

September 02, 2026

The Manager
The Department of Corporate Services
BSE Limited
P. J. Towers
Dalal Street, Mumbai - 400 001
Scrip Code - 540775

The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
Symbol - KHADIM

Dear Sir / Madam,

Subject: Annual Report for the financial year 2025-26 of Khadim India Limited (the "Company") in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Pursuant to Regulation 34 of the Listing Regulations, please find enclosed herewith the Annual Report of the Company for the financial year 2025-26 along with the Notice convening the 45th (Forty-Fifth) Annual General Meeting ('AGM') of the Members of the Company scheduled to be held on Thursday, September 24, 2026 at 11:30 a.m. IST through Video Conferencing / Other Audio-Visual Means.

The same is also available on the website of the Company at www.khadims.com.

This is for your information and record.

Thanking you.

Yours faithfully,

For **Khadim India Limited**

ABHIJIT DAN Digitally signed by ABHIJIT DAN
Date: 2026.09.02 23:35:32 +05'30'

Group Company Secretary & Head - Legal
Membership No.: A21358

Encl: As above



KHADIM INDIA LIMITED

ANNUAL REPORT

2025
26



www.khadims.com



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Guided by an unwavering commitment to affordability and quality, Khadim empowers consumers across India to step forward with confidence on every occasion. Through decades of innovation and a growing retail presence, the Company continues to shape the nation's footwear industry by expanding its stores and reaching more customers across the country.



To view this report online or for
any other information, please visit:
<https://www.khadims.com>

GROWTH

TRAJECTORY AND STRATEGIC TRANSFORMATION

Revenue

₹**3,670.95** MILLION

EBITDA

₹**472.85** MILLION

EBITDA Margin

12.9%

PAT

₹**31.39** MILLION

Retail Outlets

851

Volume Sales

5.80 MILLION PAIRS



■ ABOUT KHADIM

BUILDING ON OUR HERITAGE

Khadim India Limited is among India's leading branded footwear companies, operating an extensive network of exclusive branded retail stores across the country. The Company positions itself as an "Affordable Fashion" brand, catering to middle and upper-middle income consumers across metros, mini-metros, and Tier I to Tier III cities. Its product portfolio spans men's, women's and kids' footwear, including leather and non-leather sandals, slippers, boots, ballerinas, stilettos, moccasins, sports shoes, and accessories.

Khadim ranks as the second-largest footwear retailer in India, the largest presence in East India, and prominent brand player in South India. It operates India's largest footwear retail franchise network. The retail business channels 78% of its presence through the franchise route as of March 2026, while outsourcing 100% of its product requirement, reflecting a fully asset-light operating model.

Khadim's footwear portfolio spans contemporary designs, everyday comfort, and accessible price points. It is well-positioned to serve the evolving preferences of domestic consumers. With a focused approach to India's aspiring middle class across all age groups, the Company leverages its extensive retail network and core operational strengths to deliver a superior footwear experience, driving sustainable value for all stakeholders.

2nd largest
footwear retailer in India*

Largest presence
in Eastern India*

Prominent Brand Player
in South India*

Largest footwear
retail franchise network in India

*In terms of number of exclusive retail stores



OUR GUIDING PRINCIPLES

ETHOS



Our Vision

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



Our Mission

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



Our Value Creation Ecosystem

Khadim's business model is designed to deliver sustained value across seven key stakeholder groups:

Promoters

Personnel responsible for establishing, guiding, and supporting the Company's growth and long-term vision

Investors

Long-term wealth creation through profitable and responsible growth

Customers

Affordable, stylish, and comfortable footwear for every occasion

Retailers

A trusted partnership built on strong brand equity and consistent demand

Suppliers

Reliable, long-term business relationships anchored in mutual growth

Employees

Meaningful employment, skill development, and a safe work environment

Environment & Communities

Responsible operations with a positive social and environmental footprint

■ OUR JOURNEY

A CHRONICLE OF STEADY GROWTH

1981

- Acquired and took over the business of M/s S.N. Industries as a going concern with all its assets and liabilities
- Incorporated as a private limited company

1999

- Commenced retail operations in South India with two outlets in Chennai and one each in Bengaluru and Secunderabad

2005

- Accredited with ISO 9001:2000 certification for the manufacturing facility at Kasba Industrial Estate, West Bengal

2014

- Commenced e-commerce retailing operations through the Company's e-commerce website, while also utilizing online marketplace(s)



KEY MILE



1993

- Commenced retail business through COCOs for footwear products

2002

- Commenced manufacturing operations for footwear and leather products at Kasba Industrial Estate, West Bengal

2013

- Investment by Fairwinds Trustees Services (Reliance Alternative Inv Fund)
- Kasba facility accredited with ISO 9001:2008 certification

2017

- Listed on NSE & BSE with an IPO of ₹ 5,431 Mn
- Fresh issue of ₹ 500 Mn
- Offer for Sale of ₹ 4,931 Mn

2021

- Launched the new logo of the brand along with new brand tagline "Its Wow Its Khadim"
- Launched the new retail identity

2025

- Demerger of distribution business including the manufacturing segment into KSR Footwear Limited



STONES



2015

- Expanded retail business to include the 'shop-in-shop' retailing model

2019

- Implemented TOC across top COCO & EBO stores
- Engaged 3 brand ambassadors
- Launched new website & increased online sales

2022

- Launched the first ever CRM program for the retail
- Forayed into travel retail with first store in Kolkata International Airport
- Opened first store at iconic Sealdah Station

■ BRAND PORTFOLIO

A PORTFOLIO

BUILT FOR EVERY ASPIRATION

With distinct positioning across key market segments and a comprehensive product portfolio, Khadim is well-placed to penetrate approximately 85% of India's footwear market opportunity. The Company's identity as an accessible, fashion-forward brand ensures it remains the preferred choice for families across all occasions and price points.

Khadim's diversified brand portfolio is designed to serve the full spectrum of consumer needs, from everyday essentials to premium craftsmanship, making it a one-stop footwear destination for Indian households.

The flagship **Khadim** brand caters to the value-conscious consumer with fashionable, affordable footwear. **British Walkers** addresses the premium segment, offering men's leather shoes and sandals that blend timeless craft with modern aesthetics. **Lazard** targets the young professional with trend-forward formal and semi-formal styles, while Turk delivers hardy, all-terrain outdoor footwear for the active consumer. **Cleo** rounds out the women's range with bold, occasion-ready party wear.

Softouch offers closed and open shoes and sandals crafted in premium soft and faux leather for both men and women, combining everyday comfort with lasting quality. **Sharon** caters to the modern woman with fashionable yet functional sandals in faux leather, designed for style without compromise. Rounding out the portfolio for younger consumers, **Adrianna** delivers comfortable and trend-conscious footwear for pre-teen and teenage girls, while **Bonito** brings fun, colourful designs to toddlers and children, ensuring Khadim's product range speaks to every member of the family. Together, they reflect Khadim's strategic intent to deliver relevant, quality footwear across age groups, occasions, and price points.



RETAIL PRODUCTS

 **KHADIM**



Khadim

 **BRITISH WALKERS**
POWER STRIDE



British Walkers

 **LAZARD**



Lazard

 **cleo**
THE STYLE STORY



Cleo

 **TURK**
Rapid Life



Turk

 **PRO**



PRO

 **bonito**
fun together



Bonito

 **SHARON**
easiers



Sharon

 **adrianna**
walk like a princess



Adrianna

 **softouch**



Softouch

KHADIM ACCESSORIES

For Men



Laptop Bag



Casual Backpack



Wallet



Cross Body Bag



Portfolio Bag

Other



School Bags



Shoe Polish and Brush

For Women



Mini Hand Bag



Satchel Bag



Sling Bag



Tote Bag



Hobo Bag



Clutch Bag Wallet

Other



Socks



Belts



MESSAGE FROM THE EXECUTIVE CHAIRMAN

DEAR SHAREHOLDERS,

It is my privilege to present Khadim India Limited's Annual Report for FY 2025-26. The year was one of transition and purposeful action for the Company. Against a demanding external environment, we continued to strengthen the foundations of the business and evolve our proposition in step with changing consumer expectations. The progress made during the year has given us greater clarity on the business we want to build. We enter the new financial year with a stronger base and cautious optimism about the road ahead.

Siddhartha Roy Burman
Executive Chairman



Navigating a demanding operating environment

The footwear industry continued to face muted discretionary demand through much of the year, with pressure particularly visible in the mass and value segments. Across our retail network, customer footfalls were uneven, affecting store productivity and franchisee throughput. Although certain urban and semi-urban markets showed pockets of resilience, the broader recovery in consumption remained gradual.

In this environment, we took a calibrated approach. Primary sales to franchise partners were aligned more closely with secondary demand, unprofitable stores were rationalised and expansion decisions were evaluated against their ability to generate sustainable returns.

For the full year, revenue from operations stood at ₹ 3,670.95 million compared with ₹ 4,180.33 million in the previous year. EBITDA stood at ₹ 472.85 million, with an EBITDA margin of 12.9%, while profit after tax was ₹ 31.39 million. Performance reflected the combined impact of weaker demand, price rationalisation and promotional activity undertaken during the year. Encouragingly, margins improved towards the close of the year as inventory mix improved and the share of discounted merchandise declined.

“

CONSUMER ASPIRATIONS ARE ALSO CHANGING, WITH GREATER EMPHASIS ON DESIGN, COMFORT, FUNCTIONALITY AND CHOICE ACROSS PRICE POINTS.

A more focused business after the demerger

The completion of demerger of the distribution business and manufacturing segment into KSR Footwear Limited was among the most significant developments of the year. The restructuring has created a clearer operating structure for both businesses, enabling each to pursue its respective priorities with sharper strategic focus, greater operating efficiency and more appropriate capital allocation.

For Khadim, this translates into a more focused retail business, with strategy and execution aligned more closely to the dynamics of branded footwear retail. It provides greater room to concentrate on consumer relevance, store productivity, portfolio development, omni-channel reach and capital-efficient expansion.

Strengthening value while widening choice

Khadim has built its relevance over decades by making fashionable and dependable footwear accessible to India's middle-class consumer. During the year, we continued to recalibrate prices in the Khadim mother brand to improve competitiveness in value-sensitive categories. The reduction in GST to 5% on footwear priced below ₹2,500 was also passed on to consumers, improving affordability across a broader part of the market. While the benefit did not immediately translate into the volume recovery anticipated, it strengthened our value proposition.

Consumer aspirations are also changing, with greater emphasis on design, comfort, functionality and choice across price points. British Walkers maintained healthy momentum in men's formal and semi-formal footwear, supported by a wider premium range and with introduction of fresh concepts and designs, while Sharon continued to deepen its relevance among women consumers through refreshed designs, comfort-led products and enhanced in-store presentation. These developments reflect our ability to address aspiration while retaining the accessibility at the heart of the Khadim brand.

During the year, we also entered into a strategic partnership with Skechers, introducing selected

Skechers footwear across high-footfall Khadim stores. The association broadened our participation in premium sports and lifestyle footwear and added an established global brand to our retail proposition. The encouraging initial response led us to progressively expand the pilot.

Separately, we launched our athleisure offering in response to the growing preference for casual and comfort-led apparel. The category generated encouraging initial interest and added another dimension to our evolving lifestyle proposition. We also continued to refresh our own sports and casual footwear ranges through product innovation.

Building a more productive retail network

Our retail network continued to evolve with a stronger emphasis on productivity and returns. Khadim ended the year with 851 stores across India, comprising 189 Company-owned outlets and 662 franchise-operated outlets. The reduction in store count reflects the rationalisation of locations that did not meet our profitability thresholds, even as stores continued to be added selectively in attractive markets.

At year-end, 78% of the retail network operated through the franchise route, while the Company's product requirement was fully outsourced. This asset-light structure gives us greater

flexibility in responding to demand while allowing capital to be deployed with prudence.

Expansion will increasingly be led by capital-efficient franchise formats, particularly across East India and selected markets in South India. The True Franchise Model (TFM) portfolio recorded strong growth during the year, reinforcing our confidence in this approach. Company-owned stores will continue to play an important role in strategic locations where market potential and economics support direct investment.

Our digital presence also strengthened, with e-commerce contributing around 5% of revenue. Greater emphasis is now being placed on our own digital platforms alongside marketplace participation, supported by improvements in fulfilment and logistics. Digital commerce complements our physical network by expanding convenience, assortment visibility and reach.

Deepening the customer connect

Brand building remained integral to strengthening relevance across consumer segments. Marketing became more localised, occasion-led and product-focused, with communication built around festive, wedding, school and seasonal buying occasions.

Our approach combined traditional media, digital

communication, influencer engagement and in-store activation. Visual merchandising was sharpened and greater emphasis was placed on communicating product attributes such as comfort, construction, materials and design. British Walkers and Sharon were also given more distinct identities within the wider portfolio, helping us engage more effectively with different customer segments.

Strengthening financial and operating discipline

Improving working-capital efficiency and inventory quality was another important priority. Procurement was aligned more closely with actual demand, ageing merchandise was progressively cleared and inventory levels were reduced substantially. While this had some near-term impact on sales, it enabled the Company to close the year with a cleaner stock position and lower exposure to future discounting.

With this exercise substantially completed, the emphasis now moves towards replenishing the network with fresh and faster-moving merchandise while improving receivables and franchisee collections. Cost-efficiency measures undertaken during the year have also helped establish a leaner operating structure.

Looking ahead

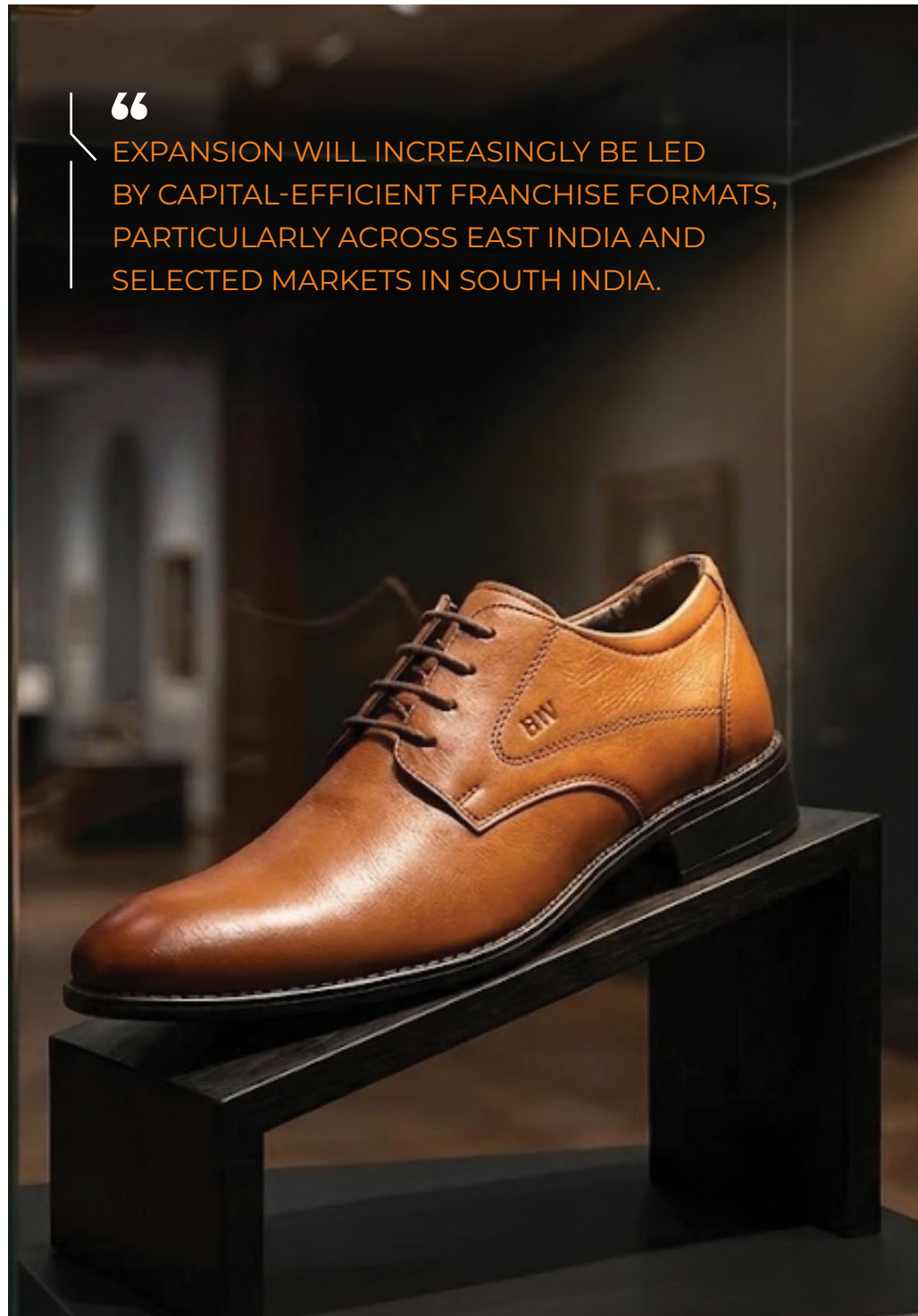
We enter FY 2026-27 with a more clearly-defined business model and a deliberate approach to growth. Our focus will remain on serving the broad needs of Khadim's core consumer while widening choice across categories and price points. We will continue to improve store productivity, deepen franchisee engagement and expand selectively through capital-efficient formats. Digital commerce, disciplined capital allocation and consistent brand investment will remain important enablers of progress.

The year also reinforced the importance of the relationships that sustain Khadim. Our employees, franchise partners, vendors and business associates continued to support the Company through a period of significant change. I thank each of them for their commitment. I also extend my appreciation to our customers for their continued confidence, to our shareholders for their continued trust and to my colleagues on the Board and the management team for their counsel and perseverance.

We remain confident in the enduring relevance of the Khadim brand and committed to creating sustainable value for all our stakeholders.

Warm regards,

Siddhartha Roy Burman
Executive Chairman



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EXPANSION WILL INCREASINGLY BE LED BY CAPITAL-EFFICIENT FRANCHISE FORMATS, PARTICULARLY ACROSS EAST INDIA AND SELECTED MARKETS IN SOUTH INDIA.

RETAIL BUSINESS

RESETTING

FOR RESILIENT GROWTH

DISCIPLINED EXECUTION IN A DEMANDING YEAR

FY 2025-26 was a year of structural change and disciplined consolidation for Khadim India Limited. The operating environment remained challenging through the year, marked by continued pressure on discretionary spending, a relatively subdued demand environment in value-driven segments, and the pass-through impact of the Goods and Services Tax (GST) rate rationalisation announced during the year. Against this backdrop, we prioritised balance sheet discipline over scale - rationalising loss-making stores, sharply correcting inventory levels, and deepening our premiumisation strategy through British Walkers, Sharon and Softouch. Retail remained the cornerstone of our performance, and we enter FY 2026-27 with a leaner network, a stronger product mix and a clearer line of sight to stabilising the topline.


COCO Stores*

189

Franchise-run Outlets*

662

Total Retail Network*

851

States & Union Territories*

23&4
respectively

*As on March 31, 2026

STRENGTHENING THE RETAIL FOOTPRINT

Retail remains our primary growth lever, and FY26 saw us recalibrate the network rather than expand it. During FY26, we closed 35 loss-making Company Owned Company Operated (COCO) outlets, bringing our total store count to 851 as on March 31, 2026, down from 886 at the end of March 31, 2025. Each closed store carried an estimated annual EBITDA drag of ₹ 5 lakh to ₹ 25 lakh; exiting these locations was a deliberate trade-off of near-term revenue for medium-term profitability.

Looking ahead, we expect our company-owned footprint to stabilise at around 200 stores, with incremental growth led through capital-light formats - EBOs and our FRM/TFM franchise arrangements, where store-level inventory continues to be owned by the Company but capital expenditure is borne by our partners. Near-term expansion will remain concentrated in the East, our strongest performing region, and select pockets of the South, even as we continue to moderate our presence in the West.

Operationally, we maintained a cautious and calibrated approach to inventory and working capital through the year, in line with prevailing demand trends, while continuing to strengthen franchisee engagement and store-level efficiencies across the network. Our asset-light expansion strategy remains central to our long-term growth plans.

PREMIUMISATION AND PORTFOLIO INNOVATION

Consumer demand through the year remained polarised between value-seeking and aspirational buyers. We continued to address this duality through a calibrated brand architecture: our heritage Khadim's mother brand anchors affordability, while a growing premium portfolio - led by sub-brands including British Walkers and Sharon - now contributes close to 60% of retail sales, at a gross margin roughly 5 percentage points higher than our mass-market range.

British Walkers, our premium men's formal and semi-formal leather footwear brand, contributed roughly 8% of total Company sales, supported by an expanded assortment of crushed-leather and wide-fit silhouettes priced upward of ₹ 5,000 - a meaningful step-up in our price architecture. Sharon and Softouch, our premium sub-brands, sustained steady growth and contributes roughly 14% of total Company sales. Our TFM-format stores, where the category mix skews toward these premium and semi-premium lines, delivered a strong 46% year-on-year growth in FY26.

Our partnership with Skechers, in its first full year, scaled from 10 to 20 pilot stores during FY26 and generated approximately ₹ 1.5 to 2.0 crore in revenue, with

sales recording sequential growth each quarter - early validation of our strategy to deepen presence in the premium and lifestyle footwear segment. Our athleisure range, launched in the first quarter of FY26, was scaled to around 70 stores carrying 40 to 50 designs by the year-end. Given that a large share of our store formats are sub-400 sq. ft. and lack changing-room infrastructure, we expect this rollout to remain calibrated rather than aggressive, with incremental growth led by larger-format COCO stores.

BALANCING AFFORDABILITY WITH VALUE CREATION

During the year, the Government's GST rate rationalisation reduced the applicable rate on footwear priced up to ₹ 2,500 to 5%. We passed this benefit through to consumers via reduced MRPs across our value range, building on price corrections already underway since FY25. While the near-term volume impact has been modest - the full effect will only be visible once our FY27 stock build fully reflects the revised pricing - we believe the narrower tax gap between organised and unorganised players should support demand recovery in our core products, priced below ₹ 1,500 over the medium term.

DIGITAL COMMERCE AND OMNI-CHANNEL EXPANSION

E-commerce Efficiency

Our online contribution grew steadily around 5% during FY26. We migrated our online fulfilment operations to a third-party logistics partner, Ekart, converting fixed logistics costs into variable costs and improving order turnaround and return handling. We are increasingly directing growth toward our own digital storefronts - khadims.com and britishwalkers.com - where margins are significantly higher than third-party marketplaces; we also plan to launch a dedicated platform for our sports sub-brand during FY27. Our medium-term ambition is to scale e-commerce to approximately 10% of total sales, while supporting demand recovery in our core products, priced below ₹ 1,500 over the medium term.

Omni-channel Experience

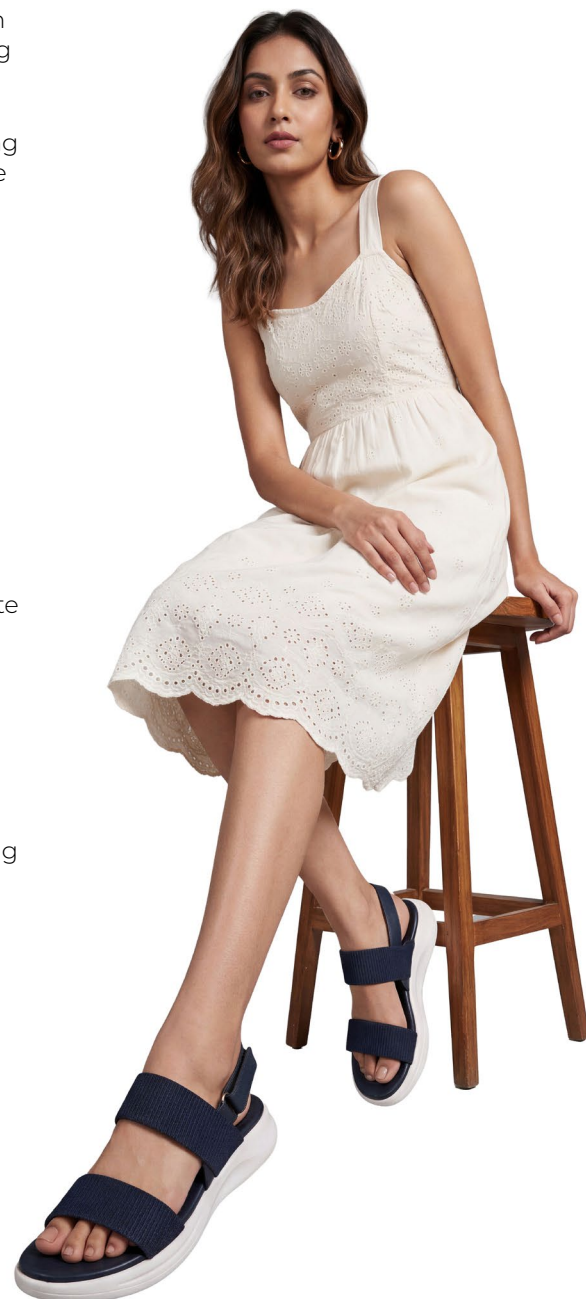
Orders placed on our own websites are serviced directly from the nearest Company store rather than a central warehouse, reducing shipping costs and turnaround times while strengthening inventory visibility across the network. We continue to maintain a presence across leading third-party marketplaces, while developing exclusive, margin-accretive product lines designed specifically for these channels.

CONSUMER ENGAGEMENT AND BRAND BUILDING

Marketing through the year focused on building deeper, more localised connections with consumers, supported by sharper visual merchandising and dedicated in-store zones that spotlight our premium British Walkers and Sharon ranges. We continued to deepen franchisee engagement, working collaboratively with partners to improve store-level throughput and to align inventory and pricing actions across the network as we executed our broader working-capital correction.

FINANCIAL RESILIENCE AND CAPITAL DISCIPLINE

A defining theme of FY26 was working-capital discipline. We reduced inventory days from 137 in March 2025 to 125 by March 2026, and brought down absolute inventory value by nearly 6% year-on-year by the close of the year - consciously flushing out ageing and discounted stock ahead of rebuilding with our new seasonal collections. Trade creditors and net debt were managed in tandem, with closing borrowings held within our targeted ₹ 110 to 115 crore range. Having largely completed the inventory correction, our priority for FY27 shifts to receivables, particularly the collection cycle with franchise partners.



■ MARKETING INITIATIVES

CELEBRATING OUR PAST & SHAPING OUR FUTURE

Khadim continued to strengthen its position as one of India's most trusted footwear brands through a robust and integrated marketing strategy during FY 2025–26. Guided by the brand's commitment to making fashion accessible to every Indian, our marketing initiatives focused on enhancing brand visibility, driving consumer engagement, and supporting business growth across both urban and emerging markets.

The year witnessed a balanced mix of traditional and digital marketing efforts, supported by region-specific activations, festive campaigns, product-focused communication, and retail expansion initiatives. Our campaigns were carefully designed to connect with diverse consumer segments across India while reinforcing the brand's core values of affordability, style, and comfort.

Brand Performance

FY2026 presented a challenging operating environment for Khadim, marked by muted consumer demand and sustained pressure on discretionary spending, particularly in the mass and value segments. Despite this headwind, we made meaningful progress on its premiumisation agenda. The TFM (True Franchise Model) portfolio delivered a growth of 46% year-on-year during FY2026, reflecting improving acceptance across customer segments and continued traction in premium and semi-premium categories. The product range is segmented across four tiers.



KEY MARKETING HIGHLIGHTS

Festive & Seasonal Campaigns

Throughout the year, Khadim leveraged major cultural and shopping occasions to engage consumers and drive store footfalls.

Bihu Campaign

– Assam

A focused regional campaign was executed across Assam through mobile branding initiatives and culturally relevant visual merchandising, strengthening brand visibility during one of the region's most celebrated festivals.



School Campaign

– Pan India

The annual School Campaign was rolled out across key markets, particularly in South India, utilizing transit media and retail branding to connect with parents and students during the back-to-school season.

Durga Puja Campaign

– Eastern India

One of the brand's flagship festive initiatives, the Durga Puja campaign combined print advertising, influencer collaborations, user-generated content, AI-powered digital films, and extensive in-store branding to create strong consumer engagement during the festive period.



Diwali Campaign

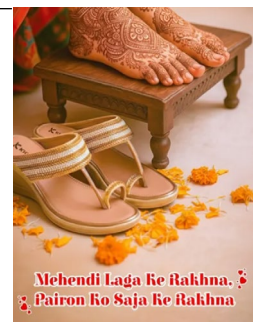
– Pan India

A nationwide integrated marketing campaign leveraged outdoor media, transit branding, leaflet distribution, and retail promotions to maximize reach during India's largest festive shopping season.

Wedding Campaign

– North & East India

Targeting key wedding markets such as Uttar Pradesh, Bihar, and Jharkhand, the campaign utilized a combination of on-ground activations, social media engagement, influencer outreach, and direct consumer communication to drive seasonal demand.



End of Season Sale

(EOSS)

The EOSS campaign was supported by print media, digital influencers, WhatsApp marketing, and impactful in-store communication, generating strong consumer response and enhancing sales momentum.



Eid Campaign

Focused promotional activities in key markets including West Bengal and Assam helped strengthen consumer engagement during the festive season through localized outreach and retail branding.

Cultural connect through Festival Marketing

In FY26, we executed its highest-visibility festive campaigns. Dussehra and Diwali were the centrepieces of the festive communication, with themes anchored to cultural celebrations and product launches in bags, festive footwear, and accessories. Creative executions included a Dussehra campaign with the tagline “Win Over Evil with Divine Glory” and a Diwali positioning of “Festivity in a Frame”. Wedding season campaigns aligned with the Saajan Ji Ghar Aaye theme, and sports-linked content was deployed around the Cricket World Cup 2025 with the “Pro-ficiency Painted in Blue” concept. Winter campaigns promoted boot and sneaker collections under creatives including “Crystal Clear Flair” and “Slide Through the Snow in Style”. Animated short-video formats and lifestyle AI visuals were prominently deployed across social media in this quarter.





Valentine's, Wedding and Spring Collections

Marketing was anchored around the Valentine's season, with campaigns themed "Love is in the Pair" and "For Your Picnic Dates". Wedding season content through February and March featured highly elevated AI-generated visual productions including "Your Forever Wala Pair," "Aise Joote Chupaaye Nahi Chupte" and a "Save the Date" bridal editorial series. Spring 2026 launch campaigns highlighted trends under titles such as "Trends that Lead in Spring 2026" and "No One Can Resist our Vastly Loved Styles." British Walkers received dedicated campaign support with outdoor lifestyle visuals under the "Built Strong, Walk Long" and "Even Sitting Down, They Stand Out" concepts.

Summer and Monsoon Campaigns

The marketing cycle emphasised summer and monsoon product categories. Campaign creatives featured messaging around comfort and weather-ready footwear, including themes like "Splash. Strut. Slay." for monsoon-ready styles, "An Oasis of Comfort" for summer sandals, and "Rain-proof Glam" for cros-category footwear. A Back-to-School campaign contest was executed in Tamil Nadu, Karnataka, Andhra Pradesh and Telangana, with consumers invited to share images using a dedicated brand hashtag to win Khadim gift vouchers. Bridal and wedding collections were also promoted under concepts such as "Bridal Bliss Unboxed".



Retail Expansion & Store Launch Promotions

FY 2025-26 marked a significant milestone in Khadim's retail growth journey with the opening of 60 new stores across India. To support these launches, the Company implemented comprehensive store-opening campaigns featuring on-shop and in-shop branding, localized outdoor promotions, mobile advertising, leaflet distribution, and digital communication initiatives. These efforts successfully enhanced awareness, increased footfalls, and accelerated market penetration in new locations.

PRODUCT LAUNCH & BRAND BUILDING INITIATIVES

The year also witnessed the introduction of several exciting product collections across key sub-brands, including:



British Walkers

Premium Collection & Comfort Range



Sharon

California Construction Collection



PRO

Sneakers Range

These launches were supported through integrated marketing campaigns encompassing print advertising, point-of-sale communication, visual merchandising, and digital outreach. The communication strategy emphasized the distinct positioning and value proposition of each sub-brand, enabling stronger consumer connect and category growth.

Premiumisation and Seasonal Category Expansion

On the product side, the British Walkers sub-brand introduced premium, occasion-led collections during the year aimed at the wedding and party segment, including crushed leather styles described internally as carrying a premium, classy look suited to weddings and parties, alongside an expanded wide-fit range. These collections were positioned in the premium price bands above ₹ 2,999, extending up to approximately ₹ 6,999, as part of a broader strategy to build dedicated in-store zones and visual merchandising for the brand.

Festival-linked promotional activity also extended to the athleisure category, which was introduced during the year and scaled across a defined set of stores, with management noting that sales in this category were seasonal in nature, softening during winter months and expected to pick up again with the onset of the summer season.



STRATEGIC IMPACT OF MARKETING

Rebuilding Value Segment Market Share

Our brand and product strategy through FY26 was oriented around defending and rebuilding market position across price segments that had seen demand pressure in prior years.

Premium Sub-Brand Performance

The pricing and positioning strategy was extended to the premium sub-brands. British Walkers, the Company's premium men's formal and semi-formal footwear brand, contributed roughly 8% of total Company sales, while Sharon, the women's footwear sub-brand, contributed roughly 7% of total Company sales.

Together, the two sub-brands contributed roughly 15% of total Company sales, with management indicating an ambition for premium sub-brands to scale to approximately 20 to 25 percent of the overall sales mix over a 3-to-4 year horizon. The margins on these sub-brands run approximately 5% higher than the mass market mother brand, meaning continued premiumisation has a direct, quantifiable bearing on blended gross margin.

The Skechers Partnership

The Company's partnership with Skechers, launched as a pilot initiative, was cited as a further extension of this premium and lifestyle positioning strategy, with store coverage under the partnership increased from 10 to 20 stores during the year and sequential sales growth reported, alongside continued investment in in-store displays for the brand.



Shift Toward Owned Digital Channels

On the digital side, management described a deliberate shift in marketing and operational focus toward the Company's own e-commerce properties, khadims.com and britishwalkers.com, rather than third-party marketplaces, on the basis that the Company's own website carries a materially higher margin profile, compared to marketplace channels.

E-commerce contribution to overall sales was reported to have grown through the year approximately 5 percent by end of FY 26, with management targeting a contribution of up to 10% in the following year, alongside the engagement of a specialist e-commerce agency to support this channel.

Driving Brand Growth Through Integrated Marketing

Across all initiatives, Khadim continued to adopt a consumer-centric marketing approach that blended traditional media, digital engagement, influencer partnerships, retail branding, and localized activations. This integrated strategy not only strengthened brand visibility across markets but also reinforced Khadim's position as a preferred footwear destination for millions of consumers across India.

