118	0.06	0.40	-	0.46
MSME Vendor overdue	0.02	0.09	-	0.11
Carry forward business losses	0.44	2.08	-	2.52
	<u>0.95</u>	<u>3.44</u>	<u>3.49</u>	<u>7.88</u>
	<u>0.63</u>	<u>2.77</u>	<u>3.49</u>	<u>6.89</u>

	As at 1 April 2023	Recognised in profit and loss	Def tax on Acquisition	As at 31 March 2024
<b>Deferred tax liabilities</b>				
Written down value of property, plant and equipment and intangible assets	0.06	0.26	-	0.32
	<u>0.06</u>	<u>0.26</u>	<u>-</u>	<u>0.32</u>
<b>Deferred tax assets</b>				
Expenses allowed on payment basis (Bonus)	0.01	0.07	0.10	0.19
Provision for employee benefits	0.01	0.07	0.18	0.25
Net lease liability - 118	-	0.06	-	0.06
MSME Vendor overdue	-	0.02	-	0.02
Carry forward business losses	0.03	0.41	-	0.44
	<u>0.06</u>	<u>0.62</u>	<u>0.27</u>	<u>0.95</u>
	<u>-</u>	<u>(0.36)</u>	<u>(0.27)</u>	<u>(0.63)</u>

**Note:**

The recognition of deferred tax assets related to carried forward business losses and unabsorbed depreciation is recognised up to the deferred tax liabilities, in accordance with the principle of prudence in the last year.



34. **Contingent liabilities and commitments (to the extent not provided for)**

- As confirmed by the management, the Company does not have any pending litigations.
- There are no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.
- The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

35. The Company does not have contingent liability or capital commitments as on 31 March 2025 and 31 March 2024.

36. **Statement under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED)**

	As at 31 March 2025	As at 31 March 2024
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	2.06	2.39
- Interest due on above	0.01	-
b. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	0.01	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

The information have been disclosed based on the information available with the Company, the same have been relied upon by the auditor.

37. **Segment reporting**

The Company is engaged in a manufacturing industry (manufacturing of shoes and other products related to shoes), which is as per Ind AS 108, 'Operating Segments', is recognized to be the only reportable business segment. The Company is operating in India, which is considered a single geographical segment.

38. **Corporate Social Responsibility**

The Company did not have average net profit of more than Rs. 500 lakhs in the past three years and therefore was not required to spend any amount towards Corporate Social Responsibility (CSR). Accordingly, there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VI of the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act.

39. **Earnings per share**

	Units	As at 31 March 2025	As at 31 March 2024
a. <b>Basic earnings per share</b>			
(Loss) for the period	Rs. / Crore	(8.17)	(0.47)
Weighted average number of equity shares outstanding	No's	27,915,068	4,300,000
Face value of per share	Rs.	10.00	10.00
Basic earnings per share	Rs.	(2.93)	(0.01)
b. <b>Diluted earnings per share</b>			
(Loss) for the period	Rs. / Crore	(8.17)	(0.47)
Weighted average number of equity shares for calculation of diluted EPS	No's	27,915,068	4,300,000
Face value of per share	Rs.	10.00	10.00
Diluted earnings per share	Rs.	(2.93)	(0.01)



40 Financial instruments

a. Categories of financial instruments

The carrying amount of the Company's financial instruments is as below:

	As at 31 March 2025	As at 31 March 2024
<b>A. Financial assets</b>		
<b>I Measured at amortised cost</b>		
i. Other financial assets		
- Non-current	12.32	0.29
- Current	1.27	0.04
ii. Trade receivables	46.24	34.04
iii. Cash and cash equivalents	0.03	0.42
iv. Loans		
- Current	-	-
<b>B. Financial liabilities</b>		
<b>I Measured at amortised cost</b>		
i. Borrowings		
- Non-current	57.79	-
- Current (including current maturities of long term borrowings)	72.62	45.14
ii. Lease liabilities		
- Non-current	23.85	10.28
- Current	2.03	0.98
iii. Trade payables	53.86	16.93
iv. Other current financial liabilities	21.84	2.03

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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 measurements in its entirety, which are described as follows:

**Level I:** includes financial instruments measured using quoted prices (for example, listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price).

**Level II:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level III:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset are included in level 3.

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the remaining fair value through other comprehensive income "FVTOCI" financial assets are derived from quoted market prices in active markets.

b. Fair value hierarchy

There is no financial instruments, which need to be recognised at fair value according this.

c. Financials risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company objectives.