As we celebrate our legacy and look toward the future, Khadim remains committed to creating meaningful consumer experiences, expanding its reach, and driving sustainable brand growth across the country.

■ BUSINESS OUTLOOK

STRATEGIC OUTLOOK AND GROWTH

LOOKING AHEAD,



we plan to expand the British Walkers and Sharon product lines across a wider retail footprint. New spring-summer season products, carrying enhanced average selling prices, are expected to support a gross margin improvement of approximately 50 basis points in FY2027. E-commerce contribution, currently at approximately 5 percent of revenues, is targeted to grow further as the Company sharpens its focus on www.khadims.com. Our strategic priorities remain anchored in premiumisation, portfolio strengthening, and disciplined network expansion through its asset-light franchise model.

This growth strategy, articulated consistently across each quarterly investor presentation for FY 2025-26 and beyond, rests on four core priorities. We intend to expand our store network on a pan-India basis, with continued emphasis on premiumisation, an asset-light operating model, and optimum capacity utilisation. Within this, retail footprint expansion is being specifically directed toward Eastern and Southern India. New markets are being entered through a COCO-led store opening approach, which is then followed by franchise-based augmentation to scale presence more efficiently. Alongside network expansion, we are focused on growing the pan-India presence of its sub-brands, using this premiumisation push to improve average selling prices across the portfolio.

Underpinning this strategy is our brand market segment positioning, which is designed to capture growth across nearly the entire addressable Indian footwear market. Through its multi-sub-brand architecture, Khadim addresses approximately 85% of the market, spanning the premium segment (₹ 3,000 and above), the mid segment (₹ 1,001 to ₹ 3,000), the economy segment (₹ 501 to ₹ 1,000), and the mass segment (up to ₹ 500) simultaneously, positioning us to capture demand across price points rather than within a single segment alone.

■ OUR PEOPLE

EMPOWERING TALENT ACROSS THE ORGANISATION

Our employees are our most valuable asset and cornerstone of our success. We are committed to fostering an inclusive and empowering environment that enables our people to thrive both personally and professionally. In FY 2025-26, we intensified our efforts to invest in our workforce, offering robust opportunities for skill development, well-being and engagement to align with our organisational goals and culture.

Employee welfare continues to anchor the Company's Human Resources philosophy. Over the course of FY26, wellness programming was expanded through collaborations with external healthcare professionals, with the aim of providing employees more holistic, well-rounded care. Initiatives undertaken during the year included an eye screening programme, designed to encourage regular vision care and enable early identification of eye-related concerns among staff; General health check-ups held under the broader employee wellness programme, reflecting the Company's continued focus on its people's physical well-being; and an awareness session on heat stroke, intended to equip employees with the knowledge to recognise and respond to seasonal health risks.



FACILITATING LEARNING AND DEVELOPMENT

The Company's training architecture is built to sharpen current employee capability while preparing teams for future growth. FY 2025-26, 151 training sessions were conducted supported by 86 training content modules made available on the K-pathshala app, spanning several critical functional areas.

Customer service training centred on strengthening customer interactions and improving overall

satisfaction. Season launch training equipped staff with knowledge of new product ranges and corresponding market strategies, while product knowledge sessions deepened employees' understanding of the Company's footwear and accessory offerings.

SPECIALISED PROGRAMMES

A set of specialised programmes ran alongside the core training calendar. Communication skills training was aimed at building stronger interpersonal and professional communication ability among staff.

Facilitation and presentation skills training guided employees in setting clear goals, prioritising tasks, and using planning and collaboration tools more effectively. Excel skills training upskilled employees in data handling and analysis to improve operational efficiency. In addition, focused leadership development programmes and internal training sessions were carried out to build capability across various functions of the organisation.

HEALTH CHECKUP PROGRAMMES

A range of health checkup and eye checkup initiatives were rolled out for employees during the year in association with Fortis Hospital and Iris Multispeciality Hospital. General health checkup programmes were conducted to monitor and support overall employee health. A body composition analysis health checkup, a specialised programme, was introduced to help assess and guide employees on maintaining healthy body metrics.

RETAIL CAPABILITY BUILDING

Retail-focused capability building covered several areas. Retail KPI training strengthened employee skills in achieving key performance indicators across retail operations. Classroom training sessions covered grooming, communication skills, and time management. Induction training welcomed new hires through a comprehensive onboarding process designed to align them with Khadim's culture and organisational goals.

FOSTERING EMPLOYEE ENGAGEMENT

We hold the view that strong employee connections are a driver of creativity, innovation, and organisational growth. In line with this, several festivals and events were celebrated during FY 2025-26 to build a sense of belonging and team cohesion.

Durga Puja celebrations brought employees together in a vibrant cultural festivity, while Diwali celebrations were held across the retail network to lift team spirit. Retail Employee Day was observed to recognise the dedication of the retail workforce.

**No. of LMS
Training via
K-Pathshala App**

86

Virtual and OJT

151



TALENT ACQUISITION AND RETENTION

We maintained our strategic focus on recruiting talent aligned with its organisational culture and values. This approach emphasised

cultural fit assessment during the recruitment process, comprehensive onboarding programmes for new employees, retention strategies centred on career development and growth opportunities, and the creation of pathways for internal mobility and advancement.

■ CORPORATE SOCIAL RESPONSIBILITY

OUR COMMITMENT BEYOND BUSINESS

In FY26, Khadim India Limited's Corporate Social Responsibility initiatives centred on three priority areas - safe drinking water, education, and healthcare, reflecting the Company's continued commitment to community welfare. Key interventions included installing water purification systems in schools across West Bengal, supporting education and livelihood skill-building for underprivileged children, and contributing toward critical medical equipment for a leading liver care institute.

CSR INITIATIVES



Safe Drinking Water

The Company installed water purifiers across six schools in West Bengal – Naihati Narendra Vidyaniketan (H.S.), Naihati Katyayani Girls' High School, Garifa Girls' High School, Uttar Garifa Pallimangal High School, Naihati Anand Swaroop High School, and Prafulla Sen Girls' High School at a cost of ₹5,63,995/-.



Education and Livelihood

The Company partnered with Child In Need Institute (CINI) on "Badhte Kadam," supporting learning and livelihood enhancement for children aged 10-16 from vulnerable slums in Topsia, Kolkata, contributing ₹2,10,000/-.



Healthcare Infrastructure

The Company donated ₹10,00,000/- to Liver Foundation for a Cholangioscope, an endoscopy instrument, for the Institute of Liver and Digestive Sciences (ILDS), Sonarpur.

Total CSR Expenditure

₹ 17,73,995/-

CORPORATE

INFORMATION

Board of Directors

Mr. Siddhartha Roy Burman	Executive Chairman
Mr. Rittick Roy Burman	Managing Director
Prof. (Dr.) Surabhi Banerjee	Independent Director
Mr. Alok Chauthmal Churiwala	Independent Director
Mr. Sekhar Bhattacharjee	Independent Director (w.e.f. July 02, 2026)
Mr. Ritoban Roy Burman	Non-Executive Non-Independent Director

Group Chief Financial Officer

Mr. Indrajit Chaudhuri

Group Company Secretary & Head - Legal (Compliance Officer)

Mr. Abhijit Dan

Statutory Auditors

M/s. Ray & Ray
Chartered Accountants, Kolkata

Secretarial Auditors

M/s. BKG & Company
Company Secretaries, Kolkata

Legal Advisor

Mr. Joydev Sengupta, Advocate
Founder, JSG Legal

Bankers

State Bank of India
ICICI Bank Limited
Central Bank of India
Union Bank of India
IndusInd Bank Limited

Registrar and Share Transfer Agent

MUFG Intime India Private Limited (Formerly, Link Intime India Private Limited)
C -101, Embassy 247, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083
Email: mumbai@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Tel: +91 22 49186000

Registered Office

7th Floor, Tower C, RDB Primarc TechPark,
08 Major Arterial Road Block - AF New Town
(Rajarhat), Kolkata - 700 156 West Bengal, India
CIN: L19129WB1981PLC034337
Email: compliance@khadims.com
Website: www.khadims.com
Phone: +91 33 40090501

Board Committees

Audit Committee

Mr. Alok Chauthmal Churiwala	Chairman
Prof. (Dr.) Surabhi Banerjee	Member
Mr. Sekhar Bhattacharjee	Member (w.e.f. July 02, 2026)

Nomination & Remuneration Committee

Mr. Alok Chauthmal Churiwala	Chairman
Prof. (Dr.) Surabhi Banerjee	Member
Mr. Ritoban Roy Burman	Member (w.e.f. April 07, 2026)

Corporate Social Responsibility (CSR) Committee

Prof. (Dr.) Surabhi Banerjee	Chairperson
Mr. Siddhartha Roy Burman	Member
Mr. Ritoban Roy Burman	Member

Stakeholders' Relationship Committee

Prof. (Dr.) Surabhi Banerjee	Chairperson
Mr. Siddhartha Roy Burman	Member
Mr. Ritoban Roy Burman	Member

■ **BOARD OF DIRECTORS**

STRATEGIC LEADERSHIP



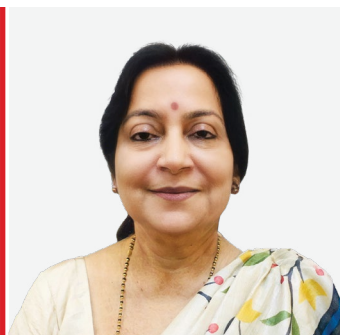
Siddhartha Roy Burman
Executive Chairman

He is one of the Promoter of the Company. He has been associated with the Company since its incorporation and has over 43 years of experience in the footwear industry. He is at the helm of overall strategic decision-making of the Company and provides leadership to all operations. He holds a Bachelor's degree in Commerce from the University of Calcutta.



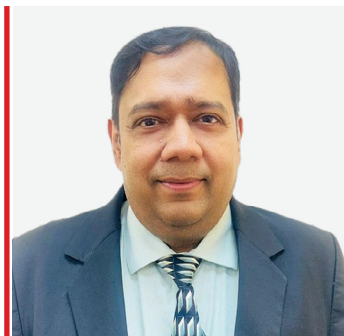
Mr. Rittick Roy Burman
Managing Director

He is a member of the Promoter Group of the Company. He has been appointed as a Managing Director with effect from April 2025. Prior to his appointment as a Managing Director, he served the Company as a Whole-time Director. He is responsible for overall strategy and long-term growth of the Company. His diverse experience across different departments has provided him with a comprehensive understanding of the business. He holds a Bachelor's Degree in Commerce from the University of Calcutta. He is also a Management Graduate from University of California, Berkeley.



Prof. (Dr.) Surabhi Banerjee
Independent Director

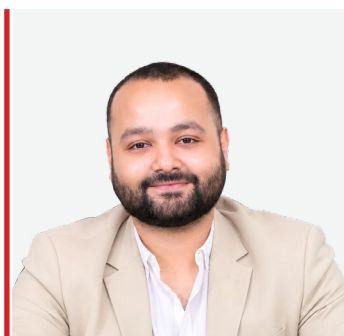
She joined the Company as an Independent Director in May 2017. She has 38 years of experience as an academician. Prior to joining our Company, she was associated as Vice Chancellor with the Central University of Orissa, University of Gour Banga and Netaji Subhas State Open University. She holds a Master's Degree in Arts from the University of Leeds and a Doctorate in English from the University of Calcutta.



Mr. Alok Chauthmal Churiwala

Independent Director

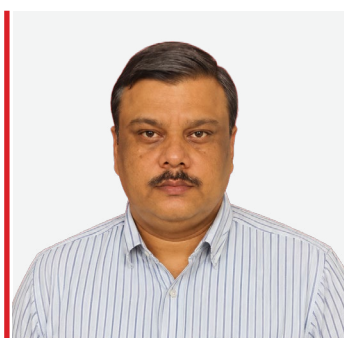
He joined the Company as an Independent Director in May 2018. He is a third generation stockbroker and an angel investor with a rich experience of over 28 years in the Indian Capital Markets. As the driving force behind, Churiwala Securities Private Limited (CSPL), his focus and vision enabled the CSPL to establish itself as a prominent and respected player in the industry. He has been instrumental in starting the CDSL and NSE operations of the Churiwala Group. He also played a key role for the CSPL's tie up with Larsen & Toubro and Trade.com for their Internet venture (Lttrade.com). He holds a Bachelor's Degree of Commerce from H.R. College of Commerce & Economics, Mumbai. He also holds a Diploma in Securities Law from the Government Law College, Mumbai and he has completed executive learning programmes from IIM, Ahmedabad & Indian School of Business, Hyderabad.



Mr. Ritoban Roy Burman

Non-Executive
Non-Independent Director

He was appointed as a Non-Executive Non-Independent Director of the Company in December 2017. He joined the Company in 2013 as Manager-Marketing and served in this capacity till November 2017. During this period, he gained good exposure in various aspects of footwear marketing. Since then, he has been an integral part of our organisation, contributing his valuable expertise across different facets of the business. He holds a Bachelor's Degree in Mass Communication from St. Xavier's College, Kolkata.



Mr. Sekhar Bhattacharjee

Independent Director

He has been associated with the Company since July 2026. He is having professional experience of more than 35 years in the field of Compliance, Governance and Legal with Multinational and Large Corporate Houses. During his career, he has handled various mergers & amalgamations, IPOs, Rights Issue, Private Placement of shares apart from critical activities like forensic audit by lenders, management audit, SEBI investigation, Stock Exchange investigation, DRI enquiry, CBI enquiry, Enforcement Directorate summons, etc. He was previously associated with Tractors India group, ABB and ALSTOM groups. He is an Associate Member of Institute of Company Secretaries of India ('ICSI') and also holds a Bachelor degree in Science [ECO (H)]. He has been engaged in providing corporate training on contract negotiation with special emphasis on project contracts.

LEADERSHIP

TEAM



Mr. Indrajit Chaudhuri

Group Chief Financial Officer

He joined the Company in May 2007. He has an experience of over 25 years in finance & accounts, taxation and strategic planning. He is responsible for finance, accounts, taxation, treasury management and overall financial control. Additionally, he is also responsible for the Legal & Secretarial, HRM and General Administration verticals. Prior to joining the Company, he was associated with M/s P. G. Shah and Co., Chartered Accountants. He is a Fellow Member of the Institute of Chartered Accountants of India and also holds a Master's Degree in Commerce from the University of Calcutta.



Mr. Abhijit Dan

Group Company
Secretary & Head – Legal

He joined the Company as CS & Head – Legal in May 2015. He has over 25 years of experience in secretarial and legal affairs and is responsible for the overall secretarial and legal functions of the Company. Before joining the Company, he was associated with MCPI Private Limited (formerly, Mitsubishi Chemical Corp. PTA India Private Limited), Emami Infrastructure Limited and Burnpur Cement Limited. He holds a Bachelor's Degree in Economics from the University of Calcutta. He is an Associate Member of the Institute of Company Secretaries of India and also holds a Bachelor's Degree in Law.



Mr. Aranya Ray

General Manager - Supply Chain
Management

He joined the Company in August 2005 and possesses an overall experience of 26 years in supply chain, buying and merchandising. He is responsible for supply chain, logistics, procurement and merchandising in the Company. Prior to joining the Company, he was associated with Companies like ICI India Limited and ITC Limited. He holds a Master's Degree in Business Administration from Sikkim Manipal University and a Master's Degree in Science (M.Sc. - Physics) from the University of Calcutta.



Mr. Kaushik Dutta

Assistant General Manager - Sales

He joined the Company in March 2007 and holds around 22 years of experience in the field of retail sales & marketing within the footwear domain. He leads the entire Retail and E-commerce business of the Company. He was associated with Pantaloons Retail India Limited prior to joining the Company. He has done PGCBM from XLRI Jamshedpur and holds a Bachelor's degree in Science from the University of Calcutta.



STATUTORY REPORTS & FINANCIAL STATEMENTS

Management Discussion & Analysis

INDUSTRY STRUCTURE AND DEVELOPMENTS

The global economy remained resilient in FY 2025-26 despite heightened geopolitical tensions, evolving trade policies and continued supply chain disruptions. Ongoing conflicts in the Middle East, coupled with rising trade restrictions and policy uncertainty, weighed on global trade, investment and commodity markets. However, stable labour markets, continued fiscal support and technology-led investments, particularly in Artificial Intelligence (AI), supported economic activity, while supply chain diversification and energy security measures helped strengthen resilience.

The global footwear market size was valued at USD 476.8 billion in 2025 and is projected to grow from USD 496.2 billion in 2026 to USD 675.6 billion by 2033¹, at a CAGR of 4.5% from 2026 to 2033¹. The global footwear industry is influenced by the increasing population and urbanisation, which create a demand for varied types of footwear, ranging from casual to sports footwear. Health awareness increases the sale of athletic and sports shoes, while fashion trends drive demand for style and design. Additionally, comfort and customisation are still essential factors determining growth, with consumers preferring shoes that express individuality and offer ergonomic advantages.

India remained one of the world's fastest-growing major economies in FY 2025-26, supported by resilient domestic consumption, robust public investment and continued policy reforms. Despite external challenges arising from geopolitical tensions, trade uncertainties and volatile energy prices, the economy demonstrated strong resilience, underpinned by a diversified trade base and sustained domestic demand. However, at the fag end of FY 2025-26, the Gulf conflict has set in uncertainties as to the sourcing and pricing of petroleum-based raw materials.

Valued at USD 20.67 billion in 2025, the Indian footwear market is projected to reach USD 47.53 billion by 2034, growing at a CAGR of 9.7% during 2026-2034². Policy support through the Indian Footwear and Leather Development Programme (IFLDP) is expected to enhance manufacturing capabilities, facilitate technology adoption, improve skill development and strengthen export competitiveness. Supported by favourable demographics, rising domestic consumption and increasing integration into global value chains, the Indian footwear industry is well positioned for long-term growth.

¹ <https://www.grandviewresearch.com/industry-analysis/footwear-market>

² <https://www.imarcgroup.com/india-footwear-market>



Management Discussion & Analysis

COMPANY OVERVIEW

Khadim India Limited (also referred to as 'Khadim' or the 'Company') is a footwear retail company with a long-standing presence in the Indian market. Headquartered in Kolkata, West Bengal, the Company has built a strong retail network and established itself as a trusted footwear brand, particularly in Eastern and Southern India.

FY 2025-26 marked an important milestone with the completion of the demerger of the distribution and manufacturing businesses into KSR Footwear Limited. As a result, the Company now operates as a focussed footwear retailer, with greater emphasis on retail operations, customer experience, and operational efficiency.

Guided by its philosophy of "Affordable Fashion", Khadim offers a wide range of footwear and accessories for men, women, and children across the casual, formal, school, and everyday wear categories. The Company continues to cater to its core middle-class consumer base while strengthening its presence in higher-value segments through brands such as British Walkers and Sharon.

As of March 31, 2026, the Company operated 851 branded retail stores across 23 States and 4 Union Territories. Khadim's extensive footprint is supported by one of the largest footwear franchise networks in the country and a strong presence in East India.

Khadim follows an asset-light retail model, with a significant portion of its store network operated through franchise partners and all product requirements sourced externally. This approach provides flexibility, supports efficient capital deployment, and enables disciplined expansion.

The Company continues to strengthen its product portfolio through design-led development, consumer insights, and an understanding of evolving fashion trends. Khadim is also enhancing its omnichannel presence to provide a seamless shopping experience across physical and digital channels. Supported by a recognised brand, a wide retail reach, and a customer-focussed approach, Khadim remains focussed on strengthening its retail business and creating long-term value.

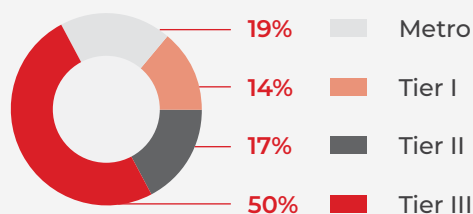
Khadim's Geographical Reach

Presence in **23** States & **4** Union Territories

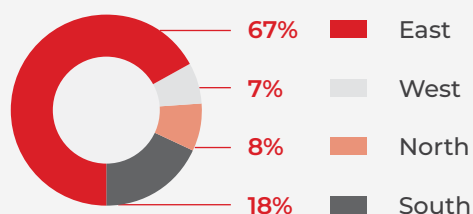
Brand Network

Retail Stores	851
COCO	189
Franchises	662

Retail Stores - Tier-wise



Retail Stores - Zone-wise



Management Discussion & Analysis

FINANCIAL HIGHLIGHTS

In the financial year 2025-26, the net sales of your Company from continuing operations decreased to ₹ 3,670.95 million from ₹ 4,180.33 million in the previous year, a decline of 12.2%.

The operating EBITDA decreased to ₹472.85 million as against ₹652.73 million in the previous year, down by 27.6%. The operating EBITDA margin decreased to 12.9% of net sales as against 15.6% in the previous year.

Profit Before Tax was ₹ 50.23 million as against Profit Before Tax of ₹ 220.12 million in the previous year, down by 77.2%.

The Profit After Tax was ₹31.39 million as against Profit After Tax of ₹ 193.97 million in the previous year, down by 83.8%.

Further, pursuant to the requirements of Indian Accounting Standards (Ind AS), the results of the Company's distribution business up to the appointed date of demerger have been disclosed as discontinued operations. Consequently, the financial results of the Company for the previous year ended March 31, 2025, have been presented accordingly. *

**Note: Applicable to all the figures as on March 31, 2025, mentioned herein.*



OPERATIONAL HIGHLIGHTS

During the year, the Company implemented several measures to boost operational efficiency, including the following:

- To standardise our warehouse operations, we have rolled out Microsoft D365 WMS across all Distribution Centres (DCs). This ensures our teams can seamlessly follow standard operating procedures.

- An in-house Business Intelligence tool was designed to enhance supply chain tracking, tracing, and decision-making analytics.

- Reduced space at Kundli (near NCR) for cost reduction.

- Streamlined staffing to lower operational cost at DC level.

- Aggressive stock reduction drive took place to optimise stock health and efficiency.

- Negotiations with the respective vendors for reduction of monthly DC operational cost.

- The weekly supply plan is collected from vendors. Further, vendor delivery performance is monitored daily to ensure on-time supply.

- Deployment of a vendor management system to secure better tracking of supplier deliverables.

- 100% Quality Control implemented for premium brand British Walkers.

- The Company renovated 12 number of existing COCOs during the year under review.

- The Company opened 11 COCOs and 35 FRMs / TFMs during FY 2025-26.

Management Discussion & Analysis

BUSINESS OVERVIEW

Following the demerger of its distribution and manufacturing businesses into KSR Footwear Limited, Khadim India Limited operates as a focussed footwear retail company. The Company derives its revenue from the sale of footwear and accessories through its retail network and digital channels, with an emphasis on customer engagement, merchandising, and retail execution.

As of March 31, 2026, the Company operated 851 branded retail stores across 23 States and 4 Union Territories, comprising 189 Company-Owned Company-Operated (COCO) stores and 662 franchise-operated stores. Leveraging the franchise model, Khadim benefits from an asset-light and scalable retail structure. The Company enjoys a strong presence in Eastern and Southern India and has built one of the largest footwear franchise networks in the country.

Khadim offers a diversified portfolio of footwear and accessories for men, women, and children across casual, formal, school, fashion, and everyday wear categories. The Company's product range spans both leather and non-leather offerings across multiple price points, ranging from ₹123 to ₹6,499. The portfolio is marketed under the flagship Khadim brand and a range of established sub-brands, including British Walkers, Sharon, Lazard, Turk, Pro, Cleo, Softouch, Adrianna and Bonito. Supported by its diversified brand portfolio and multi-price-point strategy, the Company addresses a significant portion of the Indian footwear market across consumer segments and usage occasions.

The Company follows a fully outsourced sourcing model, with 100% of its product requirements sourced through contract manufacturing and outsourcing arrangements. This asset-light structure provides flexibility in sourcing, product development, and inventory management, while supporting efficient capital deployment.

The Company continues to strengthen its product portfolio through design-led development and consumer insights. At the same time, it is expanding its presence in higher-value categories through brands such as British Walkers, Pro, Sharon and Cleo, while maintaining its value-for-money positioning. Khadim also continues to enhance its omnichannel capabilities and focus on improving store productivity across its retail network.

Backed by a recognised brand, extensive retail reach and an asset-light business model, the Company remains focussed on strengthening its retail platform and pursuing sustainable long-term growth.



Management Discussion & Analysis



Digital platforms support wider market reach, improve customer engagement and provide valuable insights into evolving consumer preferences. The Company continues to focus on strengthening its online presence and leveraging digital channels to support customer acquisition, brand visibility and long-term growth.

MARKETING AND BRAND BUILDING

Khadim continued to strengthen brand visibility and consumer engagement during FY 2025-26 through a mix of festive, regional, digital and retail-focussed marketing initiatives. The Company undertook key campaigns including Bihu, School Campaign, Durga Puja, Diwali, Wedding, End of Season Sale (EOSS) and Eid, with a focus on strengthening brand recall and consumer connect across markets.

Scalable Asset-light Business Model

Khadim's retail business is built on an asset-light operating model that supports growth while maintaining capital efficiency. As on March 31, 2026, approximately 78% of the Company's retail network operated through franchise partners, enabling wider market reach with lower capital requirements.

The Company's sourcing model further complements this structure. With 100% of product requirements met through contract manufacturing and outsourcing arrangements, Khadim benefits from sourcing flexibility, efficient inventory management, and the ability to respond to evolving consumer preferences.

This combination of a franchise-led retail network and outsourced sourcing enables the Company to focus on merchandising, customer engagement, and retail execution, while supporting operational discipline and scalability.

Strengthening Digital and Omnichannel Reach

Khadim continues to strengthen its omnichannel capabilities to enhance customer convenience and brand accessibility. The Company complements its extensive retail network with its e-commerce platform and leading online marketplaces, enabling customers to engage with the brand across multiple channels. During FY26, digital channels contributed approximately 5% of the Company's revenue.



Management Discussion & Analysis

The Company also supported its retail expansion through store launch promotions and strengthened product and sub-brand visibility through initiatives around the British Walkers Premium Collection & Comfort Range, Sharon California Construction Collection and PRO Sneakers Range. These initiatives were complemented by digital engagement, influencer-led communication, visual merchandising and localised activations across key markets.

KEY STRENGTHS & OPPORTUNITIES

Market Position and Consumer Reach

Khadim's extensive retail network remains one of its key competitive strengths. Khadim enjoys a strong leadership position in Eastern India and is among the leading footwear retailers in Southern India. This widespread presence provides strong market access and brand visibility, enabling the Company to serve customers across diverse geographies and consumer segments.

Market Coverage

The Company's diversified product portfolio is another important strength. With products spanning multiple categories, brands and price points, Khadim can address nearly 85% of the Indian footwear market through its retail business. The Company's portfolio caters to men, women and children across value, mid-premium and premium segments. This market coverage enables the Company to respond effectively to evolving consumer preferences and fashion trends.

Operational Efficiency

Khadim's franchise-led retail structure and fully outsourced sourcing model provide operational flexibility and capital efficiency. The asset-light model supports growth while enabling the Company to focus on merchandising, brand building and customer engagement. The Company continues to prioritise store productivity, inventory optimisation and disciplined capital allocation.

Industry Growth

The Indian footwear industry continues to benefit from favourable structural drivers, including rising disposable incomes, urbanisation, growing fashion awareness and the increasing preference for branded products. The ongoing shift towards organised retail is expected to create opportunities for established brands with strong retail presence and customer reach.

Premiumisation and Digital Opportunities

Evolving consumer preferences are creating opportunities across higher-value footwear categories. Through brands such as British Walkers, Pro, Sharon and Cleo, the Company continues to strengthen its presence in premium and aspirational segments while maintaining its value-for-money positioning. At the same time, increasing adoption of digital channels presents opportunities to expand customer reach, strengthen omnichannel engagement and enhance brand visibility.

Strategic Priorities

Going forward, the Company remains focussed on strengthening its product portfolio, brand visibility, store productivity and its omnichannel presence. Supported by its established brand, retail network and asset-light business model, Khadim remains well-positioned to pursue long-term growth opportunities in the Indian footwear market.



Management Discussion & Analysis

RISKS, THREATS, CONCERNS & MITIGATION

Risks / Concerns

Weak Consumer Demand and Discretionary Spending Pressure

Potential Impact

Prolonged weakness in consumer sentiment, particularly in the value footwear segment, may affect footfalls, sales and profitability.

Mitigation Measures

The Company continues to focus on product assortment, customer engagement, localised marketing initiatives and improving store-level productivity across its retail network.

Risks / Concerns

Industry Competition

Potential Impact

The Indian footwear market remains highly competitive, with organised brands, regional players and online-first retailers competing across price points. Increased promotional activity may impact market share and margins.

Mitigation Measures

Khadim continues to leverage its established brand, retail presence, sub-brand portfolio and value-for-money positioning. The Company is also strengthening premium offerings through brands such as British Walker, Pro, Sharon and Cleo.

Risks / Concerns

Changing Fashion Trends

Potential Impact

Rapid shifts in customer preferences may impact product relevance and inventory turnover.

Mitigation Measures

The Company continuously refreshes its product portfolio, strengthens merchandise planning and leverages consumer insights to align offerings with evolving lifestyle trends.

Management Discussion & Analysis

Risks / Concerns

Growth of E-commerce and Digital Competition

Potential Impact

Online penetration and aggressive pricing by digital marketplaces may affect store traffic and customer retention.

Mitigation Measures

Khadim is expanding its omnichannel capabilities and focussing on own digital platforms. The Company also aims to enhance online sales contribution and customer engagement across channels.

Risks / Concerns

Inventory and Working Capital Management

Potential Impact

Inefficient inventory management may lead to higher markdowns, working capital pressure and reduced profitability.

Mitigation Measures

The Company remains focussed on inventory optimisation, disciplined procurement and merchandise planning. Management has also prioritised working capital efficiency and inventory rationalisation initiatives.

Risks / Concerns

Execution Risks in Premiumisation Strategy

Potential Impact

The pace of consumer adoption in premium categories may impact expected returns from brand-building initiatives.

Mitigation Measures

Khadim continues to strengthen premium offerings in a calibrated manner while retaining its core value-for-money positioning.

Management Discussion & Analysis

Risks / Concerns

Macroeconomic and Inflationary Pressures

Potential Impact

Inflationary trends and economic uncertainty may affect discretionary spending, particularly among value-conscious consumers.

Mitigation Measures

The Company's diversified product portfolio across categories and price points enables it to respond to varying demand.

Risks / Concerns

Supply Chain Dependence

Potential Impact

Disruptions in sourcing, logistics or vendor operations may affect product availability and lead times.

Mitigation Measures

Khadim maintains relationships with multiple sourcing partners to strengthen inventory planning.

Risks / Concerns

Regulatory and Compliance Risks

Potential Impact

Changes in taxation, labour regulations, consumer protection requirements or industry standards may affect operating costs and compliance obligations.

Mitigation Measures

The Company maintains internal controls and compliance mechanisms to ensure adherence to regulatory requirements.

Management Discussion & Analysis

OUTLOOK

While the near-term demand environment remains uncertain, the Company remains optimistic about a gradual recovery in consumption trends. The long-term outlook for the Indian footwear industry continues to be supported by rising disposable incomes, urbanisation, fashion consciousness and the shift towards organised retail.

Going forward, Khadim's strategic priorities will remain focussed on strengthening its core portfolio, driving premiumisation and improving operational efficiencies. The Company will continue to enhance its product offerings and strengthen the presence of brands such as British Walker, Pro, Sharon and Cleo to address evolving consumer preferences. Khadim also remains focussed on improving store productivity, strengthening conversion rates and delivering a superior customer experience across channels.

The Company will continue to pursue a disciplined approach towards network optimisation. During recent past, underperforming stores have been rationalised, reflecting management's focus on profitability rather than network expansion alone. Future store additions will be guided by strategic location selection, productivity considerations and long-term value creation. As part of its growth strategy, the Company intends to expand its retail footprint across selected markets in Eastern and Southern India. Khadim will continue to enter new markets through COCO stores and subsequently strengthen its presence through franchise-led expansion.

Digital channels are expected to remain an important growth driver. Khadim continues to strengthen its online presence through its owned platforms and targeted digital marketing initiatives. The Company remains focussed on increasing the contribution of e-commerce sales while enhancing customer engagement across its omnichannel ecosystem.

The Company emphasises executing its strategic priorities with discipline and agility. Continued emphasis on premiumisation, productivity improvement, network optimisation and digital growth is expected to support sustainable business. By aligning its offerings with evolving consumer preferences and strengthening execution across channels, Khadim aims to enhance competitiveness, profitability and create value for stakeholders.



Management Discussion & Analysis

KEY RATIOS

Key Ratios	FY 2024-25	FY 2025-26	Change (YoY)	Reason
Debtors Turnover Ratio	0.35	0.51	43.25%	Due to reduced turnover on account of the demerger
Inventory Turnover Ratio	0.35	0.35	0.98%	NA
Interest Coverage Ratio	1.24	1.19	-3.63%	NA
Current Ratio	1.43	1.38	-3.57%	NA
Debt Equity Ratio	0.45	0.73	60.85%	Due to reduced net worth on account of the demerger
Operating Profit Margin	10.71%	12.88%	20.31%	NA
Net Profit Margin	0.83%	0.86%	2.69%	NA
Return on Net Worth	2.27%	1.88%	-17.38%	Due to reduced net worth on account of the demerger



HUMAN RESOURCES

The Company understands that effective Human Resource Management is fundamental in achieving success through high performance, a customer-centric culture, and fostering happy and value-oriented employees. Efficient management of our workforce is crucial for meeting transformational objectives and plays a vital role in supporting managers with their day-to-day responsibilities – from hiring and employee development to providing valuable insights to senior leadership. These efforts strengthen our strategic planning and decision-making capabilities by laying down a solid foundation of data and knowledge. Ultimately, we recognise that effective workforce management is key to organisational success and progress towards our overarching goals.

At the core of our strategy is a strong focus on nurturing our human capital through comprehensive training programs. These initiatives are designed to systematically enhance employees' knowledge, skills, attitudes, and teamwork abilities. Our training programs are strategically crafted not only to improve personal competencies essential for current job performance but also to prepare employees with the skills necessary for future career advancement. Moreover, our recruitment processes are consistently aligned with established procedures and business needs, ensuring we attract the right talent for our organisation. We have implemented various measures and programs to boost employee engagement and foster a deeper sense of commitment among our workforce.

As part of our commitment to diversity and inclusion, the company is implementing targeted strategies

Management Discussion & Analysis

aimed at attracting, retaining, and nurturing top talent, regardless of race, gender, religion, age, culture, sexual orientation, disability, or background. In addition, we are dedicated to supporting young individuals in securing apprenticeships that provide them with practical skills essential for navigating everyday workplace challenges in the corporate world. In conclusion, our sustained investment in human resource management and employee development will continue to drive our Company's success and ensure we cultivate an environment where all employees can thrive.

As of March 31, 2026, there were 496 permanent employees on the rolls of your Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has implemented strong internal control mechanisms and follows a set of policies, procedures, and systems designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with applicable accounting standards. It also ensures the accurate recording of transactions with internal checks, prompt reporting and strict adherence to applicable accounting standards and compliance with applicable statutes, policies, procedures, guidelines and authorisations. This helps in establishing and implementing an Internal Financial Control (IFC) framework to ensure compliance with the Companies Act and support the Directors' Responsibility Statement.

The Internal Audit department conducts periodic audits at all locations and functions based on the Annual Audit Plan approved by the Audit Committee and promptly addresses any deviation in internal control procedures.

Significant Internal Audit Observations and status of implementation are submitted to the Audit Committee every quarter for its review by the Head of the Internal Audit Department. As a part of their audit procedures, the Statutory Auditors review the efficacy and adequacy of the Internal Audit function and have full access to all the reports and findings of the Internal Audit Department.

CAUTIONARY STATEMENT

Statements contained in the Management Discussion and Analysis Report describing the Company's objectives, expectations, estimates, projections, outlook, and assumptions may constitute "forward-

looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events and are subject to various risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in such statements.

Important factors that may influence the Company's operations include changes in economic conditions, consumer demand, competitive intensity, regulatory developments, taxation policies, technological advancements, supply chain disruptions and other factors beyond the Company's control. The Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise.

Readers are cautioned not to place undue reliance on these forward-looking statements and are advised to undertake their own assessment and evaluation before making any investment or business decisions. The statements contained in this report should be read in conjunction with the risks, assumptions and uncertainties discussed elsewhere in this Annual Report.



Board's Report

The Directors are pleased to present the 45th Annual Report on the business and operations of Khadim India Limited ("the Company") together with the Audited Financial Statements for the financial year ended March 31, 2026.

Financial Highlights

The Financial Highlights* are set out below:

In ₹ million

Particulars	Consolidated		Standalone	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	3,670.95	4,180.33	3,670.95	4,180.33
Other Income	107.72	103.85	107.72	103.89
Total Income	3,778.67	4,284.18	3,778.67	4,284.22
Less: Expenditure	3,180.30	3,528.90	3,179.90	3,527.59
Profit before Depreciation, Interest and Tax	598.37	755.28	598.77	756.63
Depreciation	267.93	287.75	267.93	287.75
Interest	262.41	248.76	262.41	248.76
Profit before exceptional items and tax from continuing operations	68.03	218.77	68.43	220.12
Exceptional items	18.20	-	18.20	Nil
Profit before tax from continuing operations	49.83	218.77	50.23	220.12
Provision for Taxation				
- Current and deferred Tax	18.84	26.15	18.84	26.15
Profit for the year after tax from continuing operations	30.99	192.62	31.39	193.97
Loss for the year after tax from discontinued operations	Nil	(142.02)	Nil	(142.02)
Profit for the year	30.99	50.60	31.39	51.95

*Note:

Upon the Scheme between the Company and KSR Footwear Limited ('KFL') and their respective shareholders and creditors, being sanctioned by the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) and in terms of the requirements of Accounting Standards (Ind AS), the operations pertaining to the Distribution Business have been presented as 'Discontinued Operations'. Consequently, the financial results of the Company for the comparative periods i.e., for the year ended March 31, 2025 have been presented accordingly.

Further, please refer Note 35 to Standalone Financial Statements for details about Discontinued Operations.

Dividend

Considering the inadequacy of profits during the financial year ended March 31, 2026, the Board of Directors of the Company has not proposed any dividend on equity shares.

General Reserve

No amount has been transferred to the General Reserve for the financial year ended March 31, 2026.

Operations and State of Company's Affairs

On a standalone basis, the revenue generated from continuing operations for the financial year 2025-26 stood at ₹ 3,670.95 million, which was lower by 12.2% compared to the previous financial year 2024-25. The profit after tax for the year from continuing operations was ₹ 31.39 million in comparison to profit from continuing operations of ₹ 193.97 million for the previous financial year.

The details of Company's affairs have been included in the Management Discussion and Analysis Report, forming part of this report.

Board's Report

Scheme of Arrangement

The Hon'ble National Company Law Tribunal, Kolkata Bench, Kolkata ('NCLT') vide its Order dated March 27, 2025 ('the Order') sanctioned the Scheme of Arrangement ('Scheme') for transfer of Distribution Business of Khadim India Limited ('the Demerged Company' or 'the Company') to KSR Footwear Limited ('the Resulting Company').

The Scheme became effective on and from May 01, 2025 in terms of the provisions of the Scheme. Further, pursuant to the aforesaid Order and upon Scheme became effective, the entire Distribution Business ('Demerged Undertaking') stands transferred from the Company and vested with the Resulting Company as a 'Going Concern' on and from April 01, 2025, being the Appointed Date as determined in terms of the said Scheme.

Subsequently, in terms of Clause 11.1 of the Scheme, the Resulting Company has on June 10, 2025 without any further application or deed, issued and allotted 1,83,78,382 Equity Shares of ₹ 10/- each to the Equity Shareholders of the Demerged Company whose name appears in the Register of Members of the Demerged Company as on the Record Date fixed for the purpose viz. June 07, 2025 in the following proportion:

"1 (One) fully paid up Equity Share of ₹ 10/- each of the Resulting Company for every 1 (One) fully paid up Equity Share of ₹ 10/- each held in the Demerged Company."

The entire pre-scheme paid-up share capital of the Resulting Company comprising 10,000 equity shares of face value of ₹ 10 each held by Khadim India Limited stood cancelled and reduced, upon allotment of 1,83,78,382 equity shares by the Resulting Company as aforesaid.

Further, the equity shares of the Resulting Company got listed on BSE Limited and National Stock Exchange of India Limited w.e.f. November 27, 2025.

Internal Controls

The details in regard to Internal Financial Controls and its adequacy are included in the Management Discussion & Analysis Report, which is a part of this Report.

Employee Stock Option Plan

There has been no material change in the Employee Stock Option Plan 2017 ('ESOP 2017') during the year under report. Disclosures with respect to ESOP 2017 as required under relevant Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available in the Notes to the Financial Statements.

Approval of the members by way of a Special Resolution had been obtained on May 07, 2021 (vide Postal Ballot Notice dated March 25, 2021) for formulation and implementation of Khadim Employee Stock Option Plan 2021 ('ESOP 2021'). However, no options have been granted post such approval.

The certificate from M/s. BKG & Company, Company Secretaries (Firm Registration No. S2004WB868500), Secretarial Auditor of the Company, with respect to the implementation of the Company's ESOP 2017 and ESOP 2021 would be available for inspection by the shareholders during the ensuing Annual General Meeting. A copy of the same will also be available for inspection at the registered office of the Company.

Fully Convertible Equity Share Warrants

In accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI ICDR Regulations'), the Board of Directors of the Company in its meeting held on November 24, 2023 had approved the issuance of 4,08,768 Fully Convertible Equity Share Warrants ('Warrants') [i.e., one fully paid up Equity Share upon conversion of every one Warrant held] of the face value of ₹ 10/- (Rupees Ten Only) each of the Company, at an exercise price of ₹ 365/- (including a premium of ₹ 355/-), aggregating upto ₹ 149.20 million for cash, on preferential basis to the persons belonging to Promoter / Promoter Group and Non - Promoter category.

Board's Report

All the Warrants have been converted to Equity Shares as on date and the entire 4,08,768 Equity Shares issued and allotted post conversion are listed with BSE Limited and the National Stock Exchange of India Limited.

There was no deviation or variation in the utilisation of proceeds raised through issuance of Warrants on preferential basis, by the Company as on the date of this Report.

Share Capital

During the year under review, the authorised share capital decreased from ₹ 60,00,00,000/- divided into 6,00,00,000 Equity Shares of face value of ₹ 10/- each to ₹ 40,00,00,000/- divided into 4,00,00,000 Equity Shares of face value of ₹ 10/- each in accordance with the Scheme. Accordingly, the Authorised Share Capital of your Company as on March 31, 2026 stands at ₹ 40,00,00,000/- divided into 4,00,00,000 Equity Shares of face value of ₹ 10/- each.

The Issued, Subscribed and Paid-up Share Capital of your Company as on March 31, 2026 was ₹ 18,37,83,820/- divided into 1,83,78,382 Equity Shares of face value of ₹ 10/- each.

There is no change in the Issued, Subscribed and Paid-up Share Capital of the Company during the year under review.

Investor Education and Protection Fund

In terms of the provisions of Section 124 of the Companies Act, 2013, your Company has transferred an amount of ₹ 9,629/- for 2017-18 to the Investor Education and Protection Fund in respect of dividend amounts lying unclaimed or unpaid for more than seven years from the date they become due.

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has filed the necessary form and uploaded the details of unclaimed amounts lying with the Company with respect to unclaimed Dividend as on March 31, 2017.

In accordance with Sections 124(6) and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), which require companies to transfer the underlying shares to the IEPF, in respect of which the dividends have remained unclaimed for a consecutive period of seven years. Accordingly, during the year under review, on November 12, 2025, the Company had transferred 1,994 equity shares to the IEPF.

Disclosures regarding Issue of Equity Shares with Differential Voting Rights

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

Change(s) in the nature of the business

As aforesaid, the entire Distribution Business of the Company stands transferred and vested with KSR Footwear Limited as a 'Going Concern' on and from April 01, 2025, pursuant to the Scheme of Arrangement. Subsequently, there has been no change(s) of business of the Company or in the nature of business carried on by the Company during the financial year under review.

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

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date on which this Report has been signed.

Significant and material orders passed by the Regulators / Courts / Tribunals impacting the going concern status and the Company's operations in future

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

Board's Report

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

During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated, by / against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application or proceeding by / against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on March 31, 2026.

Holding Company

Khadim Development Company Private Limited is the holding company of the Company as on March 31, 2026.

Subsidiaries, Joint Ventures and Associate Companies

The Company had two Wholly-owned Subsidiary in the name of Khadim Shoe Bangladesh Limited in Bangladesh and KSR Footwear Limited as on March 31, 2025.

However, consequent to implementation of the Scheme, KSR Footwear Limited ceased to be a Wholly-owned Subsidiary of the Company effective April 01, 2025.

Accordingly, Khadim Shoe Bangladesh Limited is the only Wholly-owned Subsidiary of the Company as on March 31, 2026.

There are no other associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of financial statements of the Company's subsidiary in Form No. AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiary companies, are available on the website of the Company www.khadims.com at the link <https://www.khadims.com/pages/investor-relations>.

Deposits

The Company has not accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and as such, no unclaimed / unpaid matured deposits or interest thereon was due as on March 31, 2026.

Corporate Social Responsibility

The Company seeks to operate its business in a sustainable manner which would benefit the Society at large in alignment with the interest of its stakeholders and by giving preference to local areas around its business operations. In accordance with the provisions of Section 135 of the Companies Act, 2013, your Company has duly constituted a CSR Committee and the Company's policy on CSR is available on the Company's website www.khadims.com.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII thereof and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has undertaken CSR activities, during the year under review, inter alia, in the field of promoting education among children including livelihood enhancement projects; promoting healthcare, and making available safe drinking water.

The Annual Report on CSR for the financial year ended March 31, 2026 along with the composition of CSR Committee is marked as Annexure - I and forms part of this Report.

Board's Report

Risk Management

The Company's Risk Management Policy recognizes that risk is an integral part of any business and the Company is committed to manage the risk in a proactive and efficient manner.

Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism / Whistle Blower policy and it has established adequate vigil mechanism for its employees and directors to report concern about unethical practice. No person has been denied access to the Chairman of the Audit Committee. The latest Vigil Mechanism / Whistle Blower Policy is available at <https://www.khadims.com/pages/policy-on-vigil-mechanism>.

Directors and Key Managerial Personnel

As of March 31, 2026, your Company's Board complies with the constitution requirement under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). However, the total number of Directors on the Board reduced from 6 (Six) to 5 (Five) consequent to resignation by Mrs. Upama Mukherjee (DIN: 10585455) as an Independent Director of the Company with effect from close of business hours on April 06, 2026. The Company is in search of a new Independent Director as a replacement of Mrs. Mukherjee, as per the provision of Regulation 17(1E) of the Listing Regulations.

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

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

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

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

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

The Members of the Company vide resolutions passed via Postal Ballot on June 23, 2025 had considered and approved the following re-designations and appointments:

- i. Re-designation of Mrs. Upama Mukherjee (DIN: 10585455) from "Non-Executive Non-Independent Director" to "Independent Director" of the Company effective April 01, 2025.
- ii. Re-designation and appointment of Mr. Siddhartha Roy Burman (DIN: 00043715) as "Executive Chairman" (also a "Whole-Time Key Managerial Personnel") in the category of "Whole-Time Director" and also to be functioned as 'Chairman' of the Company for a fresh term of 3 (Three) consecutive years commencing from April 01, 2025.
- iii. Re-designation and appointment of Mr. Rittick Roy Burman (DIN: 08537366) as "Managing Director" (also a "Whole-Time Key Managerial Personnel") of the Company for a fresh term of 3 (Three) consecutive years commencing from April 01, 2025.

Further, pursuant to Section 152(6) of the Companies Act, 2013, Mr. Rittick Roy Burman (DIN: 08537366), Director, retired by rotation and was re-appointed at the Annual General Meeting held on September 19, 2025.

Subsequently, Mrs. Upama Mukherjee (DIN: 10585455) resigned as an Independent Director of the Company with effect from close of business hours on April 06, 2026, citing personal reasons.

Board's Report

Mr. Ritoban Roy Burman (DIN: 08020765), Non-Executive Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible, offered himself for re-appointment. Your Directors recommend his re-appointment at the ensuing Annual General Meeting.

The brief profile of Mr. Ritoban Roy Burman and other relevant information under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings with respect to Director seeking re-appointment would be provided in the Notice convening Annual General Meeting.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company as on March 31, 2026 are:

- a) Mr. Siddhartha Roy Burman, Executive Chairman*;
- b) Mr. Rittick Roy Burman, Managing Director**;
- c) Mr. Indrajit Chaudhuri, Group Chief Financial Officer; and
- d) Mr. Abhijit Dan, Group Company Secretary & Head-Legal

*Re-designated as "Executive Chairman" from "Managing Director" effective April 01, 2025.

**Re-designated as "Managing Director" from "Whole-time Director" effective April 01, 2025.

Familiarisation Programme for Independent Directors

The Company has put in place an Induction and Familiarisation Programme for Independent Directors of the Company. The details of such Familiarization Programme are mentioned in the Report on Corporate Governance, which forms part of this Annual Report and the same is available at the link <https://www.khadims.com/pages/familiarization-programme-independent-director>.

Separate Meeting of Independent Directors

In terms of requirements of Schedule IV of the Companies Act, 2013 and the Listing Regulations, the meeting of Independent Directors was separately held on March 26, 2026.

Company's Policy on Appointment and Remuneration of Directors

The Company has been following a policy namely "Nomination and Remuneration Policy" with respect to appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel. The appointment of Directors, KMP and Senior Management Personnel is subject to the recommendation of the Nomination and Remuneration Committee (NRC).

Based on the recommendation of the NRC, the remuneration of Executive Director comprises of Basic Salary, Perquisites, Allowances and Commission in accordance with the provisions of the Companies Act, 2013. The remuneration of Non-Executive Directors comprises of sitting fees and commission in accordance with the provisions of Companies Act, 2013.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is in conformity with the requirement of Section 178(3) of the Companies Act, 2013 and Listing Regulations. The objectives and key features of this Policy are:

1. Formulate the criteria for determining qualifications, competencies, positive attributes and independence of the Directors, Key Managerial Personnel (KMP) and Senior Management Personnel and recommend to the Board, a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees.

Board's Report

2. For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. Use the services of an external agencies, if required;
 - b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management;
5. Directors' induction and continued updation as and when required of their roles, responsibilities and liabilities;
6. Formulation of criteria for performance evaluation of the Board, its Committees and Directors including Independent Directors / Non-Executive Directors;
7. Aligning the remuneration of Executive Directors, Key Managerial Personnel and Senior Management Personnel with the Company's financial position, industrial trends, remuneration paid by peer companies etc.; and
8. Recommend to the Board all the remuneration in whatever form, payable to the Senior Management.

The guiding principles of the Policy are:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The aforesaid Nomination and Remuneration Policy has been uploaded on the website of your Company www.khadims.com and is available at the link <https://www.khadims.com/pages/policy-on-nomination-remuneration-committee>.

Meetings of the Board

During the year, 5 (Five) meetings of the Board were held. The details of meetings of the Board held during the financial year 2025-26 have been provided in the Corporate Governance Report which forms part of the Report.

Audit Committee

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report which is a part of this Report.

Board's Report

Extract of Annual Return

In accordance with Section 92(3) and 134(3)(a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2026 is available on the Company's website www.khadims.com at <https://www.khadims.com/pages/mgt-9>.

Particulars of contracts and arrangement with Related Parties

All Related Party Transactions entered by the Company during the financial year 2025-26 were held in the Ordinary Course of Business and at Arm's Length pricing basis. There were no materially significant transactions with Related Parties during the financial year 2025-26, which were in conflict with the interest of the Company. Suitable disclosures as required under Ind AS-24 have been made in the Notes to the financial statements.

Accordingly, the disclosure in Form AOC-2, pursuant to section 134(3)(h) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required. The policy on Related Party Transactions can be accessed on the website of the Company www.khadims.com.

Secretarial Standards

The Company has devised adequate systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are operating effectively.

Directors' Responsibility Statement

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

- a) in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the Profit of the Company for the year ended on that date;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) proper internal financial controls are followed by the Company and that such financial controls are adequate and are operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2026.

Reporting of Fraud by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported, any incident of fraud committed in your Company by its Officers or Employees, to the Audit Committee and / or to the Board under Section 143(12) of the Companies Act, 2013 details of which needs to be mentioned in this Report.

Auditors

M/s. Ray & Ray, Chartered Accountants (Firm Registration No.: 301072E) was appointed by the Members of the Company at the 40th Annual General Meeting held on September 28, 2021 as Statutory Auditors of the Company for a term of 5 (Five) consecutive years commencing from the conclusion of the 40th Annual General Meeting till the conclusion of the 45th Annual General Meeting to be held in the financial year 2026-27.

Board's Report

In terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company can appoint or re-appoint an audit firm as Statutory Auditors for not more than 2 (two) terms of 5 (five) consecutive years. Accordingly, they are eligible for re-appointment for a second term of 5 (Five) consecutive years.

The Board, based on the recommendation of the Audit Committee, re-appointed M/s. Ray & Ray, Chartered Accountants, as the Statutory Auditors of the Company to hold office for a second term of 5 (Five) consecutive years commencing from the conclusion of 45th Annual General Meeting till the conclusion of the 50th Annual General Meeting to be held in the financial year 2031-32, subject to the approval of the Members of the Company at the ensuing (45th) Annual General Meeting.

M/s. Ray & Ray, Chartered Accountants holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ('ICAI'). They have further confirmed that they are eligible for the proposed re-appointment as Statutory Auditor in terms of the provisions of the Sections 139(2) and 141 of the Companies Act 2013, read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

Necessary resolution to consider the above re-appointment is included in the Notice of the 45th Annual General Meeting. The Members are requested to approve the re-appointment of the Statutory Auditors as aforesaid and fix their remuneration.

The Auditors' Report on the Annual Accounts of the Company forms part of the Annual Report of the Company. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with relevant Rules made thereunder and in compliance with Regulation 24A of the Listing Regulations read with the relevant circulars issued by Securities and Exchange Board of India, M/s. BKG & Company, Practising Company Secretaries, a peer reviewed firm (Firm Registration No. S2004WB868500), represented by its Partner, Mr. Binod Kumar Gupta (ACS No. 12965, CP No. 3242) was appointed by the Members of the Company at the 44th Annual General Meeting held on September 19, 2025 as Secretarial Auditors of the Company for a term of 5 (Five) consecutive for audit period of 5 (Five) consecutive years commencing from FY 2025-26 till FY 2029-30.

The Secretarial Audit Report for the financial year ended March 31, 2026 is annexed herewith and marked as Annexure - II to this report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Disclosure relating to Cost Audit and Cost Records

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

Disclosure as required under Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014

The disclosure regarding the difference in valuation between a one-time settlement and valuation for obtaining loans from banks or financial institutions in accordance with Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014, as amended, is not applicable to the Company.

Particulars of Loans, Investments and Guarantees

During the financial year 2025-26, the Company has not made any investment, has not given any loans, has not provided any guarantees, has not provided any security in connection with any loan, has not acquired securities by way of subscription, purchase or otherwise, in excess of the thresholds provided in Section 186 of the Companies Act, 2013.

Board's Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are given in Annexure-III, forming part of this Report.

Managerial Remuneration, Particulars of Employees and related disclosure

Details of remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure-IV.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Annual Report, excluding the information on remuneration of employees in terms of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), will be sent to the Members of the Company and others entitled thereto. The said information would be available for inspection, by Members, at the Registered Office of the Company or through electronic mode, during business hours on all working days upto the date of the 45th Annual General Meeting of the Company. Any Member interested in obtaining a copy thereof may write in this regard to the Company Secretary of the Company by sending an email to compliance@khadims.com.

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

Your Company firmly believes in providing a safe, supportive and harassment free workplace for each and every individual working for the Company through various interventions and practices and has zero tolerance for sexual harassment at workplace. It is the continuous endeavour of the management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on Prevention of Sexual Harassment at Workplace. An Internal Complaint Committee (ICC) with requisite number of representatives is in place to redress complaints relating to sexual harassment, if any. The Policy is gender neutral. All employees (permanent, contractual, temporary and management trainees) are covered under this Policy.

The Policy under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed there under is available in the website of the Company at www.khadims.com.

The details of complaints relating to Sexual Harassment during the year are as follows:

Particulars	No. of complaints
Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed off during the year	N.A.
Number of cases pending for more than ninety days	N.A.

Compliance with Maternity Benefit Act, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance.

Annual Performance Evaluation of the Directors

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and the Listing Regulations, based on the criteria such as number of Board and Committee meetings attended during the year, contributions to the decision making and relevant expertise to the Board etc., the Board of Directors has carried out the annual performance evaluation of the entire Board, Committees and all the Directors based on the criteria laid down by the Nomination and Remuneration Committee.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Chairman of the Company and the Board as a whole was evaluated.

Board's Report

Corporate Governance

A Report on Corporate Governance along with a Certificate from the Statutory Auditors confirming of corporate governance requirements as stipulated under Listing Regulations is enclosed as Annexure - V and forms part of this Report. The said report also contains a certificate from a Practising Company Secretary confirming that none of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director of the Company as prescribed under Listing Regulations.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming a part of this Report.

Cautionary Statement

Statements in the Annual Report, including those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

Acknowledgement

Your Directors are thankful for all the guidance, support and assistance received from the financial institution, banks, merchant bankers, legal consultants, registrar, government authorities, customers and vendors during the year under review and look forward for the long-term future with confidence, optimisms and full of opportunities.

Your Directors also acknowledge the continued cooperation received from all the esteemed investors and shareholders and the confidence reposed by them.

Your Directors place on record their deep sense of appreciation for the continuous hard work, dedication, contribution and commitment by executives, staffs and workers at all levels of the Company.

For and on behalf of the Board of Directors

Siddhartha Roy Burman

Executive Chairman

DIN: 00043715

Place: Kolkata

Date: May 20, 2026

Annexure – I

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year ended March 31, 2026

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies
(Corporate Social Responsibility Policy) Rules, 2014]

Your Company believes that the true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people. Through its CSR activities, your Company takes sustainable initiatives in the areas of health, education etc.

Your Company takes up CSR programme, which benefits the communities in and around the vicinity of its operational presence and over a period of time, results in enhancing the quality of life of the people in those areas.

1. Brief outline on CSR Policy of the Company:

The CSR Policy of your Company elucidates the responsibilities of the CSR Committee for achieving the Company's CSR goals. The main objective of CSR Policy is to lay down guidelines for CSR activities of the Company and undertake various social initiatives that complement corporate mandate and benefit the community at large.

2. Composition of CSR Committee:

The composition of CSR Committee as on March 31, 2026 and details of attendance of the members during the year 2025-26 are as under:

Sl. No.	Name	Designation & Category
1.	Prof. (Dr.) Surabhi Banerjee	Chairperson, Independent Director
2.	Mr. Siddhartha Roy Burman	Member, Executive Chairman*
3.	Mr. Ritoban Roy Burman	Member, Non-Executive Non-Independent Director
4.	Mr. Abhijit Dan	Secretary, Group Company Secretary & Head - Legal

*Re-designated as "Executive Chairman" from "Managing Director" effective April 01, 2025.

During the financial year, 1 (one) meeting of the CSR Committee was held on November 07, 2025.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company.

Composition of CSR Committee	https://www.khadims.com/pages/corporate-social-responsibility-committee
CSR Policy	https://www.khadims.com/pages/policy-on-csr
CSR projects	https://www.khadims.com/pages/corporate-social-responsibility

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

- | | | | |
|-------|---|---|-----------------|
| 5. a. | Average net profit of the company as per Section 135(5) | : | ₹ 88.60 million |
| b. | Two percent of average net profit of the Company as per Section 135(5) | : | ₹ 1.77 million |
| c. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years | : | Nil |
| d. | Amount required to be set off for the financial year, if any | : | Nil |
| e. | Total CSR obligation for the financial year (b + c - d) | : | ₹ 1.77 million |

Annexure – I

6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 1.77 million
- b. Amount spent in Administrative overheads : Nil
- c. Amount spent on Impact Assessment, if applicable : Nil
- d. Total amount spent for the financial year (a+b+c). : ₹ 1.77 million
- e. CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (₹ in million)	Amount Unspent (In ₹ million)				
	Total amount transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1.77	Not applicable			Not applicable	

- f. Excess amount for set-off, if any:

Sl. No.	Particular	Amount [in ₹ million, except mentioned otherwise]
(i)	Two percent of average net profit of the Company as per Section 135(5)	1.77
(ii)	Total amount spent for the financial year	1.77
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.002
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil [#]

Notes:

- a. The Company had spent an excess amount of ₹ 0.002 million in CSR activities in FY 2025-26 which is very nominal in nature and hence not carried forward in subsequent years in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- b. The Company had spent an excess amount of ₹ 0.11 million in CSR activities in FY 2024-25. The same has not been set off in FY 2025-26. As per Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the excess amount spent may be set off in the immediate succeeding three financial years. Thus, ₹ 0.11 million is available for set off in FY 2026-27 and FY 2027-28, subject to the requirements prescribed in Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
Not Applicable								

Annexure – I

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes / No

If yes, enter the number of Capital assets created / acquired: NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office / Municipal Corporation / Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For and on behalf of the Board of Directors

Siddhartha Roy Burman

Executive Chairman

DIN: 00043715

Surabhi Banerjee

Chairperson, CSR Committee

DIN: 07829304

Place: Kolkata

Date: May 20, 2026

Annexure – II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

KHADIM INDIA LIMITED

7th Floor, Tower C, RDB Primarc TechPark,

08 Major Arterial Road,

Block-AF, New Town (Rajarhat),

Kolkata, 24 Parganas North-700156

We have conducted the Secretarial Audit in respect of compliance with applicable statutory provisions and the adherence to good corporate practices by **M/s. Khadim India Limited (CIN-L19129WB1981PLC034337)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

Annexure – II

- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - (Not applicable to the Company during the Audit Period)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- (Not applicable to the Company during the Audit Period);
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - (Not applicable to the Company during the Audit Period);

The management has identified and confirmed the following laws/orders as being specifically applicable to the Company:

- a) Personal Protective Equipment - Footwear (Quality Control) Order, 2020;
- b) The Footwear made from Leather and Other Materials (Quality Control) Order, 2024;
- c) The Footwear made from all Rubber and all Polymeric material and its components (Quality Control) Order, 2024.

We have also examined compliance with the applicable clauses/Regulations of the following:

- Secretarial Standards as issued by The Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in accordance with the Companies Act, 2013 and rules made thereunder and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, approved and signed accordingly as the case may be.
- During the period under review, the Minutes of the Meetings held during the audit period did not reveal any dissenting member's view. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Annexure – II

We further report that during the audit period the Company had the following specific events:

1. i. The Scheme of Arrangement between Khadim India Limited (“Demerged Company”) and KSR Footwear Limited (“Resulting Company”) and their respective shareholders and creditors under Sections 230 to 232 read with the other applicable provisions of the Companies Act, 2013 (“Scheme”) was sanctioned by the Hon’ble National Company Law Tribunal, Kolkata Bench, by its Order dated March 27, 2025. The Scheme provided for demerger of the Distribution Business (“Demerged Undertaking”) of Khadim India Limited, as a going concern, into KSR Footwear Limited.
- ii. The Scheme became effective on and from May 01, 2025, in terms of the provisions of the Scheme. Further, pursuant to the aforesaid Order and upon Scheme became effective, the entire Distribution Business (“Demerged Undertaking”) stands transferred from the Demerged Company and vested with the Resulting Company as a ‘Going Concern’ on and from April 01, 2025, being the Appointed Date as determined in terms of the said Scheme.
- iii. Pursuant to the Scheme:
 - a. The authorised share capital decreased from ₹ 60,00,00,000/- divided into 6,00,00,000 Equity Shares of face value of ₹ 10/- each to ₹ 40,00,00,000/- divided into 4,00,00,000 Equity Shares face value of ₹ 10/- each.
 - b. KSR Footwear Limited had allotted 1,83,78,382 equity shares to the shareholders of the Company in terms of Share Entitlement Ratio as defined in the Scheme.
 - c. The entire pre-scheme paid-up share capital of KSR Footwear Limited comprising 10,000 equity shares of face value of ₹ 10 each held by Khadim India Limited stood cancelled and reduced, upon allotment of 1,83,78,382 equity shares by the Company as aforesaid. Consequently, KSR Footwear Limited ceased to be a Wholly-owned Subsidiary company of the Company in terms of the Scheme.
2. The Members of the Company vide resolutions passed via Postal Ballot on June 23, 2025 had considered and approved the following re-designations and appointments:
 - a. Re-designation and appointment of Mrs. Upama Mukherjee (DIN: 10585455) as an Independent Director of the Company (not liable to retire by rotation) for a period of 5 (Five) consecutive years commencing from April 01, 2025 to March 31, 2030 (both dates inclusive).

However, she resigned as an Independent Director of the Company with effect from close of business hours on April 06, 2026, citing personal reasons.
 - b. Re-designation and appointment of Mr. Siddhartha Roy Burman (DIN: 00043715) as “Executive Chairman” (also as a “Whole-time Key Managerial Personnel”) in the category of “Whole-time Director” and also to be functioned as ‘Chairman’ for a fresh period of 3 (Three) consecutive years with effect from April 01, 2025 till March 31, 2028 (both days inclusive) from his earlier designation / appointment as a “Managing Director” of the Company, at such remuneration [including remuneration to be paid in the event of loss or inadequacy of profits in any financial year(s) during the tenure of his appointment as minimum remuneration] subject to the applicable provisions of the Companies Act, 2013 read with rules made thereunder.

Annexure – II

- c. Re-designation and appointment of Mr. Rittick Roy Burman (DIN: 08537366) as “Managing Director” (also as a Whole-time Key Managerial Personnel) of the Company, for a fresh period of 3 (Three) years with effect from April 01, 2025 till March 31, 2028 (both days inclusive) from his earlier designation / appointment as a “Whole-time Director” of the Company, at such remuneration [including remuneration to be paid in the event of loss or inadequacy of profits in any financial year(s) during the tenure of his appointment as minimum remuneration] subject to the applicable provisions of the Companies Act, 2013 read with rules made thereunder.

For **B K G & COMPANY**

Company Secretaries

(Firm’s Registration No. - S2004WB868500)

BINOD KUMAR GUPTA

Partner

(ACS-12965, C. P. No.- 3242)

UDIN: A012965G000393070

Peer Review Certificate No.: 2598/2022

Place: Kolkata

Date: May 20, 2026

Note: This Report is to be read with our letter of even date which is annexed as Annexure A, forms an integral part of this report.

Annexure – II

‘ANNEXURE A’

To,
The Members,
Khadim India Limited
7th Floor, Tower C, RDB Primarc TechPark
08 Major Arterial Road,
Block-AF, New Town (Rajarhat),
Kolkata, 24 Parganas North-700156

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **B K G & COMPANY**
Company Secretaries
(Firm's Registration No. - S2004WB868500)

(BINOD KUMAR GUPTA)

Partner

(ACS-12965, C. P. No.- 3242)

UDIN: A012965G000393070

Peer Review Certificate No.: 2598/2022

Place: Kolkata

Date: May 20, 2026

Annexure – III

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 (as amended) and forming part of the Directors Report for the year ended March 31, 2026

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

A. CONSERVATION OF ENERGY

1. The steps taken or impact on conservation of energy:

- a. The Company endeavours to conduct its operations in the manner that drives maximum power savings and resource utilisation.
- b. Installation of energy efficiency lighting solution such as Light Emitting Diode (LED) in place of conventional higher energy consuming lights.
- c. Campaign for awareness of energy saving at retail outlets of the Company.

2. Step taken by the Company for utilizing alternate sources of energy: We remain committed to maximizing energy efficiency and optimize consumption through continuous operational improvements.

3. The capital investment on energy conservation equipment:

Amount spent on energy efficient LED Lights was ₹ 2.92 million during the financial year 2025-26.

B. TECHNOLOGY ABSORPTION:

1. Efforts made towards technology absorption

The operations of the Company do not involve any technology absorption. Further, the Company has not imported any new technology during the year under review.

2. Benefits derived like product improvement, cost reduction, product development or import substitution: Not applicable

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL

4. The expenditure incurred on Research and Development: While the Company had no formal research and development initiatives during the financial year under review, we remain dedicated to pioneering innovative strategies that elevate customer service and maximize satisfaction.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the financial year 2025-26, the foreign exchange earnings of the Company amounted to ₹ 3.66 million as against ₹ 4.20 million in the previous year i.e., FY 2024-25. The expenditure in foreign exchange during the financial year 2025-26 was ₹ 66.49 million as compared to ₹ 183.93 million in the previous year.