**KNS Shoetech Private Limited**

Notes forming part of the financial statements for the year ended 31 March 2025

Amount in Rs Crore, unless otherwise stated (except earning per share)

**g. Financial risk management**

The Company's senior management oversees the risk management framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk
- Liquidity risk

**A. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices.

**i. Foreign currency risk**

- a. The Company does not have any foreign currency hedged/unhedged exposures to disclose.

**ii. Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day-to-day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

**a. Interest rate risk exposure**

	As at 31 March 2025	As at 31 March 2024
Variable rate borrowings	95.95	-
Fixed rate borrowings	72.92	45.14
<b>Total borrowings</b>	<b>168.87</b>	<b>45.14</b>

**b. Sensitivity analysis**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the period-end was outstanding for the whole year.

	As at 31 March 2025	As at 31 March 2024
<b>The details of the Company's sensitivity to a 1% increase and decrease in interest rate are as follows</b>		
Impact on loss for the period	0.96	-
Impact on total equity as at the end of reporting period	0.72	-

Impact on loss for the period are gross of tax and impact on total equity is net of tax

**B. Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

For other financial assets, the Company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assesses and maintains an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics.

The Company does not expect any credit loss.

**C. Liquidity risk management**

- a. Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

- b. The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The tables include principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.



**Maturities of financial liabilities**

	<12 months	>12 months	Total	Carrying value
<b>As on 31 March 2025</b>				
<b>Non derivative</b>				
Long term borrowings	7.15	57.79	64.94	64.94
Short term borrowings including current maturities of long term	65.66	-	65.66	65.66
Trade payables	53.86	-	53.86	53.86
Lease liabilities	2.03	23.86	25.89	25.89
Other financial liabilities	21.84	-	21.84	21.84
<b>As on 31 March 2024</b>				
<b>Non derivative</b>				
Long term borrowings	-	-	-	-
Short term borrowings including current maturities of long term	45.14	-	45.14	45.14
Trade payables	15.93	-	15.93	15.93
Lease liabilities	0.96	10.29	11.26	11.26
Other financial liabilities	2.03	-	2.03	2.03

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

**Maturities of financial assets**

	<12 months	>12 months	Total	Carrying value
<b>As on 31 March 2025</b>				
<b>Non derivative</b>				
Other financial assets	-	12.32	12.32	12.32
Investments	-	-	-	-
Trade receivables	46.24	-	46.24	46.24
Cash and bank balance	0.03	-	0.03	0.03
Bank balances other than cash and bank balance above	-	-	-	-
Loans	1.27	-	1.27	1.27
<b>As on 31 March 2024</b>				
<b>Non derivative</b>				
Other financial assets	-	0.29	0.29	0.29
Investments	-	-	-	-
Trade receivables	34.04	-	34.04	34.04
Cash and bank balance	0.42	-	0.42	0.42
Bank balances other than cash and bank balance above	-	-	-	-
Loans	0.04	-	0.04	0.04

**e. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 30% and 40%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents and current investments.

	As at 31 March 2025	As at 31 March 2024
<b>Net debt</b>		
a. Borrowings		
- Non current	57.79	-
- Current (including current maturities of long term debt)	72.82	45.14
	<u>130.61</u>	<u>45.14</u>
b. Cash and bank balance	<u>5.77</u>	<u>0.42</u>
	<u>5.77</u>	<u>0.42</u>
<b>Net debt (surplus)</b>	<u>124.84</u>	<u>44.72</u>
<b>Total equity</b>	<u>49.40</u>	<u>2.65</u>
<b>Net debt to equity ratio</b>	<b>252.70%</b>	<b>1689.66%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.



41 Employee benefit obligations  
a. Defined Contribution Plan

Provident Fund and Other Funds: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 and other acts to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

	As at 31 March 2025	As at 31 March 2024
Contribution to provident fund and other funds		
a. Contribution to provident fund	8.72	0.72
b. Contribution to employee state insurance	2.19	0.18
c. Contribution to labour welfare fund	0.22	0.02
	<u>11.12</u>	<u>0.92</u>

b. Defined benefits plan

Gratuity: The Company provides gratuity benefits to its employees in accordance with the provisions of the Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

(i) Principal actuarial assumptions

	As at 31 March 2025	As at 31 March 2024
Future salary increase	5.25%	5.00%
Discount rate	6.89%	7.36%
Mortality rates	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attributes of ages: withdrawal rate (%)		
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Retirement age (years)	58	58

(ii) Amount recognised in the Statement of Profit and Loss

	As at 31 March 2025	As at 31 March 2024
Current service cost	2.36	0.31
Net interest cost	0.58	-
Expense recognised in the Statement of Profit and Loss	<u>2.93</u>	<u>0.31</u>

(iii) Amount recognised in Other Comprehensive Income (OCI)

	Year ended 31 March 2024	Year ended 31 March 2023
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	-	-
Actuarial (gains) / losses arising from experience adjustments	0.23	0.18
Amount recognised in other comprehensive income	<u>0.23</u>	<u>0.18</u>

Notes:

- The current service cost and the net interest expense for the period are included in the 'Employee benefits expense' in the Statement of Profit and Loss.
- The remeasurement of the net defined benefit liability is included in other comprehensive income.
- The Company gratuity scheme is unfunded.

(iv) Movements in the present value of the defined benefit obligation

	As at 31 March 2025	As at 31 March 2024
Liability at the beginning of the period	0.60	0.03
Interest costs	0.58	-
Acquisition adjustment	7.49	0.44
Current service costs	2.35	0.31
Benefits paid	(1.02)	(0.01)
Actuarial (gain)/ loss on obligations due to change in obligation	0.23	(0.18)
Liability at the end of the period	<u>9.43</u>	<u>0.60</u>

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plans is as follows:

	As at 31 March 2025	As at 31 March 2024
Provision for gratuity		
Non-current	9.03	0.60
Current	0.40	0.00
	<u>9.43</u>	<u>0.60</u>



(v) Experience adjustments

	Year ended 31 March 2024	Year ended 31 March 2023
Present value of Defined Benefit Obligation	9.43	0.60
Fair value of plan assets	-	-
Funded status	-	-
(Gain)/loss on obligation	0.23	(0.18)
(Gain)/loss on plan assets	-	-

(vi) Sensitivity analysis

	As at 31 March 2025	As at 31 March 2024
<b>A. Impact of the change in discount rate</b>		
Present value of obligation at the end of the period	9.44	0.60
Impact due to increase of 0.50 %	(0.57)	(0.05)
Impact due to decrease of 0.50 %	0.85	0.05
<b>B. Impact of the change in salary increase</b>		
Present value of obligation at the end of the period	9.44	0.60
Impact due to increase of 0.50 %	0.64	0.05
Impact due to decrease of 0.50 %	(0.59)	(0.05)

Notes:

- i. Sensitivities due to mortality and withdrawals are not material, hence impact of change not calculated.
- ii. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.
- iii. The above sensitivity analysis are without giving the impact of tax.

Description of actuarial risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

- a. Salary increases: Change in rate of future salary increase in subsequent years will result in higher liability.
- b. Discount rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- c. Mortality and disability: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- d. Withdrawals: Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates in subsequent valuations can impact Plan's liability.

C. Actuarial assumptions for compensated absences are as below

	As at 31 March 2025	As at 31 March 2024
i. Discounting rate	6.99%	7.36%
ii. Future increase salary	5.26%	5.26%

Liability for compensated absences is recognised on the basis of actuarial valuation as per Projected Unit Credit Method.



42 Related party disclosures

(A) Related parties and transactions with them as identified by the management are given below

41 Major shareholder	Relation
KNS Trading Private Limited	Holding company (Till 10 September 2023)
Industries Foods Limited	Holding company (with effect from 01 October 2023)
42 Directors and Key Management Personnel (KMP)	Relation
Hanifa Jinn	Director (18 07 December 2023)
Mohi Khatib	Director (18 07 December 2023)
Ganesh Tularam Agrekar	Director (with effect from 01 December 2023)
Sameri Ramchand Kolhan	Director (with effect from 01 December 2023)
Mayank Samant	Director (with effect from 06 April 2024)
Sunila Suresh Redi	Company Secretary (with effect from 02 January 2024)
43 Enterprises over which major shareholders, Director, KMP and their relatives have significant influence	
SBPL Retail Limited (Till 30 September 2023)	
HFL Healthcare And Wellness Private Limited (with effect from 01 October 2023)	
HFL Multiproducts Private Limited (with effect from 01 October 2023)	
HFL Consumer Products Private Limited (with effect from 01 October 2023)	
Avni Care Personal Products L.P. (with effect from 01 October 2023)	
Spazio Healthcare (with effect from 01 October 2023)	
Avanti Cosmetics Private Limited (with effect from 01 October 2023)	
Avanti Laboratories-Private (with effect from 01 October 2023)	