For and on behalf of the Board of Directors

Place: Kolkata

Date: May 20, 2026

Siddhartha Roy Burman

Executive Chairman

DIN: 00043715

Annexure – IV

Information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

- Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 and the percentage increase / decrease in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager during the financial year 2025-26:

Name of Director(s)	Designation	Total Remuneration (in ₹ million)		Ratio of Remuneration of each director(s) to median remuneration of employees	Increase / Decrease in Percentage
		2025-26	2024-25		
Mr. Siddhartha Roy Burman ^Δ	Executive Chairman	39.11	34.99	130.37	11.77%
Mr. Rittick Roy Burman ^{ΔΔ}	Managing Director	6.89	5.95	22.97	15.80 %
Mr. Ritoban Roy Burman	Non-Executive Non-Independent Director	0.16	0.12	0.53	33.33%
Prof. (Dr.) Surabhi Banerjee	Independent Director	0.53	0.61	1.77	(13.11) %
Mr. Alok Chauthmal Churiwala	Independent Director	0.51	0.59	1.7	(13.56) %
Mrs. Upama Mukherjee ^{ΔΔΔ}	Independent Director	0.51	0.32	-	-
Mr. Indrajit Chaudhuri	Group Chief Financial Officer	4.57	4.95	NA	(7.68) %
Mr. Abhijit Dan	Group Company Secretary & Head – Legal	2.97	2.99	NA	(0.67) %

^Δ Re-designated as “Executive Chairman” from “Managing Director” effective April 01, 2025.

^{ΔΔ} Re-designated as “Managing Director” from “Whole-time Director” effective April 01, 2025.

^{ΔΔΔ} Appointed as a Non-Executive Non-Independent Director with effect from September 29, 2024 and re-designated as Independent Director with effect from April 01, 2025. Consequently, ratio of remuneration to median remuneration of employees and percentage increase/decrease in remuneration are not comparable in her case.

Further, she ceased to be Independent Director with effect from close of business hours on April 06, 2026.

Notes:

- Median remuneration for the financial year 2025-26 is ₹ 0.30 million per annum.
- The remuneration to the Executive Chairman and Managing Director is within the overall limits approved by the shareholders of the Company.
- The Non-Executive Directors are entitled to commission and / or sitting fees as per the provisions of the Companies Act, 2013.

Annexure – IV

2. The Percentage increase / (decrease) in the median remuneration of the employees in the financial year 2025-26:

Median remuneration of employees per annum	Remuneration (in ₹ million)		Increase / Decrease in Percentage
	2025-26	2024-25	
	0.30	0.33	(9.09) %

3. There were 496 permanent employees on the rolls of the Company as on March 31, 2026.
4. The Average percentile decrease already made in the salaries of employees of the Company other than the managerial personnel in the last financial year was 10% whereas the increase in managerial remuneration was 11%.
5. It is hereby affirmed that the Remuneration paid to all the Directors, Key Managerial Personnel, Senior Management and other employees of the Company during the financial year ended March 31, 2026, were as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place: Kolkata

Date: May 20, 2026

Siddhartha Roy Burman

Executive Chairman

DIN: 00043715

Annexure – V

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Our philosophy of Corporate Governance is founded on the pillars of fairness, accountability, disclosures and transparency, equal treatment to all the stakeholders and social responsibility. Your Company believes that Corporate Governance extends beyond corporate laws. Its fundamental objective is not merely to fulfil legal requirements, but also the adherence to systems and procedures, ensuring the commitment of the Board of Directors in managing the Company's affairs in a transparent manner to maximize the long-term value of the stakeholders at large.

Your Company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure on all material matters including the financial position, performance, ownership and governance of the Company.

Your Company's policies and practices relating to the Corporate Governance are discussed in the following sections viz.:

2. BOARD OF DIRECTORS

Composition

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors to have a balanced Board Structure. The Board has six Directors (including two Woman Directors), out of which two are Executive Directors, one is Non - Executive Non - Independent Director and three are Non - Executive Independent Directors of the Company as on March 31, 2026.

Composition of the Board, details of other directorships, committee positions as on March 31, 2026:

Name	Directors Identification Number (DIN)	Category of Directors	Relationship with other Directors	No. of Directorships held (including Khadim India Limited) ¹	No. of Membership / Chairpersonship in Board Committees (including Khadim India Limited) ²		Directorships in other listed entity along with Category of Directorship
					Member	Chairperson	
Mr. Siddhartha Roy Burman ³	00043715	Promoter, Executive Chairman	Father of Mr. Ritoban Roy Burman and Mr. Rittick Roy Burman	1	1	-	-
Mr. Rittick Roy Burman ⁴	08537366	Member of Promoter Group, Managing Director	Son of Mr. Siddhartha Roy Burman and brother of Mr. Ritoban Roy Burman	2	1	-	KSR Footwear Limited: Managing Director
Mr. Ritoban Roy Burman	08020765	Member of Promoter Group, Non-Executive Non-Independent Director	Son of Mr. Siddhartha Roy Burman and brother of Mr. Rittick Roy Burman	2	1	-	KSR Footwear Limited: Non-Executive Non-Independent Director

Annexure – V

Name	Directors Identification Number (DIN)	Category of Directors	Relationship with other Directors	No. of Directorships held (including Khadim India Limited) ¹	No. of Membership / Chairpersonship in Board Committees (including Khadim India Limited) ²		Directorships in other listed entity along with Category of Directorship
					Member	Chairperson	
Prof. (Dr.) Surabhi Banerjee	07829304	Non-Executive Independent Director	None	1	2	1	-
Mr. Alok Chauthmal Churiwala	02043221	Non-Executive Independent Director	None	1	1	1	-
Mrs. Upama Mukherjee ⁵	10585455	Non-Executive Independent Director	None	1	1	-	-

Notes:

- Number of Directorships held excludes Directorships in Private Limited Companies, Foreign Companies, High Value Debt Listed Entities, Companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and Alternate directorships.
- Only covers Membership / Chairpersonship of Audit Committee and Stakeholders' Relationship Committee of Listed and Unlisted Public Limited Companies.
- Re-designated from "Managing Director" to 'Executive Chairman' in the category of "Whole-time Director" and also to be functioned as 'Chairman' for a fresh term of 3 (Three) consecutive years effective April 01, 2025 vide Board Meeting held on March 25, 2025.
- Re-designated and appointed as "Managing Director" of the Company for a fresh term of 3 (Three) consecutive years effective April 01, 2025 vide Board Meeting held on March 25, 2025.
- Re-designated as an Independent Director with effect from April 01, 2025 vide Board Meeting held on March 25, 2025. However, she resigned from the said position with effect from close of business hours on April 06, 2026 citing personal reasons. Consequently, she ceased to be member of the Audit Committee and Nomination and Remuneration Committee of the Company.

None of the Directors holds directorships in more than 20 (Twenty) Companies and more than 10 (Ten) Public Companies pursuant to the provisions of the Companies Act, 2013.

None of the Directors on the Board is a member of more than 10 (Ten) Board Committees and a Chairman of more than 5 (Five) such Committees, across all Companies in which he / she is a Director.

The Board of Directors met 5 (five) times during the year under review. The date of the Board Meetings and attendance thereat are furnished hereunder:

Sl. No.	Date of Board Meeting	No. of Directors Present
i.	May 20, 2025	6
ii.	August 12, 2025	6
iii.	November 07, 2025	4
iv.	February 10, 2026	5
v.	March 26, 2026	6

In accordance with the relaxations granted by MCA and SEBI, all Board Meetings in the financial year 2025-26 were held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM').

Annexure – V

Attendance of individual Directors at the Board Meetings and last AGM:

Name of Director	No. of Board Meetings Attended	Attendance at last AGM held on September 19, 2025
Mr. Siddhartha Roy Burman	3	Yes
Mr. Rittick Roy Burman	5	Yes
Mr. Ritoban Roy Burman	4	Yes
Prof. (Dr.) Surabhi Banerjee	5	Yes
Mr. Alok Chauthmal Churiwala	5	Yes
Mrs. Upama Mukherjee*	5	Yes

* Re-designated as an Independent Director with effect from April 01, 2025 vide Board Meeting held on March 25, 2025. However, she resigned from the said position with effect from close of business hours on April 06, 2026 citing personal reasons.

The Board has adequate mix of skills, expertise and competencies for running the business of the Company. The following chart specifies the same:

Name of Director	Operations	Audit and internal control evaluation	Financial assurance matters	Management	Administration	Sales and Marketing	Finance	Law
Mr. Siddhartha Roy Burman	√	-	-	√	√	√	-	-
Mr. Rittick Roy Burman	√	-	-	√	-	√	-	-
Prof. (Dr.) Surabhi Banerjee	-	-	-	√	√	-	√	-
Mr. Alok Chauthmal Churiwala	-	-	-	√	√	√	√	√
Mrs. Upama Mukherjee**	-	√	√	-	-	-	-	√
Mr. Ritoban Roy Burman	-	-	-	-	-	√	-	-

**Re-designated as an Independent Director with effect from April 01, 2025 vide Board Meeting held on March 25, 2025. However, she resigned from the said position with effect from close of business hours on April 06, 2026 citing personal reasons.

Number of Shares and Convertible instruments held by Non- Executive Directors:

Mr. Ritoban Roy Burman, Non-Executive Non-Independent Director, holds 3,000 equity shares of the Company as on March 31, 2026.

Independent Directors:

In the opinion of the Board, the Independent Directors fulfil the criteria of independence, which are given under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and are Independent of the Management of the Company.

All the Independent Directors have given declaration of independence as per the requirements of the Companies Act, 2013 and the Listing Regulations. The draft letter of appointment of Independent Directors is available on the website of the Company www.khadims.com and is available at the link https://www.khadims.com/pages/terms_and_conditions.

Annexure – V

Mrs. Upama Mukherjee (DIN: 10585455) had tendered her resignation as Non-Executive Independent Director of the Company with effect from close of business hours on April 06, 2026, citing personal reasons. She has also confirmed that there was no material reason for her resignation other than the above mentioned reason.

During the year under review, one meeting of the Independent Directors of the Company, in compliance with Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, was held on March 26, 2026.

Familiarization Programme:

Pursuant to the provision of Regulation 25(7) of the Listing Regulations, the Company has in place Familiarization Programme for Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. The details of Familiarization Programme imparted during the financial year 2025- 26, are uploaded on the website of the Company and can be accessed through web-link <https://www.khadims.com/pages/familiarization-programme-independent-director>.

3. COMMITTEES OF THE BOARD

Your Company's Board of Directors has constituted the following Statutory Committees to comply the requirements under the Companies Act, 2013 and the Listing Regulations, viz.:

- I. Audit Committee;
- II. Nomination and Remuneration Committee;
- III. Stakeholders' Relationship Committee; and
- IV. Corporate Social Responsibility Committee.

The Chairman of the Board, in consultation with the Company Secretary and the respective Chairperson of these Committees, determines the frequency of the meetings of these Committees. The recommendations of the Committees are submitted to the Board for their approval.

In accordance with the relaxations granted by MCA and SEBI, all Statutory Committee Meetings in the financial year 2025-26 were held through VC / OAVM.

The Board of Directors has also adopted the following policies in line with the requirement of the Listing Regulations and the Companies Act, 2013:

- a) Whistle Blower Policy (Vigil mechanism);
- b) Policy on Evaluation of performances of Board of Directors;
- c) Nomination and Remuneration Policy;
- d) Risk Management Policy;
- e) Corporate Social Responsibility Policy;
- f) Policy on Diversity of Board of Directors;
- g) Policy on Succession Planning for the Board and Senior Management;
- h) Policy on Disclosure of Material Events / Information;
- i) Policy for Preservation of Documents and Archival;

Annexure – V

- j) Policy on Familiarisation Programme of Independent Directors;
- k) Policy on Related Party Transactions;
- l) Policy on Material Subsidiary; and
- m) Dividend Distribution Policy.

I. Audit Committee

The Composition of the Audit Committee as on March 31, 2026, consists of following members viz.

- 1. Mr. Alok Chauthmal Churiwala - Chairman
- 2. Prof. (Dr.) Surabhi Banerjee - Member
- 3. Mrs. Upama Mukherjee - Member[^]

The Group Company Secretary acts as the Secretary to the Committee.

Notes:

[^]Resigned as an “Independent Director” and hence ceased to be member of the Committee with effect from close of business hours on April 06, 2026. Consequent to her resignation, Mr. Ritoban Roy Burman, Non-Executive Non-Independent Director was inducted as a member of the Committee with effect from April 07, 2026.

The terms of reference of Audit Committee are as follows:

- a. Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment, and replacement, remuneration, and terms of appointment of the statutory auditor and the fixation of audit fee;
- c. Review and monitor the auditor's independence and performance and the effectiveness of audit process;
- d. Approval of payments to the statutory auditors for any other services rendered by statutory auditors;
- e. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - 1. Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
 - 2. Changes, if any, in accounting policies and practices and reasons for the same;
 - 3. Major accounting entries involving estimates based on the exercise of judgment by management;
 - 4. Significant adjustments made in the financial statements arising out of audit findings;
 - 5. Compliance with listing and other legal requirements relating to financial statements;
 - 6. Disclosure of any related party transactions; and
 - 7. Qualifications and modified opinions in the draft audit report.

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- f. Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- g. Scrutiny of inter-corporate loans and investments;
- h. Valuation of undertakings or assets of our Company, wherever it is necessary;
- i. Evaluation of internal financial controls and risk management systems;
- j. Approval or any subsequent modification of transactions of our Company with related parties;
- k. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- l. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- m. Reviewing with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
- n. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- o. Discussion with internal auditors on any significant findings and follow up thereon;
- p. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- q. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- s. Approval of appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- t. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
- u. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;
- v. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
- w. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of the employees and directors, who used the vigil mechanism to report genuine concerns in appropriate and exceptional cases;

Annexure – V

- x. Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- y. Reviewing the utilization of loans and / or advances from investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments; and
- z. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Company's Audit Committee met 5 (Five) times during the financial year ended March 31, 2026 viz. May 20, 2025; August 12, 2025; November 07, 2025, February 10, 2026 and March 26, 2026.

The following table presents the details of attendance at the Audit Committee meetings held during the year ended March 31, 2026:

Members	Designation & Category	No. of Meetings Attended
Mr. Alok Chauthmal Churiwala	Chairman, Non-Executive Independent Director	5
Prof. (Dr.) Surabhi Banerjee	Member, Non-Executive Independent Director	5
Mrs. Upama Mukherjee ⁵	Member, Non-Executive Independent Director	5

Notes:

⁵Resigned as an "Independent Director" and hence ceased to be member of the Committee with effect from close of business hours on April 06, 2026. Consequent to her resignation, Mr. Ritoban Roy Burman, Non-Executive Non-Independent Director was inducted as a member of the Committee with effect from April 07, 2026.

The Group CFO and representatives of the Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings and they attend the meetings. All the members of the Audit Committee have requisite accounting and financial management expertise.

Mr. Alok C Churiwala, Chairman of the Audit Committee attended the Annual General Meeting held on September 19, 2025 and responded to the queries raised by the shareholders.

Yearly disclosure relating to SEBI (Prohibition of Insider Trading) Regulations, 2015 was placed before the Committee.

All the recommendations made by the Audit Committee were accepted by the Board of Directors.

II. Nomination and Remuneration Committee

The Composition of the Nomination and Remuneration Committee as on March 31, 2026, consists of following members viz.

1. Mr. Alok Chauthmal Churiwala - Chairman
2. Prof. (Dr.) Surabhi Banerjee – Member
3. Mrs. Upama Mukherjee – Member[#]

The Group Company Secretary acts as the Secretary to the Committee.

Notes:

[#] Resigned as an "Independent Director" and hence ceased to be member of the Committee with effect from close of business hours on April 06, 2026. Consequent to her resignation, Mr. Ritoban Roy Burman, Non-Executive Non-Independent Director was inducted as a member of the Committee with effect from April 07, 2026.

Annexure – V

The terms of reference of Nomination and Remuneration Committee are as follows:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of independent directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- e. Analysing, monitoring and reviewing various human resource and compensation matters;
- f. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- g. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- h. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- i. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- j. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- k. Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- l. Perform such other activities as may be delegated by the Board of Directors and / or are statutorily prescribed under any law to be attended to by such committee;
- m. Recommend to the Board, all remuneration, in whatever form, payable to senior management; and
- n. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 1. Use the services of an external agencies, if required;
 2. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 3. Consider the time commitments of the candidates.

Annexure – V

Nomination and Remuneration Policy

The Company has formulated a Nomination and Remuneration policy in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations and in order to harmonize the aspirations of human resources consistent with the goals of the Company which inter alia includes Company's policy on Board Diversity, selection, appointment and remuneration of Directors, criteria for determining qualifications, positive attributes, independence of a Director and criteria for performance evaluation of the Directors.

Attendance at Nomination and Remuneration Committee Meetings:

The Company's Nomination and Remuneration Committee met 2 (Two) times during the financial year ended March 31, 2026 viz. November 07, 2025 and March 26, 2026.

The following table presents the details of attendance at the Nomination & Remuneration Committee meetings held during the year ended March 31, 2026:

Members	Designation & Category	No. of Meetings Attended
Mr. Alok Chauthmal Churiwala	Chairman, Non-Executive Independent Director	2
Prof. (Dr.) Surabhi Banerjee	Member, Non-Executive Independent Director	2
Mrs. Upama Mukherjee*	Member, Non-Executive Independent Director	2

Notes:

*Resigned as an "Independent Director" and hence ceased to be member of the Committee with effect from close of business hours on April 06, 2026. Consequent to her resignation, Mr. Ritoban Roy Burman, Non-Executive Non-Independent Director was inducted as a member of the Committee with effect from April 07, 2026.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out the annual performance evaluation of the entire Board, Committees and all the Directors based on the criteria laid down by the Nomination and Remuneration Committee.

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

Remuneration to Non-Executive Directors for the financial Year 2025-26:

The Non-Executive Directors of your Company are paid remuneration by way of sitting fees and Commission. Your Company paid Sitting Fees of ₹ 40,000 per meeting for attending meetings of the Board, Audit Committee and Nomination & Remuneration Committee, ₹ 30,000 per meeting for attending meetings of Independent Directors and ₹ 15,000 per meeting for attending meetings of the Stakeholders' Relationship Committee.

The travel expenses for attending meetings of the Board of Directors or a Committee thereof, site visits and other Company related expenses are borne by the Company, from time to time.

The criteria of making payment to Non-Executive Directors are also placed on the website of the Company viz. www.khadims.com.

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Details of remuneration paid / payable to the Non-Executive Directors for the financial year 2025-26 are as follows:

Members	Designation & Category	Salary	Commission	In ₹ million	
				Sitting Fees	Total
Prof. (Dr.) Surabhi Banerjee	Non-Executive Independent Director	-	-	0.53	0.53
Mr. Alok Chauthmal Churiwala	Non-Executive Independent Director	-	-	0.51	0.51
Mrs. Upama Mukherjee [£]	Non-Executive Independent Director	-	-	0.51	0.51
Mr. Ritoban Roy Burman	Non-Executive Non-Independent Director	-	-	0.16	0.16

Notes:

[£] Resigned as an "Independent Director" of the Company with effect from close of business hours on April 06, 2026.

The remuneration paid to Non-Executive Directors includes commission and sitting fees paid towards attending Board Meetings, Audit Committee Meetings, Nomination and Remuneration Committee Meetings and other Committee Meetings held during the year. Payment to any Non-Executive Director does not exceed more than fifty percent of the total payment made to all the Non-Executive Directors in aggregate.

Except Mr. Ritoban Roy Burman, none of the Non-Executive Directors hold any Equity Share of the Company. Further, there are no pecuniary relationships or transactions of the Non-Executive Directors with the Company, except those disclosed in the Annual Report.

The Company has two Employee Stock Option Plans (ESOP), viz. **Khadim Employee Stock Option Plan 2017 ("ESOP 2017")** and **Khadim Employee Stock Option Plan 2021 ("ESOP 2021")**. However, ESOP 2017 is presently not viable and hence not in use. Further, the Company has not granted any Employee Stock Option to its Non-Executive Directors under ESOP 2021. Hence, the disclosure of the same is not applicable.

Remuneration paid to Executive Directors

The remuneration of Executive Director(s) is decided by the Board of Directors on recommendation of Nomination & Remuneration Committee as per the Company's remuneration policy and within the overall ceiling approved by the shareholders.

The remuneration paid to Mr. Siddhartha Roy Burman for the financial year 2025 - 26 is ₹ 39.11 million inclusive of perquisites amounting to ₹ 1.41 million. There is no separate provision for payment of severance fees.

The remuneration paid to Mr. Rittick Roy Burman for the financial year 2025-26 is ₹ 6.89 million. There is no separate provision for payment of severance fees.

Notice period is 3 Months as per terms of the appointment.

The Company has not granted any Employee Stock Option to its Executive Directors. Hence, the disclosure of the same is not applicable.

III. Stakeholders' Relationship Committee

Composition and attendance at Stakeholders' Relationship Committee Meeting:

In compliance with Regulation 20 of the Listing Regulations, the Board has constituted the Stakeholders' Relationship Committee pursuant to a resolution of the Board dated June 01, 2017 inter alia, to consider and review the complaints received from shareholders. Detail of share transfers / transmissions, if any, approved by the Committee are placed at the Board Meetings from time to time.

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The Composition of the Stakeholders' Relationship Committee as on March 31, 2026, consists of following members viz.

1. Prof. (Dr.) Surabhi Banerjee - Chairperson
2. Mr. Siddhartha Roy Burman - Member
3. Mr. Ritoban Roy Burman - Member

Mr. Abhijit Dan, Group Company Secretary acts as the Secretary to the Committee and is the Compliance Officer of the Company.

During the year under review, 1 (One) meeting of the Stakeholders' Relationship Committee was held on March 24, 2026. Prof. (Dr.) Surabhi Banerjee and Mr. Siddhartha Roy Burman attended the said meeting.

Prof. (Dr.) Surabhi Banerjee, Chairperson of the Stakeholders' Relationship Committee attended the previous Annual General Meeting held on September 19, 2025.

The brief terms of reference of the Stakeholders' Relationship Committee are as follows:

- a. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.;
- b. Review of measures taken for effective exercise of voting rights by shareholders;
- c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company; and
- e. Carrying out any other function as prescribed under the Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

IV. Corporate Social Responsibility (CSR) Committee

The CSR Committee of the Board of Directors, as on March 31, 2026, consists of following members viz.

1. Prof. (Dr.) Surabhi Banerjee - Chairperson
2. Mr. Siddhartha Roy Burman - Member
3. Mr. Ritoban Roy Burman – Member

The Group Company Secretary acts as the Secretary to the Committee.

During the year under review, 1 (One) meeting of the CSR Committee was held on November 07, 2025. Prof. (Dr.) Surabhi Banerjee and Mr. Ritoban Roy Burman attended the said meeting.

The brief terms of reference of the CSR Committee are as follows:

- i. Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

Annexure – V

- ii. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- iii. Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- iv. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;
- v. Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- vi. Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- vii. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

Details of Complaints received and resolved during the financial year ended March 31, 2026:

Pending redressal as on April 1, 2025	NIL
Received during the financial year ended March 31, 2026	0
Redressed during the financial year ended March 31, 2026	0
Pending redressal as on March 31, 2026	0

4. Particulars of Senior Management

The particulars of Senior Management as per Regulation 16(1)(d) of the Listing Regulations including the changes during the financial year 2025-26 are as follows:

Sl. No.	Name	Designation
1.	Mr. Indrajit Chaudhuri	Group Chief Financial Officer
2.	Mr. Abhijit Dan	Group Company Secretary & Head – Legal
3.	Mr. Aranya Ray	General Manager - Supply Chain Management
4.	Mr. Saibal Banerjee [€]	General Manager - Administration
5.	Mr. Kaliprasad Majumder ^{€€}	DGM - Systems
6.	Mr. Kaushik Dutta	AGM - Sales
7.	Mr. Roshan Jaiswal ^{€€€}	Head-Internal Audit & Risk Management
8.	Mr. Avijit Mukherjee ^{€€€€}	Internal Auditor

Notes:

[€]Superannuated from service with effect from April 01, 2026.

^{€€} Resigned with effect from December 31, 2025. However, he is currently associated with the Company as Retainer.

^{€€€}Resigned with effect from August 16, 2025.

^{€€€€}Appointed as “Internal Auditor” with effect from November 07, 2025.

Annexure – V

5. SEBI Complaints Redressal System (SCORES)

(SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026)

The investor complaints are processed in a centralised web-based complaints redressal system.

The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

However, SEBI has mandated the investors to first take up their grievances for redressal with the Company, through their designated persons / officials who handle issues relating to compliance and redressal of investor grievances. In case, the Company fails to redress the complaint within the statutory timeline, the investor may then file his / her complaint in SCORES.

No Shares are lying in Demat Suspense Account / unclaimed suspense Account. Hence, the disclosure of the same is not applicable.

Exclusive e-mail id for Investor Grievances: compliance@khadims.com.

Online Dispute Resolution (ODR) Portal

(SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026)

SEBI has established a common ODR Portal to harness online conciliation and arbitration for resolution of disputes in the Indian Securities Market.

Post exhausting the option to resolve grievances with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://www.khadims.com/pages/investor-grievance>.

6. General Body meetings

i. Location and time, where last three Annual General Meetings (AGMs) were held:

Year	Venue	Date	Time	Special Resolutions passed
2024-25	Meeting held through VC/ OAVM pursuant to various MCA Circulars	September 19, 2025	11:30 a.m. IST	i. Payment of commission to Independent Directors of the Company for the financial year ended March 31, 2025.
2023-24	Meeting held through VC/ OAVM pursuant to various MCA Circulars	September 24, 2024	11:30 a.m. IST	i. Payment of commission to Independent Directors of the Company for the financial year ended March 31, 2024.
2022-23	Meeting held through VC/ OAVM pursuant to various MCA Circulars	September 21, 2023	11:30 a.m. IST	i. Revision in remuneration of Mr. Rittick Roy Burman (DIN: 08537366), Whole-time Director of the Company with effect from April 01, 2023 for the remaining period of his tenure ending November 07, 2025. ii. Re-appointment of Mr. Siddhartha Roy Burman (DIN: 00043715) as a Chairman & Managing Director (also as a "Whole-time Key Managerial Personnel") of the Company for a further period of 3 (Three) years with effect from April 01, 2024 till March 31, 2027 (both days inclusive).

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ii. Details of special resolution passed through postal ballot:

Approval of the Members by way of a Special Resolutions had been obtained on June 23, 2025 (vide Postal Ballot Notice dated April 01, 2025) for the following business:

- a. **Resolution No. 1** - Re-designation and appointment of Mrs. Upama Mukherjee (DIN: 10585455) as “Independent Director” of the Company.
- b. **Resolution No. 2** - Re-designation and appointment of Mr. Siddhartha Roy Burman (DIN: 00043715) as “Executive Chairman” (also a “Whole-Time Key Managerial Personnel”) in the category of “Whole-Time Director” and also to be functioned as ‘Chairman’ of the Company for a fresh term of 3 (Three) consecutive years commencing from April 01, 2025.
- c. **Resolution No. 3** - Re-designation and appointment of Mr. Rittick Roy Burman (DIN: 08537366) as “Managing Director” (also a “Whole-Time Key Managerial Personnel”) of the Company for a fresh term of 3 (Three) consecutive years commencing from April 01, 2025.

Mr. A. K. Labh (FCS. F4848, CP No. 3238), Practicing Company Secretary was appointed as Scrutinizer for conducting Postal Ballot only by voting through electronic means (remote e-voting) in a fair and transparent manner.

The postal ballot was carried out as per the provisions of Sections 108, 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the applicable General Circulars issued by the Ministry of Corporate Affairs. The details of voting pattern of the Special Resolutions passed are as under:

Particulars	Voted in favour of the Resolution			Voted against the Resolution			Invalid Votes	
	Number of Members voted	Number of votes cast by them	% of total number of valid votes cast	Number of Members voted	Number of votes cast by them	% of total number of valid votes cast	Total number of Members whose votes were declared invalid	Total number of votes cast by them
Resolution No. 1	197	1,10,90,082	96.0616	46	4,54,676	3.9384	0	0
Resolution No. 2	198	1,10,90,099	96.0619	44	4,54,639	3.9381	0	0
Resolution No. 3	197	1,15,43,685	99.9911	44	1,033	0.0089	0	0

Further, as at date, no Special Resolution is proposed to be passed through Postal Ballot.

7. Disclosures

i) Statutory Compliance, Penalties / Strictures

The Company has complied with rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital market.

No penalty or stricture has been imposed on the Company by the Stock Exchanges or SEBI on any matter related to the capital markets, during the last three years.

Annexure – V

ii) Related Party Transactions

The Company has adopted the Related Party Transaction Policy, which is available on its website: www.khadims.com and can be accessed at web link: <https://www.khadims.com/pages/policy-on-related-party-transaction>.

The details of all significant transactions with related parties are periodically placed before the Audit Committee. The Company has entered into related party transactions as set out in notes to accounts, which do not have potential conflict with the interests of the Company at large.

iii) Subsidiary

The Company had two Wholly-owned Subsidiary in the name of Khadim Shoe Bangladesh Limited in Bangladesh and KSR Footwear Limited as on March 31, 2025.

However, consequent to implementation of the Scheme, KSR Footwear Limited ceased to be a Wholly-owned Subsidiary of the Company effective April 01, 2025.

Accordingly, Khadim Shoe Bangladesh Limited is the only Wholly-owned Subsidiary of the Company as on March 31, 2026. Further, Khadim Shoe Bangladesh Limited is not a material subsidiary as per Regulation 16(1)(c) and 24 of the Listing Regulations.

The financial statements and minutes of the subsidiary are placed before the Board of Directors from time to time for its perusal and review.

Further, the Company has adopted a policy on material subsidiaries, which is available on the website of the Company www.khadims.com and can be accessed at web link: <https://www.khadims.com/pages/policy-on-material-subsidiary>.

iv) Vigil Mechanism / Whistle Blower Policy

In line with the Companies Act, 2013 and the Listing Regulations, the Company has formulated Vigil Mechanism / Whistle Blower Policy to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation, in a secure and confidential manner. The Company has also provided the complainant direct access to the Chairman of the Audit Committee. Further, no personnel have been denied access to the Audit Committee.

The Vigil Mechanism Policy has been placed on the website of the Company and web-link thereto is: <https://www.khadims.com/pages/policy-on-vigil-mechanism>.

8. Compliance with Mandatory and Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of the Listing Regulations, to the extent applicable.

Non-Mandatory Requirements

Particulars	Status
A. The Board	Not Applicable
i. Non-Executive Chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his / her duties.	

Annexure – V

Particulars	Status
ii. The listed entities ranked from 1001 to 2000 as per the list prepared by recognized stock exchanges in terms of sub-regulation (2) of regulation 3 shall endeavour to have atleast one woman independent director on its board of directors.	Complied
B. Shareholders' Right A half-yearly declaration of financial performance including summary of significant events in last six-months, may be sent to each household of shareholders.	Complied, as the Company's half-yearly results are published in leading English and Bengali newspaper and also uploaded on the website of the Company.
C. Modified opinion(s) in audit report The listed entity may move towards a regime of financial statements with unmodified audit opinion.	Complied, there are no qualification in the Audit Report.
D. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer The listed entity may appoint separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer, such that the Chairperson shall: a. be a non-executive director; and b. not be related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.	As on March 31, 2026, Mr. Siddhartha Roy Burman and Mr. Rittick Roy Burman hold the position of Executive Chairman and Managing Director respectively. Both of them are related to each other.
E. Reporting of internal auditor The internal auditor may report directly to the Audit Committee	Complied
F. Independent Directors The independent directors of top 2000 listed entities as per market capitalization shall endeavour to hold at least two meetings in a financial year, without the presence of non-independent directors and members of the management, and all the independent directors shall endeavour to be present at such meetings	During the year under review, one meeting of the Committee of Independent Directors was held on March 26, 2026. All the independent directors attended the said meeting without the presence of members of the management.
G. Risk Management Listed entities ranked from 1001 to 2000 in the list prepared by recognized stock exchanges in terms of sub-regulation (2) of regulation 3 may constitute a risk management committee with the composition, roles and responsibilities specified in regulation 21.	Not adopted

9. Non-Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations

There are no non-compliances of any requirements of Corporate Governance Report of sub-paras (2) to (10) of Part C mentioned in Schedule V of the Listing Regulations.

10. The Company has complied with Corporate Governance Requirements specified in Regulation 17 to 27 to the extent applicable and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

11. In accordance with Regulation 26(6) of the Listing Regulations, we hereby confirm that no employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement for himself / herself or on behalf of any other person, with any shareholder or any other third party with regard

Annexure – V

to compensation or profit sharing in connection with dealings in the securities of the Company.

12. Disclosure of Accounting Treatment

The financial statements are prepared on accrual basis of accounting in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

13. Model Code of Conduct for Directors and Senior Management Team

The Company has adopted a Code of Conduct applicable to all its Directors and members of the Senior Management, which is in consonance with the requirements of the Listing Regulations. The said code is available on the website of the Company and can be accessed through web-link: <https://www.khadims.com/pages/code-of-conduct>.

All the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company for the year ended March 31, 2026.

Declaration by the Managing Director^Ψ on Code of Conduct as required by Schedule V of the Listing Regulations

As required under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors of the Board and Senior Management Personnel of Khadim India Limited (the 'Company') have affirmed compliance with provisions of the applicable Code of Conduct of the Company during the financial year ended March 31, 2026.

For **Khadim India Limited**

Sd/-

Rittick Roy Burman

Managing Director

^ΨRe-designated and appointed as "Managing Director" of the Company for a fresh term of 3 (Three) consecutive years effective April 01, 2025.

14. Joint Certification on financial statements

In terms of requirement of Regulation 17(8) of the Listing Regulations, Mr. Rittick Roy Burman, Managing Director and Mr. Indrajit Chaudhuri, Group Chief Financial Officer of the Company have furnished certificate to the Board in the prescribed format certifying that financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on May 20, 2026.

15. Directors' Responsibility Statement

The draft Directors' Responsibility Statement signed by Mr. Rittick Roy Burman, Managing Director which is included in the Board's Report for the financial year 2025-26 has been reviewed by the Audit Committee at its meeting held on May 20, 2026.

16. Reconciliation of Share Capital Audit Report

In terms of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary with a view to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, inter alia, confirms that

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the Register of Members is duly updated and that demat / remat requests were confirmed within stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

17. Risk Management Policy

The Company has in place Risk Management System which takes care of risk identification, assessment and mitigation. There are no risks, which in the opinion of the Board threaten the existence of the Company. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis Report forming part of this Board's Report.

18. Code for Prevention of Insider Trading

The Company has adopted a code of conduct to regulate, monitor and report trading by insiders for prevention of Insider Trading in the shares of the Company. The code, inter-alia, prohibits purchase / sale of shares of the Company by Directors and designated person while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

19. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part

During the year under review, the Company paid total fee (including out of pocket expenditure) of ₹ 2.24 million on a consolidated basis to:

- i. M/s. Ray & Ray, Chartered Accountants (Firm Registration No. 301072E), Statutory Auditors of the Company; and
- ii. Nurul Faruk Hasan & Co. (Deloitte Bangladesh, FRC Enlistment Number: CAF-001-139), Chartered Accountants, Statutory Auditors of Khadim Shoe Bangladesh Limited, a Wholly-owned Subsidiary company;

20. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of Complaints filed during the financial year - NIL
- b. Number of Complaints disposed of during the financial year - Not Applicable
- c. Number of Complaints pending as on end of the financial year - Not Applicable

21. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations

During the financial year ended March 31, 2024, the Company had raised ₹ 37.30 million (being 25% of the issue price from Promoter Category and Non-Promoter Category) upon issue and allotment of 4,08,768 Fully Convertible Equity Share Warrants ('Warrants') at a price of ₹ 365 per Warrant, each convertible into, or exchangeable for, 1 (One) fully paid-up equity share of the Company of face value of ₹ 10/- each, to one of the Promoters and Non - Promoter Category on preferential basis for an aggregate consideration of up to ₹ 149.20 million.