(B) Transactions with related parties in the ordinary course of business

Transactions made (including reimbursements)	Period ended 31st March, 2024				Period ended 31st March 2024			
	Holding	Directors, KMP & their relatives	Enterprises significantly influenced	Total	Holding	Directors, KMP & their relatives	Enterprises significantly influenced	Total
Sales (net of returns)								
SBPL Retail Limited	-	-	-	-	-	-	1.19	1.19
KNS Trading Private Limited	-	-	-	-	-	-	0.26	0.26
Industries Foods Limited	4.38	-	-	4.38	0.11	-	-	0.11
HFL Healthcare And Wellness Private Limited	-	-	0.23	0.23	-	-	-	-
	4.38	-	0.23	4.61	0.11	-	1.19	1.49
Income from								
Job work	-	-	-	-	-	-	-	-
SBPL Retail Limited	-	-	-	-	-	-	0.40	0.40
Interest	-	-	-	-	0.03	-	-	0.03
KNS Trading Private Limited	-	-	-	-	0.03	-	0.43	0.46
	-	-	-	-	0.03	-	0.43	0.46
Purchases (net of returns) Expenses								
SBPL Retail Limited	-	-	-	-	-	-	2.14	2.14
Industries Foods Limited	3.54	-	-	3.54	0.30	-	-	0.30
HFL Healthcare And Wellness Private Limited	-	-	7.39	7.39	-	-	-	-
Avanti Cosmetics Private Limited	-	-	0.09	0.09	-	-	-	-
Avanti Laboratories-Private	-	-	0.00	0.00	-	-	-	-
	3.54	-	7.39	10.93	0.30	-	2.14	2.44
Use of fixed assets								
SBPL Retail Limited	-	-	-	-	-	-	-	-
Industries Foods Limited	0.02	-	-	0.02	0.01	-	-	0.01
HFL Healthcare And Wellness Private Limited	-	-	0.01	0.01	-	-	-	-
	0.02	-	0.01	0.03	0.01	-	-	0.01
Recovery of fixed assets								
SBPL Retail Limited	-	-	-	-	-	-	0.25	0.25
	-	-	-	-	-	-	0.25	0.25
Issue of share capital								
Industries Foods Limited	43.00	-	-	43.00	-	-	-	-
	43.00	-	-	43.00	-	-	-	-
Remuneration								
Spazio Healthcare	-	-	0.06	0.06	-	-	-	-
	-	-	0.06	0.06	-	-	-	-
Loan Given								
KNS Trading Private Limited	-	-	-	-	0.32	-	-	0.32
	-	-	-	-	0.32	-	-	0.32
Loan received								
KNS Trading Private Limited	-	-	-	-	0.36	-	-	0.36
Industries Foods Limited	40.79	-	-	40.79	46.79	-	-	46.79
	40.79	-	-	40.79	47.05	-	-	47.05
Repayment of Loan								
Industries Foods Limited	30.54	-	-	30.54	2.29	-	-	2.29
KNS Trading Private Limited(Loan)	-	-	-	-	1.05	-	-	1.05
	30.54	-	-	30.54	3.30	-	-	3.30
Interest expense								
Industries Foods Limited	3.81	-	-	3.81	0.67	-	-	0.67
KNS Trading Private Limited	-	-	-	-	0.33	-	-	0.33
	3.81	-	-	3.81	0.70	-	-	0.70
Expenses Reimbursable								
Industries Foods Limited	28.69	-	-	28.69	-	-	-	-
HFL Multiproducts Private Limited - Repair	-	-	0.30	0.30	-	-	-	-
	28.69	-	0.30	28.99	-	-	-	-
Contingency Convertible Debenture								
Ganesh Tularam Agrekar	-	0.29	-	0.29	-	-	-	-
Mayank Samant	-	0.13	-	0.13	-	-	-	-
Avanti Cosmetics Private Limited	-	-	0.21	0.21	-	-	-	-
	-	0.41	0.21	0.72	-	-	-	-
Corporate Guarantees Received								
Industries Foods Limited	55.45	-	-	55.45	-	-	-	-
	55.45	-	-	55.45	-	-	-	-



## (C) Outstanding balances at the end of the period

Transactions made (including reimbursements)	As at 31 March 2025				As at 31 March 2024			
	Holding	Directors, KMP & their relatives	Enterprises significantly influenced	Total	Holding	Directors, KMP & their relatives	Enterprises significantly influenced	Total
Trade receivables								
KNS, Retail Limited	-	-	-	-	-	-	-	-
Industries Foods Limited	-	-	-	-	0.13	-	-	0.13
HFL Healthcare And Wellness Private Limited	-	-	-	-	-	-	-	-
	-	-	-	-	0.13	-	-	0.13
Loan received outstanding								
KNS Trading Private Limited	-	-	-	-	-	-	-	-
Industries Foods Limited	34.76	-	-	34.76	44.54	-	-	44.54
	34.76	-	-	34.76	44.54	-	-	44.54
Trade receivables - Others								
HFL, Multiproduct Private Limited - Assam	-	-	0.00	0.00	-	-	-	-
	-	-	0.00	0.00	-	-	-	-
Trade payables & Others payables								
HFL, Healthcare And Wellness Private Limited	-	-	1.27	1.27	-	-	-	-
Industries Foods Limited	-	-	-	-	0.32	-	-	0.32
	-	-	1.27	1.27	0.32	-	-	0.32
Amount received and due								
KNS Trading Private Limited	-	-	-	-	-	-	-	-
Industries Foods Limited	-	-	-	-	0.60	-	-	0.60
	-	-	-	-	0.60	-	-	0.60
Share capital ₹								
Industries Foods Limited	47.00	-	-	47.00	4.00	-	-	4.00
	47.00	-	-	47.00	4.00	-	-	4.00
Corporate Guarantee Received -								
Industries Foods Limited	95.88	-	-	95.88	-	-	-	-
	95.88	-	-	95.88	-	-	-	-
Contingent Considerable Debenture								
Central Tyresam Agency	-	0.39	-	0.39	-	-	-	-
Wayne Services	-	0.13	-	0.13	-	-	-	-
Asahi Shoetech Private Limited	-	-	0.31	0.31	-	-	-	-
	-	0.41	0.31	0.72	-	-	-	-



43 Disclosure of financial ratios

Particulars	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	Variance %	Reason for variance
Current Ratio	Current assets	Current liabilities	1.04	0.78	33%	The ratio is not comparable as there is a acquisition of business as mentioned in Note 44.
Debt-Equity Ratio	Total debt	Total equity	2.64	17.04	-84%	There is improvement in debt to equity ratio has the holding company has further invested INR 43 crores in current year.
Debt Service Coverage ratio	Net operating Income	Total debt service	1.24	2.31	-46%	During the year Company has taken working capital loan plus term loan and loan from holding company for working capital needs and business expansion has increased the interest cost however corresponding operating income is not increased.
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.92	2.93	68%	The ratio is not comparable as there is a acquisition of business as mentioned in Note 44.
Trade Receivable Turnover Ratio	Net sales	Average trade receivables	9.69	1.96	394%	The ratio is not comparable as there is a acquisition of business as mentioned in Note 44.
Trade Payable Turnover Ratio	Net purchases	Average trade payables	8.66	3.88	123%	The ratio is not comparable as there is a acquisition of business as mentioned in Note 44.
Net Capital Turnover Ratio	Net sales	Working capital	(21.56)	(4.72)	357%	The ratio is not comparable as there is a acquisition of business as mentioned in Note 44.
Net Profit Ratio	Profit/ (loss) after tax	Net sales	(0.02)	(0.01)	50%	The ratio is not comparable as there is a acquisition of business as mentioned in Note 44.
Return on Equity ratio	Profit/ (loss) after tax	Total equity	(0.33)	(0.95)	-6%	n/A.
Return on Capital Employed	Earning before interest and tax	Capital employed	0.10	0.02	488%	The ratio is not comparable as there is a acquisition of business as mentioned in Note 44.