Further, on receipt of ₹ 45.00 million i.e., remaining 75% of the total consideration, from Promoter Category, i.e., Mr. Siddhartha Roy Burman, 1,64,384 equity shares were allotted to him on March 22, 2024, pursuant to conversion of 1,64,384 Warrants allotted to him out of total 4,08,768 warrants as aforesaid.

The remaining 2,44,384 share warrants were issued to two non-promoters and were outstanding for conversion as on March 31, 2024. Subsequently, on receipt of balance 75% of the total consideration of the Warrants, the said Warrants were converted during the financial year 2024 - 25 and 1,64,384 and 80,000

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equity shares were issued on May 29, 2024 and July 19, 2024 respectively.

Out of total funds of ₹149.20 Million raised by the Company, ₹88.51 Million were utilised till March 31, 2026.

22. Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount

Not Applicable, as the Company and its subsidiary did not provide any loans and advances in the nature of loans to firms / companies in which directors are interested.

23. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Not Applicable, as the Company does not have any material subsidiary.

24. Means of Communication

Website: The Company's website www.khadims.com contains, inter alia, the updated information pertaining to quarterly, half- yearly and annual financial results, annual reports, official press releases, the investor / analysts presentations, details of investor calls and meets, shareholding pattern, important announcements. The said information is available in a user friendly and downloadable form.

Financial Results: The quarterly, half-yearly and annual financial results of the Company are submitted to BSE Limited and National Stock Exchange of India Limited after approval of the Board of Directors of the Company. The results of the Company are published in one English daily newspaper ("Business Standard") and one Bengali newspaper ('Aajkal') within 48 hours of approval thereof.

Annual Report: Annual Report containing inter alia Financial Statement, Board's Report, Auditors' Report, Corporate Governance Report is circulated to the Members and others entitled thereto and is also available on website of the Company www.khadims.com. In terms of amended Regulation 36 of the Listing Regulations, letter providing the web-link, including the exact path, where complete details of the Annual Report are available shall also be sent to those shareholder(s) who have not registered their Email-Id with the Company / RTA / Depositories.

Uploading on NSE Electronic Application Processing System (NEAPS) & BSE Listing Centre:

The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE.

25. General Shareholder's information:

a. Annual General Meeting	
Date, time and venue	The 45 th Annual General Meeting (AGM) of the Company will be held on Thursday, September 24, 2026 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM").
b. Financial Year	
Quarterly results will be declared as per the following tentative schedule:	
Financial reporting for the quarter ending June 30, 2026	First fortnight of August, 2026
Financial reporting for the half year ending September 30, 2026	First fortnight of November, 2026
Financial reporting for the quarter ending December 31, 2026	First fortnight of February, 2027
Financial reporting for the year ending March 31, 2027	By the end of May, 2027
c. Dates of Book Closure	N.A.

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d. Record date for Dividend	N.A.
e. Dividend Payment Date	N.A.
f. Listing on Stock Exchanges & Payment of Listing Fees	Your Company's shares are listed on: BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051 Your Company has paid the annual listing fee for the financial years 2025-26 and 2026-27 to both the exchanges within the respective due dates.
g. ISIN	INE834I01025
h. Registrars and Transfer Agents	MUFG Intime India Private Limited (Formerly, Link Intime India Private Limited) C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Tel: +91 22 49186000 Email: investor.helpdesk@in.mpms.mufg.com
i. Share Transfer System	There is no member holding shares in physical form as on the date of this report. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.
j. Address for Correspondence	Mr. Abhijit Dan Group Company Secretary and Compliance Officer Khadim India Limited 7th Floor, Tower C, RDB Primarc TechPark 08 Major Arterial Road, Block AF New Town (Rajarhat) Kolkata - 700156 Tel: +91 33 40090501 E-mail: compliance@khadims.com
k. Dematerialization of Shares and Liquidity	100% shares of your Company are held in the electronic mode as on March 31, 2026.
l. Electronic Clearing Service (ECS)	Members holding shares in demat mode are requested to update their bank account details with their respective depository participants.
m. Investor Complaints to be addressed to	Registrars and Transfer Agents or Mr. Abhijit Dan, Group Company Secretary, at the addresses mentioned earlier.
n. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on equity	No GDRs / ADRs / Warrants or any Convertible Instruments are outstanding as on March 31, 2026.

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o. Plant Locations	The Company had two manufacturing units, one at Panpur and the other at Serampore. However, pursuant to Scheme of Arrangement between the Company and its group company, KSR Footwear Limited, the entire Distribution Business including the manufacturing units as aforesaid stands transferred and vested with KSR Footwear Limited as a going concern on and from April 01, 2025. Accordingly, the Company does not have any plants as on March 31, 2026.
p. Details of Suspension of Securities from trading, if any	Not applicable
q. Commodity price risk or foreign exchange risk and hedging activities	The Company does not have commodity price risk. The details of foreign exchange exposures and hedging activities are provided in the Notes to the Financial Statements.
r. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Not applicable, as the Company did not issue any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, in India or abroad.
s. Disclosure of certain type of agreements binding listed entities as per clause 5A of paragraph A of Part A of Schedule III of the Listing regulations	There are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

t. Summary of Shareholding Pattern as on March 31, 2026

Category of Shareholder	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Promoter & Promoter Group	6	1,10,04,007	59.87%
Public	35,193	73,74,375	40.13%
Total	35,199	1,83,78,382	100%

u. Distribution of Shareholding as on March 31, 2026

Category of Shareholder	Number of Shareholders	Number of Shares held	Percentage of Shareholding
1 – 500	33,262	16,86,363	9.18
501 – 1000	1,061	7,87,699	4.29
1001 – 2000	471	6,75,167	3.67
2001 – 3000	143	3,62,917	1.97
3001 – 4000	79	2,80,020	1.52
4001 – 5000	52	2,41,349	1.31
5001 – 10000	62	4,46,249	2.43
10001 and Above	69	1,38,98,618	75.63
Total	35,199	1,83,78,382	100.00

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v. Bifurcation of shares held in physical and demat form as on March 31, 2026

Particulars	No. of Shares	Percentage (%)
Physical Shares (I)	NIL	N.A.
Sub-Total	NIL	N.A.
Demat Shares (II)		
NSDL (A)	1,29,50,166	70.46%
CDSL (B)	54,28,216	29.54%
Sub-Total (A+B)	1,83,78,382	100.00
Total (I+II)	1,83,78,382	100.00

USAGE OF ELECTRONIC PAYMENT MODES FOR MAKING CASH PAYMENTS TO THE INVESTORS

SEBI has mandated the companies to use Reserve Bank of India (RBI) approved electronic payment modes such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT and others to pay Members in cash.

Recognizing the spirit of the circular issued by the SEBI, Members whose shareholding is in the electronic mode are requested to promptly update change in bank details with the Depository through your Depository Participant for receiving dividends through electronic payment modes.

The Company has also sent reminders to encash unpaid / unclaimed dividend amount as per records every year.

GREEN INITIATIVE

Your Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its various relevant circulars, has allowed companies to send official documents to their shareholders electronically as a part of its green initiatives in corporate governance.

Recognizing the spirit of the aforesaid circular issued by the MCA and Regulation 36(1)(a) of the Listing Regulations, Notice convening the Annual General Meeting, Financial Statements, Board's Report, Auditor's Report and other documents shall be sent to the email address provided by the Shareholders with the relevant depositories. However, a letter shall be sent to those shareholders, whose e-mail addresses are not registered, providing the web-link, including the exact path, where complete details of the Annual Report are available.

To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs for shares are held by them in electronic form to ensure that the Annual Report and other documents reach you on your preferred email.

For and on behalf of the Board of Directors

Place: Kolkata
Date: May 20, 2026

Siddhartha Roy Burman
Executive Chairman
DIN: 00043715

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Certificate of Non-Disqualification of Directors (Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

Khadim India Limited

7th Floor, Tower C, RDB Primarc TechPark,

08 Major Arterial Road, Block-AF, New Town (Rajarhat),

Kolkata, 24 Parganas North-700156

We have examined the relevant registers, records, forms, returns and disclosures relating to the Directors of Khadim India Limited having CIN: L19129WB1981PLC034337 and having Registered Office at 7th Floor, Tower C, RDB Primarc TechPark, 08 Major Arterial Road, Block-AF, New Town (Rajarhat), Kolkata, 24 Parganas North-700156 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of Director	Designation	DIN	Date of appointment	Date of Cessation
1.	Mr. Siddhartha Roy Burman ^a	Executive Chairman	00043715	April 01, 2005	-
2.	Mr. Rittick Roy Burman ^b	Managing Director	08537366	November 08, 2019	-
3.	Ms. Surabhi Banerjee	Independent Director	07829304	May 25, 2017	-
4.	Mr. Alok Chauthmal Churiwala	Independent Director	02043221	May 11, 2018	-
5.	Ms. Upama Mukherjee ^c	Independent Director	10585455	September 29, 2024	April 06, 2026
6.	Mr. Ritoban Roy Burman	Non-Executive Non-Independent Director	08020765	December 14, 2017	-

^a Re-designated from "Managing Director" to 'Executive Chairman' in the category of "Whole-time Director" and also to be functioned as 'Chairman' for a fresh term of 3 (Three) consecutive years effective April 01, 2025 vide Board Meeting held on March 25, 2025.

^b Re-designated and appointed as "Managing Director" of the Company for a fresh term of 3 (Three) consecutive years effective April 01, 2025 vide Board Meeting held on March 25, 2025.

^c Re-designated as an Independent Director with effect from April 01, 2025 vide Board Meeting held on March 25, 2025. However, she resigned from the said position with effect from close of business hours on April 06, 2026 citing personal reasons. Consequently, she ceased to be member of the Audit Committee and Nomination and Remuneration Committee of the Company.

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Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **B K G & COMPANY**

Company Secretaries

(Firm's Registration No. - S2004WB868500)

(BINOD KUMAR GUPTA)

Partner

(ACS-12965, C. P. No.- 3242)

UDIN: A012965H000428481

Peer Review Certificate No.: 2598/2022

Place: Kolkata

Date: May 20, 2026

Annexure – V

Independent Auditors' Certificate on Corporate Governance

To
The Members of
Khadim India Limited

This certificate is issued in accordance with the terms of our engagement letter dated 7th May, 2026.

We have examined the compliance of the conditions of Corporate Governance by Khadim India Limited ("the Company") for the year ended March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations").

Managements' Responsibility

The compliance of conditions of Corporate Governance as stipulated under SEBI Listing Regulations is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in SEBI Listing Regulations.

Auditors' Responsibility

Our responsibility is limited to the examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standards on Quality Control (SQC) 1, Quality Control for the Firms that perform Audits and reviews of Historical Financial Information and Other Assurance and Related Service Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the "SEBI Listing Regulations", as applicable for the year ended March 31, 2026.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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Restrictions on use

This certificate is addressed to and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the aforesaid “SEBI Listing Regulations” and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for the events and circumstances occurring after the date of this certificate.

For **Ray & Ray**
Chartered Accountants
(Firm's Registration no. 301072E)

(Asish Kumar Mukhopadhyay)
Partner
Membership No. 056359
UDIN: 26056359RYQOCX3467

Place: Kolkata
Date: May 20, 2026

Independent Auditor's Report

To The Members of **Khadim India Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Khadim India Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2026, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year then ended, notes to the standalone financial statements including material accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards, prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* paragraph of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 matters to be communicated in our report

Independent Auditor's Report

Key Audit Matter	Auditor's Response
1. New Labour Codes On 21st November, 2025, the Government of India notified four Labour Codes – Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 – consolidating 29 existing labour laws. The Company has assessed and disclosed the incremental impact of these changes on the basis of best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as 'Exceptional Items' in the standalone financial statements. The incremental impact is mainly consisting of gratuity and leave encashment benefits primarily arising due to change in wage definition. The Company continues to monitor the finalization of Central/ State Rules and clarifications from the Government on other aspects of Labour Code and would provide appropriate accounting effect on the basis of such developments. Refer Note 47 to the Standalone Financial Statements.	Principal Audit Procedures Performed Our audit procedures related to the checking and verification 'Labour Codes' is as detailed below: - obtained the stated four Labour Codes as notified by the Government of India and checked the relevant provisions of the Labour Codes; - Salary sheets/ pay slips of the employees to ascertain the basic wages/salary is as per Labour Code implemented; - actuarial valuation reports of gratuity and leave encashment based on revised definition of basic wage; - the guidance provided by the Institute of Chartered Accountants of India in this regard, and - Board's approval. Audit Conclusions Our procedures did not identify any material exceptions.
2. Revenue Recognition Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.	Principal Audit Procedures Performed In order to address the risk of misstatement related to timing of revenue recognition on sale to Wholesale customers, we have performed the following procedures:- Our audit approach was a combination of test of internal controls and substantive procedures including: - Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. - Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls.

Independent Auditor's Report

Key Audit Matter	Auditor's Response
The Company operates through two different revenue streams – sale to Wholesale customers and Retail customers. The Retail revenues consist of small transactions under cash and carry model. Hence the likelihood of occurrence and magnitude of a potential misstatement arising out of revenue recognition before transfer of control is minimal. Accordingly, we focused our work on the risk of revenue being recognized before control is transferred in respect of its revenue from Wholesale customers. Refer Note 3.9 to the Standalone Financial Statements - Material Accounting Policies.	• Evaluating the design and implementation of Company's controls in respect of revenue recognition. Testing the effectiveness of such controls over the timing of recognition of revenue at the year-end. • Testing the effectiveness of such controls over the timing of recognition of revenue at the year end. • Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognized in the correct period. • Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

Information Other than the Standalone 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 the Board's Report, Corporate Governance and Shareholder's Information but does not include the standalone financial statements and auditor's reports thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone 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 Those Charged with Governance for the Standalone 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS specified under Section 133 of the Act and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the standalone financial statements, 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 Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 standalone 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that economic decisions of a reasonably knowledgeable user of the standalone 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 effect of any identified misstatements in the standalone 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.

Independent Auditor's Report

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required under Section 143(3) of the Act, based on our audit, we report to the extent applicable 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 of the accompanying standalone financial statements.
 - 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 standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone 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 over financial reporting with reference to standalone financial statements of the Company.
 - 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - 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 by the Companies (Audit and Auditors) Second Amendment Rules, 2021, 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 on its financial position in Note No. 39 of the standalone 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 that are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

Independent Auditor's Report

- iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like, on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief that no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended March 31, 2026.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. 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.

For RAY & RAY
Chartered Accountants
Firm Registration No. 301072E

Asish Kumar Mukhopadhyay
Partner
(Membership No. 056359)
UDIN:26056359IGNZJX1246

Place: Kolkata,
Date: 20th May, 2026

Annexure “A” to Independent Auditors’ Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of **Khadim India Limited** of even date)

- i. In respect of the Company’s property, plant and equipment:
 - (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation thereof.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The property, plant and equipment of the Company were physically verified by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the items at reasonable intervals. According to the information and records provided to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the Balance Sheet date.
 - (d) According to the records of the Company examined by us, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year under audit.
 - (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii.
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year as per specified procedure. In our opinion, the coverage and frequency of such verification is appropriate. No discrepancies of 10% or more in the aggregate of each class of inventory were noticed.
 - (b) As per the records of the Company and on the basis of the information and explanations given to us, the Company has a working capital limit in excess of five crore rupees sanctioned by banks during the year on the basis of security of current assets. In respect of the quarterly returns or statements of current assets filed by the Company with such banks for the respective quarters which were not subject to audit, are generally in agreement with the books of account of the Company.
- iii. On the basis of examination of books of account of the Company and according to the information and explanation given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties. Accordingly, provisions of clauses (iii) (a) and (b) to (f) of paragraph 3 of the aforesaid Order are not applicable to the Company.
- iv. On the basis of examination of books of account of the Company and according to the information and explanation given to us, during the year the Company has not given loans, made investments, given guarantees and provided securities covered by provisions of section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3 (v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified maintenance of cost records under section 148 (1) of the Act in respect of the Company’s products / business activities. Accordingly, Clause 3 (vi) of the Order is not applicable to the Company.

Annexure “A” to Independent Auditors’ Report

- vii (a) According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues with appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees’ State Insurance, Income-Tax, Sales Tax / Value Added Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records examined by us, details of Income Tax and Goods and Services Tax, which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Deposited (Rupees in Millions)	Amount (Rupees in Millions)
Income Tax Act, 1961	Income Tax	ITAT, Kolkata	2017- 2018	0.09	0.44
Income Tax Act, 1961	Income Tax	CIT (Appeals) - NFAC	2023-2024	-	0.46
GST Act, 2017	GST	The Commissioner of State Tax (Appeals) Raipur (Chhattisgarh)	2018-2019	0.00	0.08
GST Act, 2017	GST	Appellate Authority, Deputy Commissioner (Appeals)/ Joint Commissioner (Appeals)	2018-2019	0.00	4.00
GST Act, 2017	GST	Deputy Commissioner, West Bengal	2022 - 2023	-	0.85
GST Act, 2017	GST	Commissioner (Appeals)	2025-2026	0.01	0.17

- viii. According to the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) According to the information and explanations given to us, the Company has not defaulted in the repayment of its loans or other borrowings or in the payment of interest thereon.
- (b) According to the information and explanations given to us and representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanation given to us, the term loans taken by the Company were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, we report that funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) On the basis of examination of records of the Company and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

Annexure “A” to Independent Auditors’ Report

- (f) According to the records examined by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, reporting under this sub-clause is not applicable to the Company.
- x. (a) According to the records examined by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under this sub-clause is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause (x) (b) of paragraph 3 of the aforesaid Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books of account and records of the Company carried out in accordance with the Generally Accepted Auditing Practices, we have neither come across any instance of fraud by or on the Company nor have we been informed of any such case by the management during the year.
- (b) No report under Section 143(12) of the Act has been filed by us in Form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received during the year (and up to the date of this report) by the Company.
- xii. The Company is not a Nidhi Company. According, Clause 3 (xii) of the Order is not applicable to the Company
- xiii. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 177 and 188 of the Act, where applicable, for transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
- (b) The reports of the Internal Auditor of the Company for the period under audit have been considered by us in course of our audit.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year. Hence, provisions of Sec. 192 of the Act are not applicable to the Company.
- xvi. (a) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company, we report that the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence, reporting under this sub-clause is not applicable to the Company.
- (b) According to the records examined by us, the Company has not conducted any non-banking financial or housing finance activities during the year. Hence, this sub-clause is not applicable to the Company.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, this sub-clause is not applicable to the Company.
- (d) According to the information and explanations given to us, the Group does not have any CIC as part of the Group. Hence this sub-clause is not applicable to the Company.

Annexure “A” to Independent Auditors’ Report

- xvii. According to the records examined by us and the information given to us, the Company has not incurred cash loss in the current financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors of the Company during the financial year 2025-2026.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is 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. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) activities on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) The Company does not have any ongoing projects during the financial year covered by our audit. Accordingly, clause (xx) (b) of paragraph 3 of the aforesaid Order is not applicable to the Company.

For **RAY & RAY**
Chartered Accountants
Firm Registration No. 301072E

Asish Kumar Mukhopadhyay
Partner
(Membership No. 056359)
UDIN:26056359IGNZJX1246

Place: Kolkata,
Date: 20th May, 2026

Annexure “B” to Independent Auditors’ Report

(Referred to in paragraph 1(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date)

Independent Auditors Report on the internal financial controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of **Khadim India Limited** (“the Company”) as at and for the year ended March 31, 2026, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Responsibilities of the Management and those charged with Governance for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the ICAI 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 standalone 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 over financial reporting with respect to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting with reference to Standalone Financial Statements

A company’s internal financial controls over financial reporting with reference to standalone 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 control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting

Annexure “B” to Independent Auditors’ Report

principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to Standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the criteria for internal financial control with respect to standalone financial statements 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 ICAI.

For **RAY & RAY**
Chartered Accountants
Firm Registration No. 301072E

Asish Kumar Mukhopadhyay
Partner
(Membership No. 056359)
UDIN:26056359IGNZJX1246

Place: Kolkata,
Date: 20th May, 2026

Standalone Balance Sheet

as at 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	As at 31 st March 2026	As at 31 st March 2025
ASSETS			
1 Non - current assets			
(a) Property, Plant and Equipment	4A	487.49	766.19
(b) Capital work - in - progress	4B	4.28	0.16
(c) Right of Use Assets	4C	1,050.32	1,488.51
(d) Intangible assets	4D	7.28	7.13
(e) Intangible assets under development	4E	-	1.89
(f) Financial Assets			
(i) Investments	5	1.99	2.09
(ii) Others	6	175.05	227.39
(g) Deferred tax assets (net)	7	99.56	109.39
(h) Current tax assets (net)	8	31.97	31.45
(i) Other non-current assets	9	68.90	93.53
2 Current assets			
(a) Inventories	10	1,288.92	2,168.81
(b) Financial Assets			
(i) Trade receivables	11	1,863.84	2,210.72
(ii) Cash and cash equivalents	12	17.42	80.45
(iii) Bank balances other than (ii) above	13	86.18	50.02
(iv) Others	14	28.37	85.69
(c) Other current assets	15	255.25	289.50
Total Assets		5,466.82	7,612.92
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	183.78	183.78
(b) Other Equity	17	1,487.34	2,332.75
LIABILITIES			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	139.95	110.08
(ii) Lease liabilities	19	1,091.64	1,577.49
(b) Provisions	20	5.93	-
(c) Other non-current liabilities	21	-	4.42
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	1,078.36	1,030.52
(ii) Lease liabilities	19	181.57	234.03
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		13.22	4.19
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,115.88	1,964.93
(iv) Other financial liabilities	24	118.31	114.53
(b) Other current liabilities	25	42.19	46.78
(c) Provisions	26	-	0.64
(d) Current Tax Liabilities (net)	27	8.65	8.78
Total Equity and Liabilities		5,466.82	7,612.92

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants

FRN - 301072E

Asish Kumar Mukhopadhyay

Partner

Membership no.- 056359

Siddhartha Roy Burman

Executive Chairman

DIN: 00043715

Rittick Roy Burman

Managing Director

DIN: 08537366

Abhijit Dan

Group Company Secretary & Head - Legal

Membership No.: ACS 21358

Indrajit Chaudhuri

Group Chief Financial Officer

Membership No.:FCA 61162

Place: Kolkata

Date: 20th May 2026

Standalone Statement of Profit and Loss

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	For the year ended 31 st March 2026	For the year ended 31 st March 2025
I. Revenue From Operations	28	3,670.95	4,180.33
II. Other Income	29	107.72	103.89
III. Total Income (I + II)		3,778.67	4,284.22
IV. Expenses :			
Cost of materials consumed		56.45	85.76
Purchases of Stock-in-Trade		1,736.35	2,167.90
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	81.75	(345.41)
Employee benefits expense	31	480.09	603.34
Finance costs	32	262.41	248.76
Depreciation and amortization expense	4F	267.93	287.75
Other expenses	33	825.26	1,016.00
Total expenses		3,710.24	4,064.10
V. Profit before exceptional items and tax from continuing operations (III - IV)		68.43	220.12
VI. Exceptional items (Note 47)		18.20	-
VII. Profit before tax from continuing operations (V - VI)		50.23	220.12
VIII. Tax expense:	34		
(1) Current tax		21.55	33.87
(2) Deferred tax		(2.71)	(7.72)
		18.84	26.15
IX. Profit from continuing operations (VII - VIII)		31.39	193.97
X. Loss from discontinued operations (Net of Tax)	35	-	(142.02)
XI. Profit for the year (IX + X)		31.39	51.95
XII. Other Comprehensive Income/(Loss)			
(i) Items that will not be reclassified to profit or loss			
- Re-measurement gain/(loss) on defined benefit plans	41.2	7.14	(0.13)
(ii) Income tax relating to items that will not be reclassified to profit or loss	34	(1.80)	0.03
Other Comprehensive Income/(Loss) for the year		5.34	(0.10)
XIII. Total Comprehensive Income for the year (XI + XII)		36.73	51.85
(Comprising of profit and other comprehensive income/(loss) for the year)			
XIV. Earnings per equity share : [Nominal Value per Share Rs.10/- (Previous year Rs.10/-)]	36		
Continuing operations (in Rs.)			
(1) Basic		1.71	10.58
(2) Diluted		1.71	10.58
Discontinued operations (in Rs.)			
(1) Basic		-	(7.75)
(2) Diluted		-	(7.75)
From continuing and discontinued operations (in Rs.)			
(1) Basic		1.71	2.83
(2) Diluted		1.71	2.83

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants
FRN - 301072E

Asish Kumar Mukhopadhyay

Partner
Membership no.- 056359

Siddhartha Roy Burman

Executive Chairman
DIN: 00043715

Rittick Roy Burman

Managing Director
DIN: 08537366

Abhijit Dan

Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Indrajit Chaudhuri

Group Chief Financial Officer
Membership No.:FCA 61162

Place: Kolkata
Date: 20th May 2026

Standalone Statement of Changes in Equity

as at 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

(a) Equity Share Capital

Balance as at 1st April 2025	Changes in equity share capital during the year	Balance as at 31 st March 2026
183.78	-	183.78

Balance as at 1st April 2024	Changes in equity share capital during the year	Balance as at 31 st March 2025
181.34	2.44	183.78

(b) Other Equity

	Reserves and surplus				Money received against share warrants	Total other equity
	Capital reserve -Amalgamation Reserve	Securities premium	Share options outstanding account	Retained earnings		
Balance as at 1st April 2025	231.92	1,366.95	6.26	727.62	-	2,332.75
Profit for the year	-	-	-	31.39	-	31.39
Other comprehensive gain (net of tax)*	-	-	-	5.34	-	5.34
Total comprehensive income	-	-	-	36.73	-	36.73
Fair value of net assets transferred on demerger adjusted with reserves pursuant to the Scheme (Refer Note 35)	(231.92)	-	-	(650.22)	-	(882.14)
Lapse of Share options outstanding	-	-	(2.69)	2.69	-	-
Balance as at 31st March 2026	-	1,366.95	3.57	116.82	-	1,487.34
Balance as at 1st April 2024	231.92	1,280.19	9.96	672.07	22.30	2,216.44
Profit for the year	-	-	-	51.95	-	51.95
Other comprehensive loss (net of tax)*	-	-	-	(0.10)	-	(0.10)
Total comprehensive income	-	-	-	51.85	-	51.85
Proceeds from issue of share warrants on preferential basis (Refer Note 16.6)	-	-	-	-	66.90	66.90
Equity shares issued upon conversion of share warrants (Refer Note 16.6)	-	86.76	-	-	(89.20)	(2.44)
Lapse of Share options outstanding	-	-	(3.70)	3.70	-	-
Balance as at 31st March 2025	231.92	1,366.95	6.26	727.62	-	2,332.75

*Gain of Rs.5.34 millions (Previous year: Loss of Rs.0.10 millions) on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the year ended 31st March 2026.

Standalone Statement of Changes in Equity

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

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

Capital Reserve: This Reserve represents the surplus of net assets over the Equity Shares issued as purchase consideration pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court at Calcutta with effect from 1st October 2004

Securities premium: This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Share options outstanding account: This Reserve relates to stock options granted by the Company under Khadim Employee Stock Option Plan 2017. This Reserve is transferred to securities premium or retained earnings on exercise or cancellation of vested options.

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

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants
FRN - 301072E

Asish Kumar Mukhopadhyay

Partner
Membership no.- 056359

Place: Kolkata

Date: 20th May 2026

Siddhartha Roy Burman

Executive Chairman
DIN: 00043715

Abhijit Dan

Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Rittick Roy Burman

Managing Director
DIN: 08537366

Indrajit Chaudhuri

Group Chief Financial Officer
Membership No.:FCA 61162

Standalone Statement of Cash Flows

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	For the year ended 31 st March 2026	For the year ended 31 st March 2025
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before Tax for the year		
- Continuing Operations	50.23	220.12
- Discontinued Operations (Refer Note 35)	-	(149.07)
Adjustments for:		
Depreciation and amortization expense	267.93	405.13
Loss on disposal of property, plant and equipment (net)	5.03	3.75
Interest Received	(26.06)	(29.19)
Liabilities/Provisions no longer required written back	(48.67)	(58.24)
Government grant received	-	(1.74)
Provision for doubtful debts, advances and other assets	17.72	37.24
Debts/Advances written off	2.57	16.24
Foreign currency translations and transactions - Net	-	(0.36)
Finance costs	262.41	300.64
Operating Profit before Working Capital Changes	531.16	744.52
Adjustments for:		
Trade Receivables, Loans and Advances and Other Assets	(92.27)	(273.17)
Inventories	75.67	(232.44)
Trade Payables, Other Liabilities and Provisions	(235.14)	435.96
Cash Generated from Operations	279.42	674.87
Net income tax paid	(22.21)	(2.80)
Net Cash generated from Operating Activities (A)	257.21	672.07
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets and movements in CWIP	(96.09)	(119.41)
Sale of property, plant and equipment, intangible assets	0.89	1.59
Investments in bank deposits	(17.11)	(41.56)
Maturity of bank deposits	15.78	62.50
Investment in Wholly-Owned Subsidiary	-	(0.60)
Interest Received	6.92	8.10
Net Cash used in Investing Activities (B)	(89.61)	(89.38)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of equity share warrants (Refer note 16.6)	-	66.90
Interest paid	(144.00)	(124.23)
Repayment of lease liability	(303.00)	(417.12)
Payment of initial direct cost recognised as Right of Use Asset	(1.00)	(0.71)
Long term loans taken	95.45	104.55
Long term loans repaid	(71.28)	(49.10)
Short term loans (repaid)/taken	(3.00)	3.00
Net Cash used in Financing Activities (C)	(426.83)	(416.71)

Standalone Statement of Cash Flows

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(259.23)	165.98
Cash and Cash Equivalents at beginning of year	(813.16)	(979.14)
Less: Cash and Cash Equivalents transferred pursuant to the Scheme (Refer Note 35)	139.64	-
Cash and Cash Equivalents at end of year	(932.75)	(813.16)

Notes:

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

II Cash and Cash Equivalents:

Particulars	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Cash Credit facilities	(950.17)	(893.61)
Cash and cash equivalents (Note 12)	17.42	80.45
Cash and cash equivalents as above	(932.75)	(813.16)

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Cash Flows referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants
FRN - 301072E

Asish Kumar Mukhopadhyay

Partner
Membership no.- 056359

Place: Kolkata

Date: 20th May 2026

Siddhartha Roy Burman

Executive Chairman
DIN: 00043715

Abhijit Dan

Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Rittick Roy Burman

Managing Director
DIN: 08537366

Indrajit Chaudhuri

Group Chief Financial Officer
Membership No.:FCA 61162

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

1 Corporate information

Khadiim India Limited (the 'Company') is a Public Limited Company engaged in the retail business of footwear and accessories. The Company is incorporated and domiciled in Republic of India. The address of its Registered office is RDB Primarc TechPark, Tower-C, 7th Floor, 08 Major Arterial Road, Block-AF, New Town (Rajarhat), Kolkata - 700156. The Company listed its equity shares on 14th November 2017 on BSE and NSE.

2 Recently issued accounting pronouncements:

2.1 Application of new standards and amendments

The Ministry of Corporate Affairs vide notification dated 7th May 2025 and 13th August, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended/notified certain Indian Accounting Standards and are effective for annual reporting periods beginning on or after 1st April 2025.

I Ind AS 1 - Presentation of Financial Statements:

The amendment refines the requirements for classification of liabilities as current or non-current, particularly in cases where the entity's right to defer settlement is subject to compliance with covenants. It clarifies that the classification of liabilities shall be based on rights existing at the reporting date and not on management's expectations or intentions.

II Ind AS 7 - Statement of Cash Flows and Ind AS 107 - Financial Instruments: Disclosures:

The amendments introduce additional disclosure requirements for supplier finance arrangements (also referred to as supply chain finance arrangements) to enhance transparency about the entity's exposure to liquidity risks arising from such arrangements.

III Ind AS 12 - Income Taxes:

The amendment incorporates certain exceptions relating to the recognition and disclosure of deferred tax arising from the implementation of the OECD Pillar Two model rules.

IV Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

The amendment establishes how to assess currency exchangeability, estimate spot exchange rates, and disclose the impact of unexchangeable currencies.

The Company has evaluated the amendments and the impact of the amendments is not expected to be significant to its standalone financial statements.

2.2 New standards and amendments to existing Standards which are issued but are not yet effective and have not been early adopted by the Company

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

Paragraph 74 of Ind AS 1 currently effective for the year ended 31 March 2026 requires the entity not to classify the liability as current, if there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, however, the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

MCA vide notification dated 13 August 2025, has introduced amendment under Paragraph 74 of Ind AS 1 which requires the entity to classify the liability as current under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 01 April 2026 retrospectively in accordance with Ind AS 8.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

This amendment is not expected to have a material impact on the Company's standalone financial statements.

3 Material accounting policies

3.1 Statement of Compliance

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

3.2 Basis of preparation

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

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

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

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

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

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

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

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

3.3 Operating cycle

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

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

3.4 Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Freehold Land is not depreciated. The estimated useful lives of property, plant and equipment of the Company depending on its nature and classification are as follows:

Buildings - 30 – 60 Years

Leasehold Improvements - Shorter of lease period or over 6 years

Plant and Equipment - 5 – 15 Years

Furniture and Fixtures – 10 Years

Vehicles - 10 Years (which is more than the life specified in Schedule II)

Office Equipment - 5 Years

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

3.5 Intangible Assets

Intangible assets acquired separately are recorded at cost at the time of initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets (Computer Software) with finite lives are amortized over the useful economic life (not exceeding five years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

3.6 Impairment of Property, Plant and Equipment and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amount of its property, plant and equipment and intangible assets to determine whether there is any indicator that those assets have suffered an impairment loss. If any such indicator exists, the recoverable amount of the asset is estimated in order to determine the impairment loss. When it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money.

3.7 Assets held for disposal

Assets are classified as held for disposal if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable. These are measured at lower of their carrying amount and fair value less costs to sell.

3.8 Inventories

Inventories are valued at cost and net realisable value, whichever is lower. The cost is calculated on First In First Out basis (FIFO). Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

3.9 Revenue Recognition

The Company earns revenue primarily from sale of footwear and leather accessories.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made and the Company has performed its obligations. Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discounts to customers.

The Company through marketplace and its own website sells its products to customers. Revenue from sale of goods through the website is recognised when control of the products has transferred, being when the products are delivered to the customer. For e-commerce sales, it is the Company's policy to sell its products to the end customer with a right of return within 7 to 30 days. Therefore, a refund liability in relation to expected returns (included in other current liabilities- refund liabilities) and a right to recover the returned goods (included in other current assets) are recognised for the products expected to be returned.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets' net carrying amount on initial recognition.

3.10 Government Grant

The Company receives government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognized when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- a. related to or used for assets, are included in the Balance Sheet as deferred income and recognized as income over the useful life of the assets.
- b. related to incurring specific expenditures, are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- c. by way of financial assistance on the basis of certain qualifying criteria, are recognized as they become receivable.

3.11 Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognized in the Statement of Profit and Loss.

3.12 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 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.

3.13 Employee Benefits

I Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus etc. which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and also non-accumulating compensated absences are recognized on an undiscounted basis and charged to the Statement of Profit and Loss.

II Defined contribution plan

The Company's contribution towards Provident Fund and Employee State Insurance with respect to employees paid/ payable during the year to the respective Authorities are considered as Defined Contribution Plans and are charged to the Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

III Defined benefit plan

The Company maintains Gratuity Plan for all its eligible employees and the same is a defined benefit plan. The cost of providing benefits under the defined benefit gratuity obligation is determined by independent actuary at each balance sheet date using the projected unit credit method.

Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognized immediately through other comprehensive income in the period in which they occur.

IV Other long term employee benefits

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/losses are immediately taken to the statement of profit and loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

V Employee Share Based Compensation

Stock Options are granted to eligible employees in accordance with the Khadim Employee Stock Option Schemes ("ESOP"), as may be decided by the Nomination and Remuneration Committee.

The cost of ESOP is recognized based on the fair value of Stock Options as on the grant date. The fair value of Stock Options granted and vested are recognized in the Statement of Profit and Loss.

3.14 Leases

The Company, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April, 2019.

Company as a Lessee

The Company assesses whether a contract is or contains a lease according to Ind AS 116 'Leases' at the inception of the contract. A contract is, or contains, a lease if the contract involves–

- (a) the use of an identified asset,
- (b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract i.e. at the lease commencement date recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term).

Right-of-use assets

At the lease commencement date, the right-of-use asset is initially measured at cost which comprises the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Lease Liabilities

At the lease commencement date, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. This includes fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

For short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

3.15 Income Taxes

Income tax comprises of current taxes and deferred taxes.

Current tax

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

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

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

Deferred tax

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

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

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

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

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

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

3.16 Provisions, Contingent liabilities and Contingent assets

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

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

The Company does not recognise contingent assets.

3.17 Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by Shareholders.

3.18 Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding cash credit as they are considered an integral part of the Company's cash management.

3.19 Financial instruments, Financial assets, Financial liabilities and Equity instruments

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

Financial assets

Recognition

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

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Classification

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

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

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

Impairment

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

Reclassification

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

Derecognition

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

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

Income Recognition

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

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Financial Liabilities

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

Offsetting Financial Instruments

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

Equity Instruments

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

4 Significant accounting judgments, estimates and assumptions

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

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

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

I Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once in a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

II Actuarial Valuation

The determination of Company's liability towards employee benefits in the nature of gratuity and unpaid leave balance is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the standalone financial statements.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

4A PROPERTY, PLANT AND EQUIPMENT

	GROSS BLOCK							
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 35)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026
Buildings	473.93	0.42	-	474.35	223.90	104.53	-	354.98
Leasehold Improvements	333.94	70.26	48.55	355.65	8.72	32.57	36.79	342.71
Plant and equipment	667.05	25.69	13.55	679.19	595.96	2.48	1.98	83.73
Furniture and Fixtures	209.61	18.53	10.93	217.21	101.88	6.08	7.26	114.15
Vehicles	10.45	-	-	10.45	0.45	-	-	10.00
Office Equipment	37.06	1.24	1.67	36.63	16.46	0.59	1.30	19.46
Total	1,732.04	116.14	74.70	1,773.48	947.37	146.25	47.33	925.03
4B Capital work - in - progress	1.49	6.29	7.62	0.16	0.16	50.31	46.03	4.28

Notes:

- The amount of expenditures recognized in the carrying amount of property, plant and equipment in the course of construction is Nil (Previous Year - Rs. 0.42 millions)
- Addition to Buildings during the year amounting to Rs.104.53 millions, include Rs.58.49 millions of "Assets held for disposal" re-classified under property, plant and equipment (Refer Note 14)

4A PROPERTY, PLANT AND EQUIPMENT

	ACCUMULATED DEPRECIATION/AMORTIZATION							NET BLOCK		
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 35)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026	As at 31 st March 2026	As at 31 st March 2025
Buildings	98.03	13.26	-	111.29	69.12	13.95	-	56.12	298.86	363.06
Leasehold Improvements	234.87	33.65	46.53	221.99	6.72	33.89	32.25	216.91	125.80	133.66
Plant and equipment	463.88	52.88	12.54	504.22	440.84	6.35	1.80	67.93	15.80	174.97
Furniture and Fixtures	121.11	15.86	8.62	128.35	60.73	8.52	6.17	69.97	44.18	88.86
Vehicles	9.30	0.50	-	9.80	0.44	0.32	-	9.68	0.32	0.65
Office Equipment	30.44	2.85	1.65	31.64	14.81	1.29	1.19	16.93	2.53	4.99
Total	957.63	119.00	69.34	1,007.29	592.66	64.32	41.41	437.54	487.49	766.19
4B Capital work - in - progress									4.28	0.16

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

4C RIGHT-OF-USE ASSETS

	GROSS BLOCK			Total
	Buildings	Land*	Plant and equipment	
Gross Carrying Value as at 31st March 2024	2,377.00	39.73	-	2,416.73
Additions during the year	267.35	-	-	267.35
Deletions during the year	(313.68)	-	-	(313.68)
Gross Carrying Value as at 31st March 2025	2,330.67	39.73	-	2,370.40
Transfer pursuant to the Scheme (Refer Note 35)	(492.33)	(8.55)	-	(500.88)
Additions during the year	246.99	-	14.29	261.28
Deletions during the year	(378.98)	-	-	(378.98)
Gross Carrying Value as at 31st March 2026	1,706.35	31.18	14.29	1,751.82

	ACCUMULATED DEPRECIATION			Total
	Buildings	Land	Plant and equipment	
Accumulated Depreciation as at 31st March 2024	758.79	5.79	-	764.58
Depreciation Expenses	282.38	1.16	-	283.54
Deductions / Adjustments	(166.23)	-	-	(166.23)
Accumulated Depreciation as at 31st March 2025	874.94	6.95	-	881.89
Transfer pursuant to the Scheme (Refer Note 35)	(152.83)	(4.67)	-	(157.50)
Depreciation Expenses	200.00	0.38	0.17	200.55
Deductions / Adjustments	(223.44)	-	-	(223.44)
Accumulated Depreciation as at 31st March 2026	698.67	2.66	0.17	701.50

	NET CARRYING VALUE			Total
	Buildings	Land	Plant and equipment	
Net Carrying Value as at 31st March 2025	1,455.73	32.78	-	1,488.51
Net Carrying Value as at 31st March 2026	1,007.68	28.52	14.12	1,050.32

*This includes Rs.22.50 millions paid to Kolkata Metropolitan Development Authority (KMDA) as lease premium for a land at Laskarhat, Kolkata having a lease term of 99 years. The Company has received possession for 10.75 cottahs, for which the related lease deed has been executed. Remaining portion of the said land was under litigation before High Court Calcutta and Alipore Court wherein both courts have passed judgement in favour of the Company. The losing party has filed Special Leave Petition (SLP) before Supreme Court and the same is pending before the Apex Court. In the meantime, the Company is following up with KMDA to execute the Lease deed for remaining portion of 34.25 cottahs of Land.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

4D INTANGIBLE ASSETS

	GROSS BLOCK							
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 35)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026
Computer software (acquired)	12.34	0.76	-	13.10	0.10	3.30	-	16.30

INTANGIBLE ASSETS

	ACCUMULATED AMORTIZATION							NET BLOCK		
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 35)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026	As at 31 st March 2026	As at 31 st March 2025
Computer software (acquired)	3.38	2.59	-	5.97	0.01	3.06	-	9.02	7.28	7.13

4E INTANGIBLE ASSETS UNDER DEVELOPMENT

	GROSS BLOCK							
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 35)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026
Computer software (acquired)	-	1.89	-	1.89	-	0.21	2.10	-

4F DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Property, Plant and Equipment	64.32	119.00
Right-of-Use Assets	200.55	283.54
Intangible Assets	3.06	2.59
Total	267.93	405.13
Less: Depreciation and amortization expense related to discontinued operations (Refer Note 35)	-	117.38
Depreciation and amortization expense related to continuing operations	267.93	287.75

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

4G Capital work - in - progress ageing

Ageing for Capital work - in - progress as at 31st March 2026

Capital work - in - progress	Amount in Capital work - in - progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4.28	-	-	-	4.28

Ageing for Capital work - in - progress as at 31st March 2025

Capital work - in - progress	Amount in Capital work - in - progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.16	-	-	-	0.16

4H Intangible Assets under development ageing

Ageing for Intangible Assets under development as at 31st March 2026

Intangible Assets under development	Amount in Capital work - in - progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-

Ageing for Intangible Assets under development as at 31st March 2025

Intangible Assets under development	Amount in Capital work - in - progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1.89	-	-	-	1.89

5 INVESTMENTS - NON-CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Investment in Equity Instruments (Unquoted)		
In Subsidiary (at cost)		
Khadim Shoe Bangladesh Limited		
250 (Previous Year - 250) ordinary shares of BDT 10,000 each fully paid up	1.99	1.99
KSR Footwear Limited*		
Nil (Previous Year - 10,000) equity shares of Rs.10 each fully paid up	-	0.10
	1.99	2.09
Aggregate book value of unquoted investments	1.99	2.09

*Investment in equity shares of KSR Footwear Limited is cancelled pursuant to the Scheme of Arrangement (Refer Note 35)

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

6 OTHER FINANCIAL ASSETS - NON-CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Security and other deposits	153.52	171.64
Bank deposits with more than 12 months maturity (including interest accrued)		
- Against guarantees and letter of credit	4.45	6.76
- As security with Sales Tax Authorities	0.02	0.02
- Pledged against credit facilities	10.84	48.37
- Others	5.00	-
Employee Advances	1.22	0.60
Total	175.05	227.39

7 DEFERRED TAX ASSETS/(LIABILITIES) (NET)

	As at 31 st March 2026	As at 31 st March 2025
Deferred tax assets	103.98	140.57
Less: Deferred tax liabilities	4.42	31.18
Total	99.56	109.39

7.1 Movement in deferred tax liabilities/assets balances

2025-26	Opening balance	Transfer pursuant to the Scheme (Refer Note 35)	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax liabilities/assets in relation to:					
On fiscal allowances on property, plant and equipment, etc.	31.18	(25.35)	(1.41)	-	4.42
Total deferred tax liabilities	31.18	(25.35)	(1.41)	-	4.42
On employees' separation and retirement etc.	0.17	(0.03)	3.15	(1.80)	1.49
On right of use asset and lease liabilities	93.66	(21.00)	(7.73)	-	64.93
On financial assets measured at fair value	4.24	(0.26)	(0.39)	-	3.59
On provision for doubtful debts and advances	25.16	(5.60)	4.45	-	24.01
On other assets	1.18	(1.54)	0.20	-	(0.16)
On provision for slow moving inventories	16.16	(7.66)	1.62	-	10.12
Total deferred tax assets	140.57	(36.09)	1.30	(1.80)	103.98
	(109.39)	10.74	(2.71)	1.80	(99.56)

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

2024-25	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax liabilities/assets in relation to:				
On fiscal allowances on property, plant and equipment, etc.	37.38	(6.20)	-	31.18
Total deferred tax liabilities	37.38	(6.20)	-	31.18
On employees' separation and retirement etc.	0.54	(0.40)	0.03	0.17
On right of use asset and lease liabilities	95.83	(2.17)	-	93.66
On accumulated business loss	23.25	(23.25)	-	-
On financial assets measured at fair value	4.54	(0.30)	-	4.24
On provision for doubtful debts and advances	15.78	9.38	-	25.16
On other assets	1.38	(0.20)	-	1.18
On provision for slow moving inventories	12.94	3.22	-	16.16
Total deferred tax assets	154.26	(13.72)	0.03	140.57
	(116.88)	7.52	(0.03)	(109.39)

7.2 Deferred tax (credit)/charge for the year

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Deferred tax (credit)/charge for the year	(2.71)	7.52
Less: Deferred tax charge for discontinued operations (Refer Note 35)	-	15.24
Deferred tax (credit)/charge for continuing operations	(2.71)	(7.72)

8 CURRENT TAX ASSETS*

	As at 31 st March 2026	As at 31 st March 2025
Advance Income Tax (Net of Provision Rs.254.78 millions; 31 st March 2025: Rs.254.78 millions)	31.97	31.45
Total	31.97	31.45

*Management expects that the assessment procedure is not going to be completed in all respect in next 12 months from the Balance Sheet date.

9 OTHER NON-CURRENT ASSETS

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Capital Advances	18.34	17.47
Advances other than capital advances:		
Security deposits	7.42	7.57
Prepaid expenses	43.06	56.92
Other advances	0.08	0.08
Government grant receivable	-	11.49
Total	68.90	93.53

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

10 INVENTORIES

	As at 31 st March 2026	As at 31 st March 2025
Raw Material (including packing material)*	23.17	171.35
Work-in-progress	-	61.83
Finished goods (manufactured)**	-	563.19
Stock-in-trade (goods purchased for resale)***	1,265.75	1,372.44
Total	1,288.92	2,168.81

*Includes goods in transit of Rs.0.34 millions (Previous Year - Rs. 0.19 millions).

**Includes goods in transit of Nil (Previous Year - Rs. 0.18 millions).

***Includes goods in transit of Rs.29.05 millions (Previous Year - Rs. 17.93 millions).

Notes:

- Cost of inventory recognized as an expense during the year Rs.2,009.39 millions (Previous Year - Rs. 3,514.58 millions).
- The cost of inventories recognized as an expense in respect of write-downs of inventory to net realisable value included in (i) above - Rs. 0.21 millions (Previous Year - Rs. 5.45 millions).
- Refer Note 3.8 for method of valuation.

11 TRADE RECEIVABLES

	As at 31 st March 2026	As at 31 st March 2025
Considered good - Secured	48.60	55.95
Considered good - Unsecured	1,815.24	2,154.77
Considered doubtful	95.41	99.94
	1,959.25	2,310.66
Less : Allowance for doubtful debts	95.41	99.94
Total	1,863.84	2,210.72

Trade receivables ageing schedule - as at 31st March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,162.27	313.88	45.24	0.35	342.10	1,863.84
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	5.81	55.39	30.16	0.23	3.82	95.41
Disputed Trade receivables – considered good	-	-	-	-	-	-

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,168.08	369.27	75.41	0.58	345.92	1,959.25
Less : Allowance for doubtful debts						95.41
						1,863.84

Trade receivables ageing schedule - as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,507.69	298.71	38.21	8.48	357.63	2,210.72
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	5.91	52.71	25.47	5.65	8.99	98.73
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	1.21	1.21
Total	1,513.60	351.42	63.68	14.13	367.83	2,310.66
Less : Allowance for doubtful debts						99.94
						2,210.72

12 CASH AND CASH EQUIVALENTS

	As at 31 st March 2026	As at 31 st March 2025
Balances with banks		
On Cash Credit Accounts	-	18.04
On Current Accounts	0.10	0.10
Cheques, drafts on hand	9.48	46.41
Cash on hand	7.84	15.90
Total	17.42	80.45

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for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

13 OTHER BANK BALANCES

	As at 31 st March 2026	As at 31 st March 2025
Dividend Accounts	0.01	0.02
Fixed Deposits with banks (including interest accrued)*		
- Against guarantees and letter of credit	1.35	10.30
- As security with Sales Tax Authorities	0.24	0.23
- Pledged against credit facilities	84.58	39.47
Total	86.18	50.02

*Represents deposits with original maturity of more than 3 months and includes deposits with remaining maturity of less than 12 months from the balance sheet date.

14 OTHER FINANCIAL ASSETS - CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Assets held for disposal *	-	58.49
Interest Receivable	1.16	0.73
Employee Advances	2.06	3.04
Other receivables (Tender deposits, scrap sales etc.)	25.15	23.43
Total	28.37	85.69

*The Company had certain property, plant and equipment which were not in active use and hence classified as Assets held for disposal. The said assets were put to use during the financial year and were re-classified under property, plant and equipment.

15 OTHER CURRENT ASSETS

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Advances other than capital advances:		
Advances to related parties	0.33	0.55
Other advances	27.03	41.68
Right to recover returned goods	0.40	-
Prepaid expenses	51.26	67.96
Net surplus - defined benefit obligation (Leave encashment)	2.15	-
Net surplus - defined benefit obligation (Gratuity) (Refer Note 4.1.2)	-	2.46
Advance to Government Authorities	174.08	176.85
Total	255.25	289.50

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

16 EQUITY SHARE CAPITAL

	As at 31 st March 2026	As at 31 st March 2025
Authorised		
4,00,00,000 (31 st March 2025: 6,00,00,000) Equity Shares of Rs.10/- each (Refer Note 16.1)	400.00	600.00
Issued, Subscribed and Paid up		
1,83,78,382 (31 st March 2025: 1,83,78,382) Equity Shares of Rs.10/- each	183.78	183.78
Total	183.78	183.78

- 16.1** Authorised share capital of Rs.200.00 millions comprising of 2,00,00,000 Equity Shares of Rs.10/- each has been transferred to KSR Footwear Limited pursuant to the Scheme of Arrangement sanctioned by The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), vide Order dated 27 March, 2025 (Refer Note 35)

16.2 Reconciliation of the number of Equity shares

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	1,83,78,382	183.78	1,81,33,998	181.34
Equity shares issued upon conversion of share warrants (Refer Note 16.6)	-	-	2,44,384	2.44
Balance as at the end of the year	1,83,78,382	183.78	1,83,78,382	183.78

16.3 Details of Shares held by the Holding Company

Name of Shareholder	As at 31 st March 2026		As at 31 st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khadim Development Company Private Limited	92,73,229	50.46	92,73,229	50.46

16.4 Details of Shares held by each Shareholder holding more than 5 % of the aggregate shares in the Company

Name of Shareholder	As at 31 st March 2026		As at 31 st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khadim Development Company Private Limited (Holding Company)	92,73,229	50.46	92,73,229	50.46
Siddhartha Roy Burman	16,33,533	8.89	16,29,533	8.87

- 16.5** During the year ended 31st March 2019, the Company had issued 4,417 equity shares of Rs.10 each on exercise of employee stock options (Refer Note 43).

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

16.6 During the financial year 2023-24, the Company had issued 4,08,768 fully convertible equity share warrants at Rs.365 each on a preferential basis. The said warrants were convertible into fully paid-up equity shares of Rs.10 at a premium of Rs.355 each. Out of the said issue 2,44,384 share warrants were issued to two non-promoters and were converted during the previous financial year and 1,64,384 and 80,000 equity shares were issued on 29th May 2024 and 19th July 2024 respectively.

16.7 Rights, Preferences and Restrictions attached to Equity Shares

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

16.8 Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as at 31st March 2026:

Promoter name	Shares held by promoters				% change during the year
	As at 31 st March 2026		As at 31 st March 2025		
	No.of shares	% of total shares	No.of shares	% of total shares	
Siddhartha Roy Burman	16,33,533	8.89%	16,29,533	8.87%	0.02%
Khadim Development Company Private Limited	92,73,229	50.46%	92,73,229	50.46%	0.00%
Total	1,09,06,762	59.35%	1,09,02,762	59.33%	0.02%

Disclosure of Shareholding of Promoters as at 31st March 2025:

Promoter name	Shares held by promoters				% change during the year
	As at 31 st March 2025		As at 31 st March 2024		
	No.of shares	% of total shares	No.of shares	% of total shares	
Siddhartha Roy Burman	16,29,533	8.87%	16,29,533	8.99%	-0.12%
Khadim Development Company Private Limited	92,73,229	50.46%	92,73,229	51.14%	-0.68%
Total	1,09,02,762	59.33%	1,09,02,762	60.13%	-0.80%

16.9 Shares reserved for issue under Options

	As at 31 st March 2026	As at 31 st March 2025
Equity shares of Rs.10/- each	11,553	20,217
	11,553	20,217

During the year ended 31st March 2018, the Company introduced the Khadim Employee Stock Option Plan (2017) through the resolution passed by the Board of Directors and the same was subsequently approved by the Shareholders.

Terms and conditions of Options granted

Each option entitles the holder thereof to apply for and be allotted one equity share of Rs.10 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from such date.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

The vesting period for conversion of Options is as follows:

On completion of 12 months from the date of grant of the Options - 15% vests

On completion of 24 months from the date of grant of the Options - 15% vests

On completion of 36 months from the date of grant of the Options - 30% vests

On completion of 48 months from the date of grant of the Options - 40% vests

The Options have been granted at the 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Further details of 'Khadim Employee Stock Option Plan 2017' are provided in Note 43.

17 OTHER EQUITY

	As at 31 st March 2026	As at 31 st March 2025
A Reserves and surplus		
i. Capital reserve -Amalgamation Reserve		
Opening balance	231.92	231.92
Fair value of net assets transferred on demerger adjusted pursuant to the Scheme (Refer Note 35)	(231.92)	-
Closing balance	-	231.92
This Reserve represents the surplus of net assets over the Equity Shares issued as purchase consideration pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court at Calcutta with effect from 1 st October 2004		
ii. Securities premium		
Opening balance	1,366.95	1,280.19
Add: Equity shares issued upon conversion of share warrants (Refer Note 16.6)	-	86.76
Closing balance	1,366.95	1,366.95
This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
iii. Share options outstanding account		
Opening balance	6.26	9.96
Less: Lapse of Share options outstanding	(2.69)	(3.70)
Closing balance	3.57	6.26
This Reserve relates to stock options granted by the Company under Khadim Employee Stock Option Plan 2017. This Reserve is transferred to securities premium or retained earnings on exercise or cancellation of vested options.		
iv. Retained earnings		
Opening balance	727.62	672.07
Add: Profit for the year	31.39	51.95
Add: Other comprehensive gain/(loss) (net of tax)	5.34	(0.10)
Add: Lapse of Share options outstanding	2.69	3.70
Less: Fair value of net assets transferred on demerger adjusted pursuant to the Scheme (Refer Note 35)	(650.22)	-
Closing balance	116.82	727.62

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	As at 31 st March 2026	As at 31 st March 2025
This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.		
Total Reserves and Surplus (i+ii+iii+iv)	1,487.34	2,332.75
B Money received against share warrants		
Opening balance	-	22.30
Add: Proceeds from issue of share warrants on preferential basis (Refer Note 16.6)	-	66.90
Less: Equity shares issued upon conversion of share warrants (Refer Note 16.6)	-	(89.20)
Closing balance	-	-
Total Other Equity (A+B)	1,487.34	2,332.75

18 BORROWINGS - NON-CURRENT

	As at 31 st March 2026	As at 31 st March 2025
SECURED		
Term Loans from Banks		
State Bank of India Term Loan [Refer Note 1 of 18.2]	10.33	19.08
ICICI Bank Term Loan [Refer Note 2 of 18.2]	129.62	91.00
Total	139.95	110.08

18.1 Terms of Repayment

The scheduled maturity of these term loans is mentioned as under:

Name of the Bank	2026-27*	2027-28	2028-29	2029-30
State Bank of India Term Loan	8.75	8.75	1.58	-
ICICI Bank Term Loan	44.44	44.44	44.44	40.74
Total	53.19	53.19	46.02	40.74

*Represents 'Current maturities of long term debt' (refer Note 22 - Borrowings - Current)

18.2 Nature of Security of Term Loans from Banks

- Primary security** - Hypothecation charge on inventory, receivables and all other current assets of the Company, both present and future, on second pari-passu basis with other working capital member banks under the consortium.
Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore on second pari-passu basis with other working capital members banks under the consortium, lien on fixed deposit on second pari-passu basis, and equitable mortgage of properties at Kasba and Gariahat
- First charge on specific immovable and movable property, plant and equipment of the company and personal guarantee of promoter.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

19 LEASE LIABILITIES

	As at 31 st March 2026			As at 31 st March 2025		
	Non-Current	Current	Total	Non-Current	Current	Total
Lease Liabilities	1,091.64	181.57	1,273.21	1,577.49	234.03	1,811.52
Total	1,091.64	181.57	1,273.21	1,577.49	234.03	1,811.52

19.1 The details of the contractual maturities of lease liabilities as at 31st March 2026 on an undiscounted basis are as follows:

Particulars	As at 31 st March 2026
Less than one year	181.57
One to two years	166.65
Two to three years	171.65
Three to four years	174.65
Four to five years	169.40
More than five years	409.29
Total	1,273.21

19.2 (i) The Company has recognised expenses of Rs.51.34 millions (Previous year - Rs.62.45 millions) in relation to short-term leases and recorded as 'Rent expenses' and 'Commission and Discount expenses' of Rs.48.13 millions and Rs.3.21 millions respectively for the year ended 31st March 2026 under 'Other Expenses' in Note 33.

19.2 (ii) The Company has recognised expenses of Rs.2.56 millions (Previous Year - Rs.2.73 millions) as variable lease payment for commissioned outlets for the year ended 31st March 2026 and recorded as 'Commission and Discount' under Other Expenses in Note 33.

The Company has also recognised expenses of Nil (Previous year - Rs.4.71 millions) as variable lease payment on account of Solar Power generated for the year ended 31st March 2026 and recorded as 'Power and Fuel' under 'Other Expenses' in Note 33.

20 PROVISIONS - NON-CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Post employment benefits		
Gratuity (Refer Note 4.1.2)	5.93	-
Total	5.93	-

21 OTHER NON-CURRENT LIABILITIES

	As at 31 st March 2026	As at 31 st March 2025
Deferred Government Grant	-	4.42
Total	-	4.42

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

22 BORROWINGS - CURRENT

		As at 31 st March 2026	As at 31 st March 2025
SECURED			
Loans repayable on demand			
Cash Credit / Working Capital Demand Loans from Banks			
State Bank of India Cash Credit	[Refer Note 1 of 22.1]	517.31	597.73
State Bank of India Standby Line of Credit	[Refer Note 1 of 22.1]	-	40.00
Central Bank of India Cash Credit	[Refer Note 2 of 22.1]	108.14	69.41
Union Bank of India Cash Credit	[Refer Note 3 of 22.1]	324.15	186.47
ICICI Bank Cash Credit	[Refer Note 4 of 22.1]	0.57	-
ICICI Bank Demand Loan I	[Refer Note 4 of 22.1]	75.00	78.00
Current maturities of long term debt	[Refer Note 18.1]	53.19	58.91
Total		1,078.36	1,030.52

22.1 Nature of Security of Cash Credit and Working Capital Demand Loans from Banks

- Primary security** - Hypothecation charge on inventory, receivables and all other current assets of the Company, both present and future, on pari-passu basis with other working capital member banks under the consortium.

Collateral security -Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, equitable mortgage of property at Kasba and Gariahat, personal guarantee of promoter and corporate guarantee of group company.

- Primary security** - Same as State Bank of India Cash Credit (Refer Note 1 above).

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, equitable mortgage of property at Howrah, lien on fixed deposit, personal guarantee of promoter and corporate guarantee of group company.

- Primary security** - Same as State Bank of India Cash Credit (Refer Note 1 above).

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, equitable mortgage of properties at Chandannagar, Rashbehari Avenue and Madhyamgram, personal guarantee of promoter and corporate guarantee of group company.

- Primary security** - Same as State Bank of India Cash Credit (Refer Note 1 above).

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, personal guarantee of promoter and corporate guarantee of group company.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

23 TRADE PAYABLES (Refer Note 48)

A Trade payables ageing schedule - as at 31st March 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	13.22	-	-	-	13.22
Others	1,093.99	7.03	1.79	13.07	1,115.88
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	1,107.21	7.03	1.79	13.07	1,129.10

Trade payables ageing schedule - as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	4.19	-	-	-	4.19
Others	1,933.81	8.97	3.81	18.34	1,964.93
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	1,938.00	8.97	3.81	18.34	1,969.12

- B** The Company has entered into certain Supplier Finance Arrangements (SFA) with finance providers during the year. The primary objective of these arrangements is to benefit the suppliers with early payments. The Company has provided security in the form of fixed deposits to some of the finance providers.

	As at 31 st March 2026	As at 1 st April 2025
Carrying amount of Financial Liabilities		
(i) Financial liabilities classified under 'Trade Payables'	288.60	457.96
(ii) Out of (i), amount received by suppliers from finance providers	288.60	457.96
Payment terms		
(i) The Financial liabilities that are part of the arrangement	30-180 days	-
(ii) Comparable trade payables that are not part of the arrangement	30-180 days	-

There are no material business combinations or foreign exchange differences that would affect the liabilities under the supplier finance arrangement.

The Company has applied transitional relief and accordingly comparative information, wherever applicable, for the above disclosures is not presented in the first year of adoption of the amendment.

Notes to Standalone Financial Statements

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(All amounts in Rupees millions, unless otherwise stated)

24 OTHER FINANCIAL LIABILITIES - CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Interest accrued and due on borrowings	-	0.93
Unpaid Dividend [Refer Note 24.1]	0.01	0.02
Deposits from customers	115.29	108.20
Other payables:		
Payables on purchase of property, plant and equipment	3.01	5.02
Others [Reimbursement claims, etc.]	-	0.36
Total	118.31	114.53

24.1 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013, as amended, as at the year end.

25 OTHER CURRENT LIABILITIES

	As at 31 st March 2026	As at 31 st March 2025
Advance from customers	15.23	12.54
Advance against sale of Assets held for disposal	2.00	2.00
Statutory remittances (GST, Contribution to Provident and Other Funds, Withholding Tax)	21.52	27.59
Deferred Government Grant	-	1.69
Refund liabilities	0.72	-
Others	2.72	2.96
Total	42.19	46.78

26 PROVISIONS - CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Other short term benefits		
Leave Encashment	-	0.64
Total	-	0.64

27 CURRENT TAX LIABILITIES

	As at 31 st March 2026	As at 31 st March 2025
Provision for Income Tax (Net of advance taxes Rs.9.77 millions; 31 st March 2025: Rs.2.80 millions)	8.65	8.78
Total	8.65	8.78

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

28 REVENUE FROM OPERATIONS

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Sale of products *	3,666.65	4,136.33
[Refer Note 28.1]		
Other operating revenues [Refer Note 28.2]	4.30	44.00
Total	3,670.95	4,180.33

* Net of sales returns and refund liability of Rs.0.72 millions (Previous Year - Nil)

28.1 Details of sale of products

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Footwear and accessories	3,666.65	4,136.33
Total	3,666.65	4,136.33

28.2 Details of other operating revenues

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Sale of ancillaries	-	41.37
Scrap sales	4.25	2.60
Export incentives	0.05	0.03
Total	4.30	44.00

29 OTHER INCOME

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Interest income comprises interest from:		
- Deposits with banks - carried at amortised cost	7.35	6.91
- Other financial assets measured at amortised cost	18.71	21.21
Liability Not Required Written Back	48.67	57.79
Royalty received from related party	5.12	-
Other non-operating income (Rental income, etc.)	27.87	17.98
Total	107.72	103.89

30 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Inventories at the end of the year		
Work - in - progress	-	61.83
Right to recover returned goods (Refer Note 15)	0.40	-
Finished goods	-	563.19
Stock-in-trade	1,265.75	1,372.44
	1,266.15	1,997.46

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Inventories at the beginning of the year		
Work - in - progress	61.83	60.90
Finished goods	563.19	310.09
Stock-in-trade	1,372.44	1,397.25
	1,997.46	1,768.24
Total	731.31	(229.22)
Less: Related to discontinued operations (Refer Note 35)	649.56	116.19
Changes in inventories of finished goods, stock-in-trade and work-in-progress related to continuing operations	81.75	(345.41)

31 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Salaries and wages	427.62	549.85
Contribution to Provident and other funds	19.62	21.49
Staff Welfare Expenses	32.85	32.00
Total	480.09	603.34

32 FINANCE COSTS

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Interest expense on financial liabilities measured at amortised cost	143.06	110.51
Interest expense on lease liabilities	119.35	138.25
Total	262.41	248.76

33 OTHER EXPENSES

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Consumption of Stores	-	0.06
Power and Fuel [Refer Note 19.2 (ii)]	65.36	72.67
Rent [Refer Note 19.2 (i)]	65.30	79.08
Rates and Taxes	24.23	13.84
Bank Charges	39.43	44.97
Insurance	12.09	12.54
Repairs - to Others	86.10	109.92
Travelling and Conveyance Expenses	27.13	32.22
Printing and Stationery	3.16	2.87
Postage, Telephone and other Communication Expenses	11.99	11.49
Advertising, Marketing and Sales Promotion Expenses	90.33	155.38
Freight Charges, Transport and Delivery	102.91	134.63
Professional Fees	35.86	44.07
Commission and Discount [Refer Note 19.2 (i) and (ii)]	219.05	229.35
Legal Expenses	1.99	0.25

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Debts/Advances written off	2.57	13.15
Loss on sale/discard of property, plant and equipments - Net	5.03	3.48
Provision for doubtful debts, advances and other assets	17.72	35.04
Security Hire Charges	3.64	5.89
Corporate social responsibility (Refer Note 37)	1.77	1.66
Miscellaneous Expenses (Refer Note 33.1)	9.60	13.44
Total	825.26	1,016.00

33.1 Miscellaneous Expenses include :

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Amount paid /payable to Statutory Auditors (excluding tax)		
- Statutory Audit (including Limited Review fees)	1.81	1.81
- Tax Audit	-	0.26
- Other matters	0.21	0.32
Total	2.02	2.39

34 CURRENT TAX EXPENSES

A Amount recognised in profit or loss

i. Tax expenses of continuing operations in statement of profit and loss

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Current tax		
Income tax for the year	18.42	33.87
Adjustments/(credits) related to previous years - Net	3.13	-
Total Current tax	21.55	33.87
Deferred tax		
Deferred tax for the year	(2.71)	(7.72)
	18.84	26.15

ii. Tax expenses of discontinued operations in statement of profit and loss (Refer Note 35)

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Current tax	-	(22.29)
Deferred tax	-	15.24
	-	(7.05)
Total tax expenses	18.84	19.10

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

B Amount recognised in other comprehensive income

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
The tax (credit)/charge arising on income and expenses recognised in other comprehensive income is as follows:		
Deferred tax		
On items that will not be reclassified to profit or loss		
Re-measurement gain/(loss) on defined benefit plans	(1.80)	0.03
Total	(1.80)	0.03

C Reconciliation of effective tax rate

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Profit before tax from continuing operations	50.23	220.12
Loss before tax from discontinued operations (Refer Note 35)	-	(149.07)
Applicable tax rate	25.168%	25.168%
Income tax expense on above rate	12.64	17.88
Expenses not allowable under tax laws	56.85	72.11
Additional expenses allowable under tax laws	(53.78)	(70.89)
	15.71	19.10
Tax adjustment of prior periods	3.13	-
Tax as per statement of profit and loss	18.84	19.10

Note:

As on 31st March 2025, the Company had long term capital losses of Rs.184.07 millions out of which losses of Rs.11.38 millions pertained to discontinued operations and hence transferred pursuant to the Scheme of Arrangement (Refer Note 35). No deferred tax assets have been recognised on the balance losses of Rs.172.69 millions as on 31st March 2026. These losses are due to expire in the following year:

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Assessment year 2026-2027	49.99	49.99
Assessment year 2031-2032	122.70	134.08
	172.69	184.07

35 Discontinued operations

The Board of Directors of the Company, at its meeting dated 29th September 2023, had approved a Scheme of Arrangement between Khadim India Limited (KIL) and KSR Footwear Limited (KFL) and their respective shareholders and creditors under sections 230 to 232, 66 and other relevant provisions of the Companies Act, 2013. The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), vide Order dated 27 March, 2025, had sanctioned the Scheme of Arrangement. Pursuant to the Scheme, KIL has demerged its distribution business, as a going concern, into KFL effective from 1st May 2025, with appointed date being 1st April 2025 as per the Scheme. Upon the scheme being effective, the Company has transferred the assets and liabilities pertaining to Distribution business to KFL as on the appointed date. The Company has accordingly derecognized from its books of accounts the carrying value of such assets and liabilities. In accordance with the Scheme, the excess of the carrying value of assets transferred (including derecognition of the carrying amount of investment in KFL) over the carrying value of liabilities transferred aggregating Rs.882.14 millions has been adjusted to Capital Reserve and Retained Earnings to the extent of Rs.231.92 millions and Rs.650.22 millions respectively. Pursuant to the Scheme, KFL has allotted 1,83,78,382 new Equity Shares of Rs 10/- each

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

fully paid up on 10th June 2025 to the shareholders of the Company (as on the Record Date i.e., 7th June 2025) and the Company has cancelled its investment of Rs.0.10 millions in KFL and therefore it has ceased to be the wholly owned subsidiary of the Company w.e.f. 1st April 2025.