(i) Working of the ratios

Basis of ratios	Year ended 31 March 2025	Ratio	Year ended 31 March 2024	Ratio
	Rs. Crore		Rs. Crore	
<b>a. Current ratio</b>				
Current assets	161.20	1.04	60.41	0.78
Current liability	164.79		64.54	
<b>b. Debt Equity ratio</b>				
Total debt (see note 3)	130.61	2.64	45.14	17.00
Total equity (Equity share capital+ other equity)	49.40		2.65	
<b>c. Debt service coverage ratio</b>				
Net operating income (Profit after tax+Finance cost+Depreciation and amortisation expenses)	20.16	1.24	1.50	2.31
Total debt service (Finance Cost + Lease Payment+Principal Repayments)	16.27		6.66	
<b>d. Inventory turnover ratio</b>				
Cost of goods sold	218.05	4.92	19.53	2.93
Average Inventory = (Opening stock + Closing stock) / 2	44.36		6.66	
<b>e. Trade receivables turnover ratio</b>				
Net sales (Total sales - Sales return)	388.98	9.69	33.36	1.96
Average trade receivables = (Opening debtors +Closing debtors) / 2	40.14		17.02	
<b>f. Trade payables turnover ratio</b>				
Total purchases (Net of purchase return)	263.97	8.66	26.30	3.88
Average trade payables = (Opening creditors + Closing creditors) / 2	30.47		6.77	
<b>g. Net capital turnover ratio</b>				
Net sales (Total sales - Sales return)	388.98	(21.56)	33.36	(4.72)
Average working capital = Current assets - Current liabilities	(18.04)		(7.06)	
<b>h. Net profit ratio</b>				
Profit/ (loss) after tax	(8.17)	(0.02)	(0.47)	(0.01)
Net sales (Total sales - Sales return)	388.98		33.36	
<b>i. Return on equity ratio</b>				
Profit/ (loss) after tax	(8.17)	(0.33)	(0.47)	(0.35)
Average equity (Equity share capital+ other equity)	24.70		1.32	
<b>j. Return on Capital Employed</b>				
Employed				
Earnings before interest and tax	17.45	0.10	1.05	0.02
Capital employed = Tangible net worth + Total debt + Deferred Tax Loan	172.79		59.05	



## 44 Business combinations during current year

## (b) Acquisition of manufacturing facilities of SSIPL Retail Limited ("SSIPL")

- (i) The Company on April 1, 2024, has completed the acquisition of two manufacturing facility of SSIPL Retail Limited ("SSIPL") situated at Sirmour, Himachal Pradesh and one manufacturing facility situated at Sonpat, Haryana for a cash consideration of Rs. 70.98 Crores as per the terms and conditions of the Business Transfer Agreement dated (including amendments thereof (if any)).  
On acquisition, the Company has recognised the fair value of net assets acquired of Rs 79.52 Crores resulting in capital reserve of Rs 8.54 Crores (after adjustment of related tax).

## (ii) Details of purchase consideration, assets and liabilities acquired are as

Particulars	Amount
<b>A) Fair value of assets acquired on April 01, 2024</b>	
Property, plant and equipment	51.02
Right of use assets	
Other intangible assets	7.38
Inventories*	46.20
Trade receivables	37.39
Other non current financial assets	1.49
Other current assets	0.55
<b>Total Assets acquired (A)</b>	<b>144.03</b>
<b>B) Fair value of liabilities assumed on April 1, 2024</b>	
Trade payables	53.52
Employee benefit obligations	10.53
Other current financial liabilities	3.94
<b>Total Liabilities Assumed (B)</b>	<b>68.00</b>
<b>Net Assets acquired (C) = (A-B)</b>	<b>76.03</b>
<b>Purchase Consideration (D)</b>	<b>70.98</b>
<b>Capital reserve on acquisition (C-D)</b>	<b>5.05</b>
<b>Add: Deferred tax assets on employee benefit obligations ( refer note iii below)</b>	<b>3.49</b>
<b>Adjusted capital reserve on acquisition</b>	<b>8.54</b>

- (iii) On business combination of the three manufacturing facility of SSIPL Retail Limited ("SSIPL"), deferred tax asset of Rs. 3.49 Crores was created on employee benefit obligations assumed.



KNS Shoetech Private Limited

Notes forming part of the financial statements for the year ended 31 March 2025

Amount in Rs. Crore, unless otherwise stated (except earning per share)

44(A) Business combinations during the previous year

Business Transfer Agreement - Kundli Manufacturing Unit of KNS Trading Private Limited

(i) The company has entered into a business transfer agreement with KNS Trading Pvt Ltd (KTPL) on 26th December 2023, to acquire the manufacturing of kit of sports shoes business of Kundli unit.