Further, pursuant to the requirements of Indian Accounting Standards (Ind AS), the results of the Company's distribution business upto the appointed date of demerger have been disclosed as discontinued operations. Consequently, the financial results of the Company for the previous year ended 31st March 2025 have been presented accordingly.

Brief particulars of the Discontinued Operations are given as under:

a. Loss from Discontinued Operations for the year:

Particulars	For the year ended 31 st March 2025
Income	
Revenue From Operations	2,057.07
Other Income	5.13
Total Income	2,062.20
Expenses	
Cost of materials consumed	1,299.47
Changes in inventories of finished goods, stock-in-trade and work-in-progress	116.19
Employee benefits expense	144.48
Finance costs	51.88
Depreciation and amortization expense	117.38
Other expenses	481.87
Total Expenses	2,211.27
Loss before tax from discontinued operations	(149.07)
Tax expense:	
Current tax	(22.29)
Deferred tax	15.24
	(7.05)
Loss from discontinued operations	(142.02)

b. Assets and liabilities pertaining to the discontinued operations derecognized from books of accounts:

Particulars	As at 31 st March 2025
ASSETS	
a. Property, Plant and Equipment and Intangible Assets (including Capital work in progress)	354.96
b. Right of Use Asset	343.38
c. Inventories	804.22
d. Trade receivables	460.15
e. Other assets	75.76
Total Assets (A)	2,038.47

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for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	As at 31 st March 2025
LIABILITIES	
a. Lease liabilities	412.81
b. Borrowings	150.00
c. Trade payables	575.09
d. Other liabilities	18.53
Total Liabilities (B)	1,156.43
Net assets transferred to KFL pursuant to the Scheme (A-B)	882.04
Add: Derecognition of the carrying amount of investment in KFL	0.10
	882.14
Adjusted with:	
- Capital Reserves	231.92
- Retained Earnings	650.22
	882.14

c. Cashflows from discontinued operations for the year:

Particulars	For the year ended 31 st March 2025
a. Net Cash generated from Operating Activities	240.07
b. Net Cash used in Investing Activities	(20.87)
c. Net Cash used in Financing Activities	(86.59)

36 Earnings Per Share (EPS) - The numerator and denominator used to calculate Basic and Diluted EPS :

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
i. Profit/(Loss) after Tax attributable to the Equity Shareholders	31.39	51.95
- From continuing operations	31.39	193.97
- From discontinued operations (Refer Note 35)	-	(142.02)
ii. Weighted average number of equity shares outstanding for the purpose of basic earnings per share	1,83,78,382	1,83,28,371
iii. Weighted average number of equity shares in computing diluted earnings per share	1,83,78,382	1,83,28,371
iv. Earnings per share from continuing operations (Face value Rs.10/- per share)		
- Basic	1.71	10.58
- Diluted	1.71	10.58
v. Earnings per share from discontinued operations (Face value Rs.10/- per share)		
- Basic	-	(7.75)
- Diluted	-	(7.75)
vi. Earnings per share from continuing and discontinued operations (Face value Rs.10/- per share)		
- Basic	1.71	2.83
- Diluted	1.71	2.83

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

37 Details of Corporate Social Responsibility (CSR) expenditure

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
i. Gross amount required to be spent as per section 135 of the Companies Act, 2013	1.77	1.96
ii. Amount carried forward from previous years for setting off in the current year	0.11	0.41
iii. Net amount required to be spent during the year	1.66	1.55
iv. Details of amount spent during the year:		
- Promoting education among children including livelihood enhancement projects	0.21	1.40
- Eradicating hunger, poverty and malnutrition	-	0.16
- For creating awareness with respect to environmental issues	-	0.10
- Promoting healthcare	1.00	-
- Making available safe drinking water	0.56	-
	1.77	1.66
v. Excess amount spent during the year carried forward for setting off in future years	0.11	0.11

- 38 The Company has identified one business segment namely "Footwear and accessories" which is consistent with internal reporting provided to the Managing Director who is the Chief Operating Decision Maker (CODM) in accordance with Ind AS 108 "Operating Segments".

Disclosure required under Ind AS 108 "Operating Segments" for Companies with single segment are as follows :

Geographical information

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Revenue from external customers		
From continuing operations		
- Within India	3,667.29	4,180.33
- Outside India	3.66	-
	3,670.95	4,180.33
From discontinued operations (Refer Note 35)		
- Within India	-	2,052.87
- Outside India	-	4.20
	-	2,057.07
Total	3,670.95	6,237.40

	As at 31 st March 2026	As at 31 st March 2025
Non-current assets*		
- Within India	1,650.24	2,388.86
- Outside India	-	-
Total	1,650.24	2,388.86

* excludes financial assets, deferred tax assets, post-employment benefit assets.

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

39 Contingent Liabilities in respect of (to the extent not provided for) -

	As at 31 st March 2026	As at 31 st March 2025
Claims against the Company not acknowledged as debts :		
a. GST Matters under dispute	5.10	6.86
b. Income Tax Matters under dispute	0.90	0.44

The claims disputed by the Company as above relate to issues of applicability and classification and it is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

40 Commitments (to the extent not provided for)

	As at 31 st March 2026	As at 31 st March 2025
Capital Commitment (Net of capital advances - Rs.1.37 millions; 31 st March 2025 - Rs.0.29 millions)	4.80	0.67

41 Employee Benefits

The Company has recognized, in the Statement of Profit and Loss for the year ended 31st March 2026 an amount of Rs.16.02 millions (Previous Year - Rs.22.88 millions) as expenses under defined contribution plans (Employer's Contribution to Provident and Other Funds) under Note 31.

41.1a Defined Benefit Plan

Description of Plans

The employees' gratuity fund scheme is managed by Life Insurance Corporation Of India (LIC) as a defined benefit plan. The present value of obligation is determined by actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

Investment Risks: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds - the valuation of which is inversely proportional to the interest rate movements.

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government Bonds. Decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

Longevity Risk: The present value of the Defined Benefit Plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

41.1b The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date and the same is treated as 'Short term employee benefits' expenses (Also refer Note 3.13.IV)

41.2

	Gratuity (Funded)	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
I. Components of Employer Expense		
- recognized in Statement of Profit and loss		
a. Current Service cost	3.80	4.45
b. Net Interest cost	(0.20)	(0.35)
c. Past Service Cost because of New Labour Codes (Exceptional item)	12.96	-
d. Total expense recognized in the Statement of Profit and Loss	16.56	4.10
- For continuing operations	16.56	2.63
- For discontinued operations	-	1.47
- Re-measurements recognized in Other Comprehensive (Income)/Loss		
e. Return on plan assets (excluding amounts included in Net interest cost)	(0.24)	(0.23)
f. Effect of changes in financial assumptions	(2.84)	2.61
g. Effect of experience adjustments	(4.06)	(2.25)
h. Total re-measurement (gain)/loss included in Other Comprehensive (Income)/Loss	(7.14)	0.13
i. Total defined benefit cost recognized in Statement of Profit and Loss and Other Comprehensive Income (d+h)	9.42	4.23
The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognized in "Contribution to Provident and other funds" under Note 31. The past service cost have been shown as "Exceptional Items" in the Statement of Profit and Loss. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income .		
II. Actual Returns	4.10	4.48
III. Changes in Defined Benefit Obligation (DBO)		
a. Present value of DBO at the beginning of the year	59.84	58.80
b. Current Service Cost	3.80	4.45
c. Past Service Cost because of New Labour Codes (Exceptional item)	12.96	-
d. Interest Cost	3.65	3.90
e. Re-measurement gains:		
- Effect of changes in financial assumptions	(2.84)	2.61
- Effect of experience adjustments	(4.06)	(2.25)
f. Benefits paid	(8.80)	(7.67)
g. Decrease due to effect of demerger (Refer Note 35)	(9.02)	-
h. Present value of DBO at the end of the year	55.53	59.84

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	Gratuity (Funded)	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
IV. Change in the Fair Value of Plan Assets		
a. Plan Assets at the beginning of the year	62.30	61.91
b. Interest income	3.86	4.25
c. Re-measurement (gains)/losses on plan assets	0.24	0.23
d. Actual Company contributions	1.20	3.58
e. Benefits paid	(8.80)	(7.67)
f. Decrease due to effect of demerger (Refer Note 35)	(9.20)	-
g. Plan Assets at the end of the year	49.60	62.30

	As at 31 st March 2026	As at 31 st March 2025
V. Net (Liability)/Asset recognized in Balance Sheet		
a. Present value of Defined Benefit Obligation	55.53	59.84
b. Fair value of Plan Assets	49.60	62.30
c. Funded Status - (Deficit)/Surplus	(5.93)	2.46
d. Net (Liability)/Asset recognized in Balance Sheet	(5.93)	2.46
- Current	-	2.46
- Non-Current	(5.93)	-
VI. Best estimate of Employers' expected contribution for the next year	4.24	4.66
VII. Actuarial Assumptions		
a. Discount Rate (%)	7.24%	6.59%
b. Salary Escalation	5.00%	5.00%
c. Mortality	Indian Assured Lives Mortality (2012-14) table ultimate	

The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

VIII. Major Category of Plan Assets as a % of the Total Plan Assets

	As at 31 st March 2026	As at 31 st March 2025
Gratuity - Funds managed by Insurer (LIC in Group Gratuity Scheme)	100%	100%

In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

IX. Net Asset recognized in Balance Sheet (including experience adjustment impact)

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Gratuity		
Present value of DBO	55.53	59.84
Fair value of plan assets	49.60	62.30
Funded status [Surplus / (Deficit)]	(5.93)	2.46
Experience gain / (loss) adjustments on plan liabilities	4.06	2.25
Experience gain / (loss) adjustments on plan assets	0.24	0.23

X. Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

	Gratuity - DBO as at	
	31 st March 2026	31 st March 2025
1. Discount rate + 100 basis points	51.56	55.32
2. Discount rate - 100 basis points	59.99	64.97
3. Salary increase rate + 1%	59.41	64.84
4. Salary increase rate - 1%	51.97	55.34

XI. Maturity analysis of the benefit payments

	Gratuity	
	31 st March 2026	31 st March 2025
Year 1	3.18	2.25
Year 2	5.67	6.13
Year 3	2.43	3.93
Year 4	5.04	3.01
Year 5	3.65	4.86
Next 5 years	19.87	21.57

42 Related Party Disclosure as per requirements of Ind AS 24 on "Related Party Disclosures"

A) List of Related Parties

Holding Company	Khadim Development Company Private Limited
Subsidiary Company	Khadim Shoe Bangladesh Limited (100%, Bangladesh)
	KSR Footwear Limited (upto 1 st April 2025) (100%, India) (Refer Note 35)

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Key Management Personnel (KMP)	Mr. Siddhartha Roy Burman - Executive Chairman (Refer Note 42.3)
	Mr. Rittick Roy Burman, Managing Director (Refer Note 42.4)
	Mr. Ritoban Roy Burman, Non-Executive Non-Independent Director
	Dr. Indranath Chatterjee, Non-Executive Independent Director (upto 28 th September 2024)
	Prof. (Dr.) Surabhi Banerjee, Chairperson, Non-Executive Independent Director (Refer Note 42.5)
	Mr. Alok Chauthmal Churiwala, Non-Executive Independent Director
	Mrs. Upma Mukherjee, Non-Executive Independent Director (resigned w.e.f. 6 th April 2026) (Refer Note 42.6)
	Mr. Indrajit Chaudhuri, Group Chief Financial Officer (Refer Note 42.7)
	Mr. Abhijit Dan, Group Company Secretary and Head Legal (Refer Note 42.8)
Enterprises over which KMP and their relatives exercise significant influence	Khadim Enterprises
	K.M. Khadim & Co.
	St. Marys' Clinic & Drug Stores
	Sheila Departmental Stores Private Limited
	Bee Tee Enterprise
	Khadim Estate Advisors Private Limited
	Storyscope Films Private Limited
	KSR Footwear Limited (w.e.f. 1 st April 2025)
Relatives of KMP	Mrs. Namita Roy Burman (Mother of Mr. Siddhartha Roy Burman)

B) Particulars of transactions during the year ended 31st March 2026:

Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
I) Holding Company (Refer Note 42.1)				
a) Rent received from Khadim Development Co. Pvt Ltd		0.03		0.03
II) Subsidiary Company				
a) Rent and maintenance charges received from KSR Footwear Ltd		-		0.04
III) Key Management Personnel (Refer Note 42.2)				
a) Remuneration				
- Mr. Siddhartha Roy Burman (Refer Note 42.1)	39.11		34.99	
- Mr. Rittick Roy Burman	6.89		5.95	
- Mr. Indrajit Chaudhuri	4.57		4.95	
- Mr. Abhijit Dan	2.97	53.54	2.99	48.88
b) Rent paid to Mr. Siddhartha Roy Burman		-		0.08
c) Sitting fees				
- Dr. Indranath Chatterjee	-		0.24	
- Prof. (Dr.) Surabhi Banerjee	0.53		0.61	
- Mr. Alok Chauthmal Churiwala	0.51		0.59	
- Mrs. Upma Mukherjee	0.51		0.32	
- Mr. Ritoban Roy Burman	0.16	1.71	0.12	1.88
d) Commission				
- Prof. (Dr.) Surabhi Banerjee	-		0.30	

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for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
- Mr.Alok Chauthmal Churiwala	-	-	0.30	0.60
IV) Enterprises over which KMP and their relatives exercise significant influence				
a) Commission paid				
- Khadim Enterprises	0.14		0.18	
- Bee Tee Enterprises	0.50		0.52	
- Sheila Departmental Stores Pvt Ltd	0.41		0.48	
- St. Mary's Clinic & Drug Stores	0.06		0.09	
- K M Khadim & Co.	0.60	1.71	0.60	1.87
b) Rent and maintenance charges received				
- Khadim Estate Advisors Pvt Ltd	0.03		0.03	
- Storyscope Films Private Limited	0.03		0.03	
- KSR Footwear Limited	0.10	0.16	-	0.06
c) Rent paid to Khadim Estate Advisors Pvt Ltd		-		0.84
d) Royalty received from KSR Footwear Limited		5.12		-
e) Sale of capital goods to KSR Footwear Limited		1.82		-
f) Sale of goods to KSR Footwear Limited		66.50		-
g) Shared service income received from KSR Footwear Limited		7.51		-
h) Purchase of goods from KSR Footwear Limited		71.60		-
V) Relatives of Key Management Personnel				
a) Remuneration				
- Mrs.Namita Roy Burman		0.08		1.44

C) Outstanding Balances

	As at 31 st March 2026	As at 31 st March 2025
I) Holding Company		
- Khadim Development Co Pvt Ltd	0.24	0.20
II) Subsidiary Company		
- KSR Footwear Limited	-	0.08
III) Key Management Personnel		
- Mr.Siddhartha Roy Burman	(1.74)	(1.47)
- Mr.Rittick Roy Burman	(0.64)	(0.53)
- Prof.(Dr.) Surabhi Banerjee	-	(0.28)
- Mr.Alok Chauthmal Churiwala	-	(0.27)
- Mr.Indrajit Chaudhuri	(0.32)	(0.48)
- Mr.Abhijit Dan	(0.22)	(0.31)
IV) Enterprises over which KMP and their relatives exercise significant influence		
- Khadim Enterprises	(0.35)	(0.32)
- Bee Tee Enterprises	(0.79)	(0.65)
- Sheila Departmental Stores Pvt Ltd	(0.55)	(0.34)

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	As at 31 st March 2026	As at 31 st March 2025
- St. Mary's Clinic & Drug Stores	(0.06)	0.07
- Khadim Estate Advisors Pvt Ltd	0.08	0.09
- Storyscope Films Private Limited	0.02	0.12
- KSR Footwear Limited	(0.96)	-
- K M Khadim & Co.	(0.73)	(0.41)

Figures in brackets represent credit balances.

42.1 Refer Notes 18.2 and 22.1 in respect of guarantees given for loans taken by the Company.

42.2 Post employment benefits are actuarially determined on overall basis and not included above.

42.3 Mr. Siddhartha Roy Burman was re-designated from 'Chairman and Managing Director' to 'Managing Director' on 29 September 2024 and then to 'Executive Chairman' on 1st April 2025.

42.4 Mr. Rittick Roy Burman was re-designated from 'Wholetime Director' to 'Managing Director' on 1st April 2025.

42.5 Prof. (Dr.) Surabhi Banerjee was re-designated from 'Non-Executive Independent Director' to 'Chairperson, Independent Director' on 29th September 2024 and then to 'Non-Executive Independent Director' on 31st March 2025

42.6 Mrs. Upma Mukherjee was re-designated from "Non-Executive Non-Independent Director" to "Non-Executive Independent Director" of the Company on 1st April 2025

42.7 Mr. Indrajit Chaudhuri was re-designated from 'Chief Financial Officer' to Group Chief Financial Officer' on 29th September 2024

42.8 Mr. Abhijit Dan was re-designated from 'Company Secretary and Head Legal' to 'Group Company Secretary and Head Legal' on 29th September 2024.

43 Information in respect of Options granted under the Company's Employee Stock Option Scheme ('Scheme'):

Name of the Scheme	Khadim Employee Stock Option Plan 2017
i. Date of Shareholders' approval	17 th June 2017
ii. Total number of Options approved under the Scheme	Options equivalent to 1,86,465 equity shares of Rs.10/- each
iii. Vesting schedule	The vesting period for conversion of Options is as follows: On completion of 12 months from the date of grant of the Options - 15% vests On completion of 24 months from the date of grant of the Options - 15% vests On completion of 36 months from the date of grant of the Options - 30% vests On completion of 48 months from the date of grant of the Options - 40% vests
iv. Pricing formula	Closing market price on the day prior to the date of grant on stock exchange with highest trading volume

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Name of the Scheme	Khadim Employee Stock Option Plan 2017
v. Maximum term of Options granted	5 years from the date of vesting
vi. Source of shares	Primary issuance
vii. Variation in terms of Options	None
viii. Method used for accounting of share-based payments plans	The employee compensation cost has been calculated using the fair value method of accounting for Options under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2025-26 is Nil (Previous Year - Nil).
ix. Nature and extent of employee share based payment plan that existed during the period including the general terms and conditions of the plan	Each option entitles the holder thereof to apply for and be allotted one equity share of Rs.10 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from such date.
x. Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price per Option - Rs.320 Weighted average fair value per Option - Rs.310
xi. Option movements during the year:	
a. Options outstanding at the beginning of the year	20,217
b. Options granted during the year	-
c. Options cancelled and lapsed during the year	8,664
d. Options vested and exercisable during the year (net of Options lapsed and exercised)	-
e. Options exercised during the year	-
f. Number of equity shares of Rs.10 each arising as a result of exercise of Options during the year	-
g. Options outstanding and exercisable at the end of the year	11,553
h. Money realised by exercise of the Options during the year	-
xii. Weighted average share price of shares arising upon exercise of Options	No options were exercised during the year
xiii. A description of the method used during the year to estimate the fair value of Options, the weighted average exercise price and weighted average fair value of Options granted	The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option - Rs.320 Weighted average fair value per Option - Rs.310

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Name of the Scheme	Khadim Employee Stock Option Plan 2017
The significant assumptions used to ascertain the above	The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis: Risk-free interest rate - 8% Expected life - 6 years Expected volatility - 80% Dividend yield - 0% Fair market value of the underlying share in the market at the time of Option grant - Rs.400
xiv. Methodology for determination of expected volatility	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is based on the daily volatility of the stock prices on National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) over a period prior to the date of grant corresponding with the expected life of the options.
xv. Options granted to	No options were granted during the year.
a. Key managerial personnel	Nil
b. Senior managerial personnel	Nil
c. Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year	Nil
d. Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant.	None

44 Financial Instruments and related disclosures

A Capital Management

The Company aims at maintaining a strong capital base safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to meet the requirements of working capital that arise from time to time as well as requirements to finance business growth. The Company is not subject to any externally imposed capital requirements.

B Categories of Financial Instruments

	As at 31 st March 2026		As at 31 st March 2025	
	Carrying value	Fair value	Carrying value	Fair value
I Financial assets				
a. Measured at amortised cost				
Trade receivables	1,863.84	1,863.84	2,210.72	2,210.72
Cash and cash equivalents	17.42	17.42	80.45	80.45
Other bank balances	86.18	86.18	50.02	50.02
Other financial assets	203.42	203.42	313.08	313.08
Total Financial assets	2,170.86	2,170.86	2,654.27	2,654.27

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	As at 31 st March 2026		As at 31 st March 2025	
	Carrying value	Fair value	Carrying value	Fair value
II Financial liabilities				
a. Measured at amortised cost				
Lease liabilities	1,273.21	1,273.21	1,811.52	1,811.52
Borrowings	1,218.31	1,218.31	1,140.60	1,140.60
Trade payables	1,129.10	1,129.10	1,969.12	1,969.12
Other financial liabilities	118.31	118.31	114.53	114.53
Total Financial liabilities	3,738.93	3,738.93	5,035.77	5,035.77

Note:

Investment in Subsidiary is carried at cost and hence not included in the above table.

C Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current risk management framework rests on policies and procedures issued by appropriate authorities; process of regular reviews to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

Interest rate risk

As majority of the financial assets and liabilities of the Company are either non-interest bearing or fixed interest bearing instruments, the Company's net exposure to interest risk is negligible.

Price risk

The Company invests its short term funds primarily in debt mutual fund. Accordingly, these do not pose any significant price risk.

Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. 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. The Company consistently generated strong cash flows from operations by ensuring timely collections of its trade receivables and this together with the available cash and cash equivalents provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

As at 31 st March 2026	Carrying value	Less than 1 year	Between 1 to 5 years	Beyond 5 years	Total
Lease liabilities	1,273.21	181.57	682.35	409.29	1,273.21
Borrowings	1,218.31	1,078.36	139.95	-	1,218.31
Trade payables	1,129.10	1,129.10	-	-	1,129.10
Other financial liabilities	118.31	118.31	-	-	118.31
Total	3,738.93	2,507.34	822.30	409.29	3,738.93

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

As at 31st March 2025	Carrying value	Less than 1 year	Between 1 to 5 years	Beyond 5 years	Total
Lease liabilities	1,811.52	234.03	938.21	639.28	1,811.52
Borrowings	1,140.60	1,030.52	110.08	-	1,140.60
Trade payables	1,969.12	1,969.12	-	-	1,969.12
Other financial liabilities	114.53	114.53	-	-	114.53
Total	5,035.77	3,348.20	1,048.29	639.28	5,035.77

Credit Risk

The Company's customer base is diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with guidelines issued centrally and business-specific credit policies. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment are recognized, where considered appropriate by responsible management. The Company has adopted a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix taking into account historical credit loss experience.

The movement of the expected loss provision (allowance for bad and doubtful receivables) made by the Company are as under:

	Expected Loss Provision	
	As at 31 st March 2026	As at 31 st March 2025
Opening Balance	99.94	62.70
Add: Provisions made - continuing operations	17.72	35.04
Add: Provisions made - discontinued operations	-	2.20
Less: Provisions transferred pursuant to the Scheme (Refer Note 35)	22.25	-
Closing Balance	95.41	99.94

Of the trade receivables balance at the end of the year, no dues from any one customer exceeded 20 per cent of gross financial assets. The Company does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Foreign currency Risk

The Company undertakes transactions denominated in foreign currency (mainly US Dollar, Euro and Pound Sterling) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency are also subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities, are as follows:

	As at 31 st March 2026	As at 31 st March 2025
	USD	USD
Financial assets	-	-
Financial liabilities	-	29.74

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

The forward exchange contracts that were outstanding on respective reporting dates (not designated under Hedge Accounting):

	Currency	Cross Currency	Buy
As at 31 st March 2026	USD	Rupees	-
As at 31 st March 2025	USD	Rupees	0.35

The aforesaid contracts have a maturity of less than 1 year from the year end.

45 Fair value measurement

Fair value hierarchy

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

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

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

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, current investments, trade payables, other current financial assets and liabilities and short-term borrowings are considered to be equal to the carrying amounts of these items due to their short-term nature and accordingly not included in the below table. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

	Fair value hierarchy (Level)	Fair value	
		As at 31 st March 2026	As at 31 st March 2025
I Financial assets			
a. Measured at amortised cost			
Other financial assets - Non-Current	3	175.05	227.39
Total Financial assets		175.05	227.39

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	Fair value hierarchy (Level)	Fair value	
		As at 31 st March 2026	As at 31 st March 2025
II Financial liabilities			
a. Measured at amortised cost			
Borrowings - Non-Current	3	139.95	110.08
Total Financial liabilities		139.95	110.08

46 Other Statutory Information

- i. Title deeds of Immovable Properties are in the name of the Company.
- ii. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- iii. In respect of borrowings from banks on the basis of security of current assets, there are no material discrepancies between the quarterly returns or statements of current assets filed by the Company with banks and the books of account.
- iv. The Company was not holding any benami property and no proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- v. The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India
- vi. The Company does not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 the Companies Act, 1956.
- vii. The Company did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
- viii. The Company has not traded or invested in Crypto Currency or Virtual Currency during the year ended 31st March, 2026.
- ix. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds 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.
- x. The Company has not received any funds 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xi. The Company did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the 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).

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

- xii. 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.

47 On 21st November, 2025, the Government of India notified four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these changes on the basis of best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Impact of new Labour Codes" under "Exceptional items" in the Statement of Profit and Loss for the year ended 31st March, 2026. The incremental impact consisting of gratuity and leave encashment benefits of Rs.18.20 millions primarily arises due to change in wage definition. The Company continues to monitor the finalisation of Central/ State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

48 Micro, Small and Medium scale business entities:

Details as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), as amended. This information has been determined to the extent such parties have been identified on the basis of information available with the Company

Sl. No.	Particulars	31 st March 2026	31 st March 2025
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	13.22	4.19
	Interest	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	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.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	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.	Nil	Nil

49 Ratios

Ratio	Numerator	Denominator	Current year	Previous year	Notes
Current Ratio (times)	Current assets	Current liabilities	1.38	1.43	-
Debt-Equity Ratio (times)	Total debt	Equity	0.73	0.45	Due to reduced net worth on account of demerger

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Ratio	Numerator	Denominator	Current year	Previous year	Notes
Debt Service Coverage Ratio (times)	Earning for Debt Service = Net profit after taxes + Finance Costs + Depreciation and amortisation expenses	Debt service = Interest and lease payments + Principal repayments	1.08	1.28	-
Return on Equity Ratio (%)	Net profit after taxes	Average Shareholder's equity	1.50%	2.11%	Due to lower profits and reduced equity on account of demerger
Inventory Turnover Ratio (times)	Revenue from operations	Average inventory	2.12	3.04	Due to lower revenue generated during the year
Trade Receivables Turnover Ratio (times)	Revenue from operations	Average trade receivables	1.80	3.07	Due to lower revenue generated during the year
Trade Payables Turnover Ratio (times)	Purchases of Stock-in-Trade and raw materials	Average trade payables	1.16	2.02	Due to lower purchases made during the year on account of reduced turnover
Net Capital Turnover Ratio (times)	Revenue from operations	Average working capital (i.e. Current assets - Current liabilities)	2.98	4.44	Due to lower revenue generated during the year
Net Profit Ratio (%)	Net profit after taxes	Revenue from operations	0.86%	0.83%	-
Return on Capital Employed (%)	Earnings before interest and taxes	Capital employed = Total equity + Borrowings	10.82%	10.16%	-
Return on Investment (%)	Net profit after taxes	Equity share capital + Securities premium	2.02%	3.35%	Due to lower profits generated during the year

50 The financial statements were approved for issue by the Board of Directors on 20th May 2026.

51 Previous year's figures have been regrouped/rearranged (such reclassification is not material) wherever necessary to make them comparable with those of current year.

For and on behalf of Board of Directors

Siddhartha Roy Burman
Executive Chairman
DIN: 00043715

Rittick Roy Burman
Managing Director
DIN: 08537366

Abhijit Dan
Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Indrajit Chaudhuri
Group Chief Financial Officer
Membership No.: FCA 61162

Place: Kolkata
Date: 20th May 2026

Form AOC-1

Form AOC-1 (Pursuant to first proviso to Section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statements of subsidiaries

Name of the Subsidiary Company	Khadim Shoe Bangladesh Limited (Amount in BDT)
Date since subsidiary was acquired	5 th September 2019
Financial Year ending on	31 st March 2026
Reporting Currency	Bangladesh taka
Exchange rate as on 31 st March 2026	0.77 Indian Rupee
Share Capital	25,00,000
Reserves and Surplus	(27,77,520)
Total Assets	2,50,414
Total Liabilities	2,50,414
Investments (excluding Investments made in subsidiaries)	Nil
Turnover	Nil
Loss before tax	(5,21,610)
Provision for tax	-
Loss after tax	(5,21,610)
Proposed Dividend	Nil
% of shareholding	100.00%
Country	Bangladesh

For and on behalf of Board of Directors

Siddhartha Roy Burman
Executive Chairman
DIN: 00043715

Rittick Roy Burman
Managing Director
DIN: 08537366

Place: Kolkata
Date: 20th May 2026

Abhijit Dan
Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Indrajit Chaudhuri
Group Chief Financial Officer
Membership No.: FCA 61162

Independent Auditor's Report

To The Members of **Khadim India Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Khadim India Limited** ("the Holding Company") and its one foreign subsidiary, (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements and on other financial information of the subsidiary, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ('Ind AS') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit, total comprehensive income, consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Independent Auditor's Report

Key Audit Matter	Auditor's Response
1. New Labour Codes On 21st November, 2025, the Government of India notified four Labour Codes – Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 – consolidating 29 existing labour laws. The Holding Company has assessed and disclosed the incremental impact of these changes on the basis of best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact as 'Exceptional Items' in the consolidated financial statements. The incremental impact is mainly consisting of gratuity and leave encashment benefits primarily arising due to change in wage definition. The Holding Company continues to monitor the finalization of Central/ State Rules and clarifications from the Government on other aspects of Labour Code and would provide appropriate accounting effect on the basis of such developments. Refer Note 46 to the Consolidated Financial Statements.	Principal Audit Procedures Our audit procedures related to the checking and verification of 'Labour Codes' is as detailed below: - obtained the stated four Labour Codes as notified by the Government of India and checked the relevant provisions of the Labour Codes; - salary sheets/ pay slips of the employees to ascertain the basic wages/salary is as per Labour Code implemented; - actuarial valuation reports of gratuity and leave encashment based on revised definition of basic wage; - the guidance provided by the Institute of Chartered Accountants of India in this regard; - calculations, journal vouchers for such entries, and - Board's approval. Audit Conclusions Our procedures did not identify any material exceptions.
2. Revenue Recognition Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Holding Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is upon delivery. The timing of revenue recognition is relevant to the reported performance of the Holding Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. The Holding Company operates through two different revenue streams – sale to Wholesale customers and Retail customers The Retail revenues consist of small transactions under cash and carry model. Hence the likelihood of occurrence and magnitude of a potential misstatement arising out of revenue recognition before transfer of control is minimal.	Principal Audit Procedures Performed In order to address the risk of misstatement related to timing of revenue recognition on sale to Wholesale customers, we have performed the following procedures: - Our audit approach was a combination of test of internal controls and substantive procedures including: - Assessing the appropriateness of the Holding Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. - Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls. - Evaluating the design and implementation of Holding Company's controls in respect of revenue recognition and testing the effectiveness of such controls over the timing of recognition of revenue at the year-end. - Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.

Independent Auditor's Report

Key Audit Matter	Auditor's Response
Accordingly, we focused our work on the risk of revenue being recognized before control is transferred in respect of its revenue from Wholesale customers. Refer Note 3.10 to the Consolidated Financial Statements - Material accounting policies.	Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to the Board's Report, Corporate Governance and Shareholder's Information but does not include the Consolidated Financial Statements and auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of the Subsidiaries and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the Subsidiaries is traced from their financial statements.

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

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

Independent Auditor's Report

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

- Identify and assess the risks of material misstatement of the Consolidated 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with respect to Consolidated 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 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 ability of the Group 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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by such auditor. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding and such other entity included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial 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 Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/ financial information of one foreign subsidiary, whose financial statements/ financial information reflect total assets of Rs.0.19 million as at March 31, 2026, total revenue of Rs Nil and net cash flows amounting to 0.27 million for the year ended on that date, as considered in the consolidated financial statements. This financial statements/financial information have been audited by other auditor whose

Independent Auditor's Report

report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements and our report on 'Other Legal and Regulatory Requirements' below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
 - a) We/the other auditors whose report we have relied upon 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 of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with relevant Rules issued thereunder.
 - e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting with reference to consolidated financial statements of the Holding Company incorporated in India, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and effectiveness of internal financial controls over financial reporting with reference to Consolidated Financial Statements of the Group incorporated in India.
 - g) With respect to 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - 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 by the Companies (Audit and Auditors) Second Amendment Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group in Note No. 38 of the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts that are required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2026.