(ii) Details of purchase consideration, assets and liabilities acquired are as follows:

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	Amount
<b>A) Assets acquired on February 1, 2024</b>	
Property, plant and equipment	726.71
<b>Financial assets</b>	
Non-current assets	21.14
Inventories	639.77
Trade receivables	2,911.58
Other current assets	4.14
<b>Total Assets acquired (A)</b>	<b>4,303.33</b>
<b>B) Liabilities assumed on February 1, 2024</b>	
Trade Payable	1,327.42
Creditors for Capital Goods	2.98
Employee related provision	107.42
<b>Total Liabilities Assumed (B)</b>	<b>1,437.81</b>
<b>Net Assets acquired (A-B)</b>	<b>2,865.52</b>
<b>Less: Consideration Paid</b>	<b>3,108.0</b>
Goodwill / (Capital Reserve)	242.48
<b>Less: Deferred Tax Asset</b>	<b>27.03</b>
<b>Goodwill on Acquisition</b>	<b>215.44</b>



## 45. Additional Disclosure

## i) Title deeds of Immovable Properties not held in name of the Company

The Company does not hold any immovable property (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee)- whose title deeds are not held in the name of the Company, at anytime during the year ended 31 March 2025 other than properties mentioned below :-

Relevant line item in the balance sheet	Description of item of property	Gross carrying Value( Rs in Crores)	Title deed held in the name of the Company	Whether title deed holder is a promoter/ Director or Relative of Promoter / Director or employee of Promoter / Director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Freehold Land	4.85	SSIPL Retail Limited	No	1st April 2024	The Land was purchase by the Company vide Agreement entered with SSIPL Retail Limited. The Company is in the process of transferring the title in the name of KNS Shootech Private Limited.

## ii) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

## iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

## iv) Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions or balance outstanding with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

## v) Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

## vi) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

## vii) Undisclosed Income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

## viii) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2025.

## ix) Utilisation of Borrowed funds and share premium

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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 person(s) or entity(ies), 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.



**KNS Shootech Private Limited**

Notes forming part of the financial statements for the year ended 31 March 2025

- x) **Compliance with approved scheme(s) of arrangements**  
The Company has not entered into any scheme of arrangement which has an accounting impact on current year or previous period.
- xi) **Valuation of Property plant and equipment**  
The Company has not revalued its property, plant and equipment during the current year. Further, There were no revaluation on property, plant and equipment during the previous period.
- xii) **Loans and advances to promoters and directors**  
The Company has not given loans and advances to promoters and directors
- xiii) **Company having borrowings from Banks or FIs on the basis of security of Current Assets**  
The company have borrowings from Bank on the basis of security of current assets. The company has filed the statement with the banks which are in agreement with the books of accounts of the Company.
- xiv) **Details of intangible assets under development**  
There are no any intangible assets under development.
- xv) **Details of capital work in progress**  
The company have capital work in progress as below:-

Particulars	An At 1 April 2024	Expenditure during the year	Capitalisation during the year	Impairment	Written off	Closing as at 31 March 2025
CWIP	-	2.96	0.31	-	-	2.65

In the previous year 2023-24 does not have any capital work in progress.

- 45 During the period the Company has not declared or approved any dividend.
- 47 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Group will assess the impact of the Code and will give appropriate impact in the consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 48 From the previous quarter, the Company has changed presentation denomination from "Rs in Lacs" to "Rs in Crores". Accordingly, the figures for the preceding quarter, corresponding quarter/period of the previous year and previous year end have been re-presented in "Rs in Crores".
- 49 Previous year's figure have been regrouped/ reclassified whenever necessary to correspond with current year's classification/ disclosure.

As per our report of even date

For N K N AND CO  
Chartered Accountants  
Firm Registration No.: 152319W

  
Nikita Mahadik  
Partner  
Membership No.: 160267

Place: Mumbai  
Date: 17 May 2025

For and on behalf of Board of Directors of  
KNS Shootech Private Limited

  
Sameer Ramanlal Kothari  
Director  
DIN: 01361343

Place: Mumbai  
Date: 17 May 2025

  
Mayank Ashok Samdani  
Director  
DIN: 10417749

Place: Mumbai  
Date: 17 May 2025



  
Sunita Sunakar Rout  
Company Secretary  
Membership No.: 72652  
Place: Mumbai  
Date: 17-May-2025