Independent Auditor's Report

- iv. a) The management of the Holding Company has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person (s) or entity (ies), including foreign entity (ies) ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like, on behalf of the Ultimate Beneficiaries;
- b) The management of the Holding Company has represented that, to the best of their knowledge and belief that no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person (s) or entity (ies), including foreign entities ('Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures considered reasonable and appropriate in the circumstances performed by us, nothing has come to us that has caused us to believe that the representations under sub- clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As per the books of account of the Holding Company audited by us, no dividend has been declared or paid during the year ended March 31, 2026.
- vi. Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account which have features of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, no instances of the audit trail feature being tampered with, were noticed. Furthermore, the audit trail has been preserved by the Holding Company as per statutory requirements for record retention.

The financial statements of the one foreign subsidiary, Khadim Shoe Bangladesh Limited has not been audited under the provisions of the Act as it is a company not incorporated in India. Thus, the reporting requirements under Rule 11 (g) are not applicable to such foreign subsidiary company.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('the Order/CARO') issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO report. In respect of one subsidiary company, Khadim Shoe Bangladesh Limited (foreign subsidiary), a company not incorporated in India, to which reporting requirements under CARO, 2020 is not applicable.

For RAY & RAY

Chartered Accountants
Firm Registration No. 301072E

Asish Kumar Mukhopadhyay

Partner

(Membership No. 056359)

UDIN: 26056359SSPRKW5154

Place: Kolkata,

Date: 20th May, 2026

Annexure “A” to Independent Auditors’ Report

(Referred to in Paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ Section of our Report to the members of **Khadim India Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

In conjunction with our audit of the consolidated Ind AS financial statements of Khadim India Limited as of and for the year ended March 31, 2026, we have audited the internal financial controls over financial reporting of Khadim India Limited (hereinafter referred to as the “Holding Company”) as of that date.

Management’s Responsibility for Internal Financial Controls

The Boards of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls with respect to consolidated financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to the company’s policies, the safeguarding of the 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the ICAI 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 Consolidated 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 respect to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated 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 standalone 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 internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company’s internal financial control over financial reporting with reference to Consolidated 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 control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Annexure “A” to Independent Auditors’ Report

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the Holding 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 ICAI.

Other Matters

In respect of one foreign subsidiary, Khadim Shoe Bangladesh Limited, a company not incorporated in India, to whom internal financial controls system over financial reporting with reference to financial statements is not applicable.

Place: Kolkata,
Date: 20th May, 2026

For RAY & RAY
Chartered Accountants
Firm Registration No. 301072E

Asish Kumar Mukhopadhyay
Partner
(Membership No. 056359)
UDIN: 26056359SSPRKW5154

Consolidated Balance Sheet

as at 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	As at 31 st March 2026	As at 31 st March 2025
ASSETS			
1 Non - current assets			
(a) Property, Plant and Equipment	4A	487.49	766.19
(b) Capital work - in - progress	4B	4.28	0.16
(c) Right of Use Assets	4C	1,050.32	1,488.51
(d) Intangible assets	4D	7.28	7.13
(e) Intangible assets under development	4E	-	1.89
(f) Financial Assets			
Others	5	175.05	227.39
(g) Deferred tax assets (net)	6	99.56	109.39
(h) Current tax assets (net)	7	31.97	31.45
(i) Other non-current assets	8	68.90	93.55
2 Current assets			
(a) Inventories	9	1,288.92	2,168.81
(b) Financial Assets			
(i) Trade receivables	10	1,863.84	2,210.72
(ii) Cash and cash equivalents	11	17.61	81.26
(iii) Bank balances other than (ii) above	12	86.18	50.02
(iv) Others	13	28.37	85.69
(c) Other current assets	14	255.25	289.59
Total Assets		5,465.02	7,611.75
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	183.78	183.78
(b) Other Equity	16	1,485.13	2,329.71
LIABILITIES			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	139.95	110.08
(ii) Lease liabilities	18	1,091.64	1,577.49
(b) Provisions	19	5.93	-
(c) Other non-current liabilities	20	-	4.42
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1,078.36	1,032.02
(ii) Lease liabilities	18	181.57	234.03
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		13.22	4.19
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,116.26	1,965.29
(iv) Other financial liabilities	23	118.34	114.53
(b) Other current liabilities	24	42.19	46.79
(c) Provisions	25	-	0.64
(d) Current Tax Liabilities (net)	26	8.65	8.78
Total Equity and Liabilities		5,465.02	7,611.75

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants

FRN - 301072E

Asish Kumar Mukhopadhyay

Partner

Membership no.- 056359

Siddhartha Roy Burman

Executive Chairman

DIN: 00043715

Rittick Roy Burman

Managing Director

DIN: 08537366

Abhijit Dan

Group Company Secretary & Head - Legal

Membership No.: ACS 21358

Indrajit Chaudhuri

Group Chief Financial Officer

Membership No.:FCA 61162

Place: Kolkata

Date: 20th May 2026

Consolidated Statement of Profit and Loss

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	For the year ended 31 st March 2026	For the year ended 31 st March 2025
I. Revenue From Operations	27	3,670.95	4,180.33
II. Other Income	28	107.72	103.85
III. Total Income (I + II)		3,778.67	4,284.18
IV. Expenses :			
Cost of materials consumed		56.45	85.76
Purchases of Stock-in-Trade		1,736.35	2,167.90
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	81.75	(345.41)
Employee benefits expense	30	480.09	603.34
Finance costs	31	262.41	248.76
Depreciation and amortization expense	4F	267.93	287.75
Other expenses	32	825.66	1,017.31
Total expenses		3,710.64	4,065.41
V. Profit before exceptional items and tax from continuing operations (III - IV)		68.03	218.77
VI. Exceptional items (Note 46)		18.20	-
VII. Profit before tax from continuing operations (V - VI)		49.83	218.77
VIII. Tax expense:	33		
(1) Current tax		21.55	33.87
(2) Deferred tax		(2.71)	(7.72)
		18.84	26.15
IX. Profit from continuing operations (VII - VIII)		30.99	192.62
X. Loss from discontinued operations (Net of Tax)	34	-	(142.02)
XI. Profit for the year (IX + X)		30.99	50.60
XII. Other Comprehensive Income/(Loss)			
(i) Items that will not be reclassified to profit or loss			
- Re-measurement gain/(loss) on defined benefit plans	40.2	7.14	(0.13)
(ii) Income tax relating to items that will not be reclassified to profit or loss	33	(1.80)	0.03
(iii) Items that will not be reclassified to profit or loss			
- Exchange differences in translating the financial statements of foreign operations		0.01	0.01
Other Comprehensive Income/(Loss) for the year		5.35	(0.09)
XIII. Total Comprehensive Income for the year (XI + XII)		36.34	50.51
(Comprising of profit and other comprehensive income/(loss) for the year)			
Profit for the year attributable to:			
Owners of the parent		30.99	50.60
Non-controlling interests		-	-
Total Comprehensive Income for the year attributable to:			
Owners of the parent		36.34	50.51
Non-controlling interests		-	-
XIV. Earnings per equity share : [Nominal Value per Share Rs.10/- (Previous year Rs.10/-)]	35		
Continuing operations (in Rs.)			
(1) Basic		1.69	10.51
(2) Diluted		1.69	10.51
Discontinued operations (in Rs.)			
(1) Basic		-	(7.75)
(2) Diluted		-	(7.75)
From continuing and discontinued operations (in Rs.)			
(1) Basic		1.69	2.76
(2) Diluted		1.69	2.76

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants
FRN - 301072E

Asish Kumar Mukhopadhyay

Partner
Membership no.- 056359

Siddhartha Roy Burman

Executive Chairman
DIN: 00043715

Rittick Roy Burman

Managing Director
DIN: 08537366

Abhijit Dan

Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Indrajit Chaudhuri

Group Chief Financial Officer
Membership No.: FCA 61162

Place: Kolkata

Date: 20th May 2026

Consolidated Statement of Changes in Equity

as at 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

(a) Equity Share Capital

Balance as at 1st April 2025	Changes in equity share capital during the year	Balance as at 31 st March 2026
183.78	-	183.78

Balance as at 1st April 2024	Changes in equity share capital during the year	Balance as at 31 st March 2025
181.34	2.44	183.78

(b) Other Equity

	Reserves and surplus				Money received against share warrants	Items of other comprehensive income	Attributable to owners of the parent	Non-controlling interests	Total other equity
	Capital reserve -Amalgamation Reserve	Securities premium	Share options outstanding account	Retained earnings					
Balance as at 1st April 2025	231.92	1,366.95	6.26	724.56	-	0.02	2,329.71	-	2,329.71
Profit for the year	-	-	-	30.99	-	-	30.99	-	30.99
Other comprehensive gain (net of tax)*	-	-	-	5.34	-	0.01	5.35	-	5.35
Total comprehensive income	-	-	-	36.33	-	0.01	36.34	-	36.34
Fair value of net assets transferred on demerger adjusted with reserves pursuant to the Scheme (Refer Note 34)	(231.92)	-	-	(650.22)	-	-	(882.14)	-	(882.14)
De-recognition of reserves of KSR Footwear Limited (Refer Note 34)	-	-	-	1.22	-	-	1.22	-	1.22
Lapse of Share options outstanding	-	-	(2.69)	2.69	-	-	-	-	-
Balance as at 31st March 2026	-	1,366.95	3.57	114.58	-	0.03	1,485.13	-	1,485.13
Balance as at 1st April 2024	231.92	1,280.19	9.96	670.35	22.30	0.01	2,214.73	-	2,214.73
Profit for the year	-	-	-	50.60	-	-	50.60	-	50.60
Other comprehensive loss (net of tax)*	-	-	-	(0.10)	-	0.01	(0.09)	-	(0.09)
Total comprehensive income	-	-	-	50.50	-	0.01	50.51	-	50.51
Proceeds from issue of share warrants on preferential basis (Refer Note 15.6)	-	-	-	-	66.90	-	66.90	-	66.90
Equity shares issued upon conversion of share warrants (Refer Note 15.6)	-	86.76	-	-	(89.20)	-	(2.44)	-	(2.44)

Consolidated Statement of Changes in Equity

as at 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	Reserves and surplus				Money received against share warrants	Items of other comprehensive income	Attributable to owners of the parent	Non-controlling interests	Total other equity
	Capital reserve -Amalgamation Reserve	Securities premium	Share options outstanding account	Retained earnings					
Lapse of Share options outstanding	-	-	(3.70)	3.70	-	-	-	-	-
Balance as at 31st March 2025	231.92	1,366.95	6.26	724.56	-	0.02	2,329.71	-	2,329.71

*Gain of Rs.5.34 millions (Previous year: Loss of Rs.0.10 millions) on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the year ended 31st March 2026.

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

Capital Reserve: This Reserve represents the surplus of net assets over the Equity Shares issued as purchase consideration pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court at Calcutta with effect from 1st October 2004

Securities premium: This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Share options outstanding account: This Reserve relates to stock options granted by the Company under Khadim Employee Stock Option Plan 2017. This Reserve is transferred to securities premium or retained earnings on exercise or cancellation of vested options.

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

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants
FRN - 301072E

Asish Kumar Mukhopadhyay

Partner
Membership no.- 056359

Siddhartha Roy Burman

Executive Chairman
DIN: 00043715

Rittick Roy Burman

Managing Director
DIN: 08537366

Abhijit Dan

Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Indrajit Chaudhuri

Group Chief Financial Officer
Membership No.:FCA 61162

Place: Kolkata

Date: 20th May 2026

Consolidated Statement of Cash Flows

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	For the year ended 31 st March 2026	For the year ended 31 st March 2025
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before Tax for the year		
- Continuing Operations	49.83	218.77
- Discontinued Operations (Refer Note 34)	-	(149.07)
Adjustments for:		
Depreciation and amortization expense	267.93	405.13
Loss on disposal of property, plant and equipment (net)	5.03	3.75
Interest Received	(26.06)	(29.19)
Liabilities/Provisions no longer required written back	(48.67)	(58.24)
Government grant received	-	(1.74)
Provision for doubtful debts, advances and other assets	17.72	37.24
Debts/Advances written off	2.57	16.24
Foreign currency translations and transactions - Net	-	(0.36)
Finance costs	262.41	300.64
Operating Profit before Working Capital Changes	530.75	743.17
Adjustments for:		
Trade Receivables, Loans and Advances and Other Assets	(92.27)	(273.28)
Inventories	75.67	(232.44)
Trade Payables, Other Liabilities and Provisions	(235.01)	436.03
Cash Generated from Operations	279.15	673.48
Net income tax paid	(22.21)	(2.80)
Net Cash generated from Operating Activities (A)	256.94	670.68
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets and movements in CWIP	(96.09)	(119.41)
Sale of property, plant and equipment, intangible assets	0.89	1.59
Investments in bank deposits	(17.11)	(41.56)
Maturity of bank deposits	15.78	62.50
Interest Received	6.92	8.10
Net Cash used in Investing Activities (B)	(89.61)	(88.78)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of equity share warrants (Refer note 15.6)	-	66.90
Interest paid	(144.00)	(124.23)
Repayment of lease liability	(303.00)	(417.12)
Payment of initial direct cost recognised as Right of Use Asset	(1.00)	(0.71)
Long term loans taken	95.45	104.55
Long term loans repaid	(71.28)	(49.10)
Short term loans (repaid)/taken	(3.00)	4.40
Net Cash used in Financing Activities (C)	(426.83)	(415.31)

Consolidated Statement of Cash Flows

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(259.50)	166.59
Cash and Cash Equivalents at beginning of year	(812.35)	(978.94)
Less: Cash and Cash Equivalents transferred pursuant to the Scheme (Refer Note 34)	139.29	-
Cash and Cash Equivalents at end of year	(932.56)	(812.35)

Notes:

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

II Cash and Cash Equivalents:

Particulars	As at 31 st March 2026	As at 31 st March 2025
Cash Credit facilities	(950.17)	(893.61)
Cash and cash equivalents (Note 11)	17.61	81.26
Cash and cash equivalents as above	(932.56)	(812.35)

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Cash Flows referred to in our report of even date attached

For and on behalf of Board of Directors

For Ray & Ray

Chartered Accountants
FRN - 301072E

Asish Kumar Mukhopadhyay

Partner
Membership no.- 056359

Place: Kolkata

Date: 20th May 2026

Siddhartha Roy Burman

Executive Chairman
DIN: 00043715

Abhijit Dan

Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Rittick Roy Burman

Managing Director
DIN: 08537366

Indrajit Chaudhuri

Group Chief Financial Officer
Membership No.:FCA 61162

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

1 Corporate information

Khadim India Limited (the 'Group') is a Public Limited Group engaged in the retail business of footwear and accessories. The Group is incorporated and domiciled in Republic of India. The address of its Registered office is RDB Primarc TechPark, Tower-C, 7th Floor, 08 Major Arterial Road, Block-AF, New Town (Rajarhat), Kolkata - 700156. The Group listed its equity shares on 14th November 2017 on BSE and NSE.

2 Recently issued accounting pronouncements:

2.1 Application of new standards and amendments

The Ministry of Corporate Affairs vide notification dated 7th May 2025 and 13th August, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended/notified certain Indian Accounting Standards and are effective for annual reporting periods beginning on or after 1st April 2025.

I Ind AS 1 - Presentation of Financial Statements:

The amendment refines the requirements for classification of liabilities as current or non-current, particularly in cases where the entity's right to defer settlement is subject to compliance with covenants. It clarifies that the classification of liabilities shall be based on rights existing at the reporting date and not on management's expectations or intentions.

II Ind AS 7 - Statement of Cash Flows and Ind AS 107 - Financial Instruments: Disclosures:

The amendments introduce additional disclosure requirements for supplier finance arrangements (also referred to as supply chain finance arrangements) to enhance transparency about the entity's exposure to liquidity risks arising from such arrangements.

III Ind AS 12 - Income Taxes:

The amendment incorporates certain exceptions relating to the recognition and disclosure of deferred tax arising from the implementation of the OECD Pillar Two model rules.

IV Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

The amendment establishes how to assess currency exchangeability, estimate spot exchange rates, and disclose the impact of unexchangeable currencies.

The Group has evaluated the amendments and the impact of the amendments is not expected to be significant to its consolidated financial statements.

2.2 New standards and amendments to existing Standards which are issued but are not yet effective and have not been early adopted by the Company

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

Paragraph 74 of Ind AS 1 currently effective for the year ended 31 March 2026 requires the entity not to classify the liability as current, if there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, however, the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

MCA vide notification dated 13 August 2025, has introduced amendment under Paragraph 74 of Ind AS 1 which requires the entity to classify the liability as current under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 01 April 2026 retrospectively in accordance with Ind AS 8.

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(All amounts in Rupees millions, unless otherwise stated)

This amendment is not expected to have a material impact on the Group's consolidated financial statements.

3 Material accounting policies

3.1 Statement of Compliance

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

3.2 Basis of preparation

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

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

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

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

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

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

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

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

3.3 Principles of Consolidation

- A) The consolidated financial statements relate to Khadim India Limited (the “Holding Company”), its subsidiary Khadim Shoe Bangladesh Limited, together constitute the “Group”. The consolidated financial statements have been prepared on the following basis:
 - i) The financial statements of the Holding Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealized

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(All amounts in Rupees millions, unless otherwise stated)

profits or losses as per Ind AS 110 'Consolidated Financial Statements', as specified under section 133 of the Companies Act, 2013.

- ii) The financial statements of subsidiary, consolidated are drawn upto the same reporting date as that of the Holding Company, i.e. 31st March 2026.
- iii) When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Holding Company's accounting policies.
- iv) The financial statements of the following subsidiary have been considered for consolidation:

Name of entity	Country of incorporation	% of holding
Khadim Shoe Bangladesh Limited	Bangladesh	100%

- v) The excess of the Group's share in equity of the subsidiary, over the cost of its acquisition at the date on which the investment is made, is recognized as "Capital Reserve on Consolidation" and included as Other Equity under Equity in the Consolidated Balance Sheet.
- vi) Non-controlling Interest comprises:
 - a) The amount of equity attributable to the non-controlling interests at the date of which investment in a subsidiary is made; and
 - b) The non-controlling interests' share of movements in equity since the date the parent-subsidiary relationship came into existence

Non-controlling interests' share of net profit / (loss) for the year of consolidated subsidiaries is identified and adjusted against the profit / (loss) after tax of the Group. The losses attributable to the non-controlling interests are restricted to the extent of non-controlling interests' equity.

3.4 Operating cycle

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

3.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Consolidated Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Freehold Land is not depreciated. The estimated useful lives of property, plant and equipment of the Group depending on its nature and classification are as follows:

Buildings - 30 – 60 Years

Leasehold Improvements - Shorter of lease period or over 6 years

Plant and Equipment - 5 – 15 Years

Furniture and Fixtures – 10 Years

Vehicles - 10 Years (which is more than the life specified in Schedule II)

Office Equipment - 5 Years

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

3.6 Intangible Assets

Intangible assets acquired separately are recorded at cost at the time of initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets (Computer Software) with finite lives are amortized over the useful economic life (not exceeding five years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the consolidated statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

3.7 Impairment of Property, Plant and Equipment and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amount of its property, plant and equipment and intangible assets to determine whether there is any indicator that those assets have suffered an impairment loss. If any such indicator exists, the recoverable amount of the asset is estimated in order to determine the impairment loss. When it is not possible to determine the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

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for the year ended 31st March 2026

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Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money.

3.8 Assets held for disposal

Assets are classified as held for disposal if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable. These are measured at lower of their carrying amount and fair value less costs to sell.

3.9 Inventories

Inventories are valued at cost and net realisable value, whichever is lower. The cost is calculated on First In First Out basis (FIFO). Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

3.10 Revenue Recognition

The Group earns revenue primarily from sale of footwear and leather accessories.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made and the Group has performed its obligations. Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discounts to customers.

The Group through marketplace and its own website sells its products to customers. Revenue from sale of goods through the website is recognised when control of the products has transferred, being when the products are delivered to the customer. For e-commerce sales, it is the Group's policy to sell its products to the end customer with a right of return within 7 to 30 days. Therefore, a refund liability in relation to expected returns (included in other current liabilities- refund liabilities) and a right to recover the returned goods (included in other current assets) are recognised for the products expected to be returned.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets' net carrying amount on initial recognition.

3.11 Government Grant

The Group receives government grants that require compliance with certain conditions related to the Group's operating activities or are provided to the Group by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognized when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:

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- a. related to or used for assets, are included in the Consolidated Balance Sheet as deferred income and recognized as income over the useful life of the assets.
- b. related to incurring specific expenditures, are taken to the Consolidated Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- c. by way of financial assistance on the basis of certain qualifying criteria, are recognized as they become receivable.

3.12 Foreign Currency Transactions

The functional and presentation currency of the Group is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognized in the Consolidated Statement of Profit and Loss.

3.13 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 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.

3.14 Employee Benefits

I Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus etc. which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and also non-accumulating compensated absences are recognized on an undiscounted basis and charged to the Consolidated Statement of Profit and Loss.

II Defined contribution plan

The Group's contribution towards Provident Fund and Employee State Insurance with respect to employees paid/ payable during the year to the respective Authorities are considered as Defined Contribution Plans and are charged to the Consolidated Statement of Profit and Loss.

III Defined benefit plan

The Group maintains Gratuity Plan for all its eligible employees and the same is a defined benefit plan. The cost of providing benefits under the defined benefit gratuity obligation is determined by independent actuary at each balance sheet date using the projected unit credit method.

Service costs and net interest expense or income is reflected in the Consolidated Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognized immediately through other comprehensive income in the period in which they occur.

IV Other long term employee benefits

The Group presents the leave as a current liability in the consolidated balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/losses are

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immediately taken to the consolidated statement of profit and loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

V Employee Share Based Compensation

Stock Options are granted to eligible employees in accordance with the Khadim Employee Stock Option Schemes ("ESOP"), as may be decided by the Nomination and Remuneration Committee.

The cost of ESOP is recognized based on the fair value of Stock Options as on the grant date. The fair value of Stock Options granted and vested are recognized in the Consolidated Statement of Profit and Loss.

3.15 Leases

The Group, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April, 2019.

Group as a Lessee

The Group assesses whether a contract is or contains a lease according to Ind AS 116 'Leases' at the inception of the contract. A contract is, or contains, a lease if the contract involves—

- (a) the use of an identified asset,
- (b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract i.e. at the lease commencement date recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term).

Right-of-use assets

At the lease commencement date, the right-of-use asset is initially measured at cost which comprises the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Lease Liabilities

At the lease commencement date, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. This includes fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying

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amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

For short-term leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Group is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognized in the Consolidated Statement of Profit and Loss on a straight-line basis over the term of the lease.

3.16 Income Taxes

Income tax comprises of current taxes and deferred taxes.

Current tax

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

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

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

Deferred tax

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

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

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

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

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

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3.17 Provisions, Contingent liabilities and Contingent assets

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

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

The Group does not recognise contingent assets.

3.18 Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by Shareholders.

3.19 Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding cash credit as they are considered an integral part of the Group's cash management.

3.20 Financial instruments, Financial assets, Financial liabilities and Equity instruments

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

Financial assets

Recognition

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

Classification

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

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

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

Impairment

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

Reclassification

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

Derecognition

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

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

Income Recognition

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

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Financial Liabilities

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

Offsetting Financial Instruments

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

Equity Instruments

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

4 Significant accounting judgments, estimates and assumptions

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

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

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

I Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once in a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

II Actuarial Valuation

The determination of Group's liability towards employee benefits in the nature of gratuity and unpaid leave balance is made through independent actuarial valuation including determination of amounts to be recognized in the Consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the consolidated financial statements.

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4A PROPERTY, PLANT AND EQUIPMENT

	GROSS BLOCK							
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 34)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026
Buildings	473.93	0.42	-	474.35	223.90	104.53	-	354.98
Leasehold Improvements	333.94	70.26	48.55	355.65	8.72	32.57	36.79	342.71
Plant and equipment	667.05	25.69	13.55	679.19	595.96	2.48	1.98	83.73
Furniture and Fixtures	209.61	18.53	10.93	217.21	101.88	6.08	7.26	114.15
Vehicles	10.45	-	-	10.45	0.45	-	-	10.00
Office Equipment	37.06	1.24	1.67	36.63	16.46	0.59	1.30	19.46
Total	1,732.04	116.14	74.70	1,773.48	947.37	146.25	47.33	925.03
4B Capital work - in - progress	1.49	6.29	7.62	0.16	0.16	50.31	46.03	4.28

Notes:

- The amount of expenditures recognized in the carrying amount of property, plant and equipment in the course of construction is Nil (Previous Year - Rs. 0.42 millions)
- Addition to Buildings during the year amounting to Rs.104.53 millions, include Rs.58.49 millions of "Assets held for disposal" re-classified under property, plant and equipment (Refer Note 13)

4A PROPERTY, PLANT AND EQUIPMENT

	ACCUMULATED DEPRECIATION/AMORTIZATION							NET BLOCK		
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 34)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026	As at 31 st March 2026	As at 31 st March 2025
Buildings	98.03	13.26	-	111.29	69.12	13.95	-	56.12	298.86	363.06
Leasehold Improvements	234.87	33.65	46.53	221.99	6.72	33.89	32.25	216.91	125.80	133.66
Plant and equipment	463.88	52.88	12.54	504.22	440.84	6.35	1.80	67.93	15.80	174.97
Furniture and Fixtures	121.11	15.86	8.62	128.35	60.73	8.52	6.17	69.97	44.18	88.86
Vehicles	9.30	0.50	-	9.80	0.44	0.32	-	9.68	0.32	0.65
Office Equipment	30.44	2.85	1.65	31.64	14.81	1.29	1.19	16.93	2.53	4.99
Total	957.63	119.00	69.34	1,007.29	592.66	64.32	41.41	437.54	487.49	766.19
4B Capital work - in - progress								4.28	0.16	

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

4C RIGHT-OF-USE ASSETS

	GROSS BLOCK			Total
	Buildings	Land*	Plant and equipment	
Gross Carrying Value as at 31st March 2024	2,377.00	39.73	-	2,416.73
Additions during the year	267.35	-	-	267.35
Deletions during the year	(313.68)	-	-	(313.68)
Gross Carrying Value as at 31st March 2025	2,330.67	39.73	-	2,370.40
Transfer pursuant to the Scheme (Refer Note 34)	(492.33)	(8.55)	-	(500.88)
Additions during the year	246.99	-	14.29	261.28
Deletions during the year	(378.98)	-	-	(378.98)
Gross Carrying Value as at 31st March 2026	1,706.35	31.18	14.29	1,751.82
	ACCUMULATED DEPRECIATION			Total
	Buildings	Land	Plant and equipment	
Accumulated Depreciation as at 31st March 2024	758.79	5.79	-	764.58
Depreciation Expenses	282.38	1.16	-	283.54
Deductions / Adjustments	(166.23)	-	-	(166.23)
Accumulated Depreciation as at 31st March 2025	874.94	6.95	-	881.89
Transfer pursuant to the Scheme (Refer Note 34)	(152.83)	(4.67)	-	(157.50)
Depreciation Expenses	200.00	0.38	0.17	200.55
Deductions / Adjustments	(223.44)	-	-	(223.44)
Accumulated Depreciation as at 31st March 2026	698.67	2.66	0.17	701.50
	NET CARRYING VALUE			Total
	Buildings	Land	Plant and equipment	
Net Carrying Value as at 31st March 2025	1,455.73	32.78	-	1,488.51
Net Carrying Value as at 31st March 2026	1,007.68	28.52	14.12	1,050.32

*This includes Rs.22.50 millions paid to Kolkata Metropolitan Development Authority (KMDA) as lease premium for a land at Laskarhat, Kolkata having a lease term of 99 years. The Group has received possession for 10.75 cottahs, for which the related lease deed has been executed. Remaining portion of the said land was under litigation before High Court Calcutta and Alipore Court wherein both courts have passed judgement in favour of the Group. The losing party has filed Special Leave Petition (SLP) before Supreme Court and the same is pending before the Apex Court. In the meantime, the Group is following up with KMDA to execute the Lease deed for remaining portion of 34.25 cottahs of Land.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

4D INTANGIBLE ASSETS

	GROSS BLOCK								
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 34)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026	
Computer software (acquired)	12.34	0.76	-	13.10	0.10	3.30	-	16.30	

	ACCUMULATED AMORTIZATION							NET BLOCK	
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 34)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026	As at 31 st March 2025
Computer software (acquired)	3.38	2.59	-	5.97	0.01	3.06	-	9.02	7.28

4E INTANGIBLE ASSETS UNDER DEVELOPMENT

	GROSS BLOCK								
	As at 1 st April 2024	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2025	Transfer pursuant to the Scheme (Refer Note 34)	Additions during the year	Disposal/ adjustment during the year	As at 31 st March 2026	
Computer software (acquired)	-	1.89	-	1.89	-	0.21	2.10	-	

4F DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Property, Plant and Equipment	64.32	119.00
Right-of-Use Assets	200.55	283.54
Intangible Assets	3.06	2.59
Total	267.93	405.13
Less: Depreciation and amortization expense related to discontinued operations (Refer Note 34)	-	117.38
Depreciation and amortization expense related to continuing operations	267.93	287.75

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

4G Capital work - in - progress ageing

Ageing for Capital work - in - progress as at 31st March 2026

Capital work - in - progress	Amount in Capital work - in - progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.28	-	-	-	4.28

Ageing for Capital work - in - progress as at 31st March 2025

Capital work - in - progress	Amount in Capital work - in - progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.16	-	-	-	0.16

4H Intangible Assets under development ageing

Ageing for Intangible Assets under development as at 31st March 2026

Intangible Assets under development	Amount in Capital work - in - progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

Ageing for Intangible Assets under development as at 31st March 2025

Intangible Assets under development	Amount in Capital work - in - progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.89	-	-	-	1.89

5 OTHER FINANCIAL ASSETS - NON-CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Security and other deposits	153.52	171.64
Bank deposits with more than 12 months maturity (including interest accrued)		
- Against guarantees and letter of credit	4.45	6.76
- As security with Sales Tax Authorities	0.02	0.02
- Pledged against credit facilities	10.84	48.37
- Others	5.00	-
Employee Advances	1.22	0.60
Total	175.05	227.39

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

6 DEFERRED TAX ASSETS/(LIABILITIES) (NET)

	As at 31 st March 2026	As at 31 st March 2025
Deferred tax assets	103.98	140.57
Less: Deferred tax liabilities	4.42	31.18
Total	99.56	109.39

6.1 Movement in deferred tax liabilities/assets balances

2025-26	Opening balance	Transfer pursuant to the Scheme (Refer Note 34)	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax liabilities/assets in relation to:					
On fiscal allowances on property, plant and equipment, etc.	31.18	(25.35)	(1.41)	-	4.42
Total deferred tax liabilities	31.18	(25.35)	(1.41)	-	4.42
On employees' separation and retirement etc.	0.17	(0.03)	3.15	(1.80)	1.49
On right of use asset and lease liabilities	93.66	(21.00)	(7.73)	-	64.93
On financial assets measured at fair value	4.24	(0.26)	(0.39)	-	3.59
On provision for doubtful debts and advances	25.16	(5.60)	4.45	-	24.01
On other assets	1.18	(1.54)	0.20	-	(0.16)
On provision for slow moving inventories	16.16	(7.66)	1.62	-	10.12
Total deferred tax assets	140.57	(36.09)	1.30	(1.80)	103.98
	(109.39)	10.74	(2.71)	1.80	(99.56)

2024-25	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax liabilities/assets in relation to:				
On fiscal allowances on property, plant and equipment, etc.	37.38	(6.20)	-	31.18
Total deferred tax liabilities	37.38	(6.20)	-	31.18
On employees' separation and retirement etc.	0.54	(0.40)	0.03	0.17
On right of use asset and lease liabilities	95.83	(2.17)	-	93.66
On accumulated business loss	23.25	(23.25)	-	-
On financial assets measured at fair value	4.54	(0.30)	-	4.24
On provision for doubtful debts and advances	15.78	9.38	-	25.16
On other assets	1.38	(0.20)	-	1.18
On provision for slow moving inventories	12.94	3.22	-	16.16
Total deferred tax assets	154.26	(13.72)	0.03	140.57
	(116.88)	7.52	(0.03)	(109.39)

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

6.2 Deferred tax (credit)/charge for the year

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Deferred tax (credit)/charge for the year	(2.71)	7.52
Less: Deferred tax charge for discontinued operations (Refer Note 34)	-	15.24
Deferred tax (credit)/charge for continuing operations	(2.71)	(7.72)

7 CURRENT TAX ASSETS*

	As at 31 st March 2026	As at 31 st March 2025
Advance Income Tax (Net of Provision Rs.254.78 millions; 31 st March 2025: Rs.254.78 millions)	31.97	31.45
Total	31.97	31.45

*Management expects that the assessment procedure is not going to be completed in all respect in next 12 months from the Balance Sheet date.

8 OTHER NON-CURRENT ASSETS

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Capital Advances	18.34	17.47
Advances other than capital advances:		
Security deposits	7.42	7.59
Prepaid expenses	43.06	56.92
Other advances	0.08	0.08
Government grant receivable	-	11.49
Total	68.90	93.55

9 INVENTORIES

	As at 31 st March 2026	As at 31 st March 2025
Raw Material (including packing material)*	23.17	171.35
Work-in-progress	-	61.83
Finished goods (manufactured)**	-	563.19
Stock-in-trade (goods purchased for resale)***	1,265.75	1,372.44
Total	1,288.92	2,168.81

*Includes goods in transit of Rs.0.34 millions (Previous Year - Rs. 0.19 millions).

**Includes goods in transit of Nil (Previous Year - Rs. 0.18 millions).

***Includes goods in transit of Rs.29.05 millions (Previous Year - Rs. 17.93 millions)

Notes:

- Cost of inventory recognized as an expense during the year Rs.2,009.39 millions (Previous Year - Rs. 3,514.58 millions).
- The cost of inventories recognized as an expense in respect of write-downs of inventory to net realisable value included in (i) above - Rs. 0.21 millions (Previous Year - Rs. 5.45 millions).
- Refer Note 3.9 for method of valuation.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

10 TRADE RECEIVABLES

	As at 31 st March 2026	As at 31 st March 2025
Considered good - Secured	48.60	55.95
Considered good - Unsecured	1,815.24	2,154.77
Considered doubtful	95.41	99.94
	1,959.25	2,310.66
Less : Allowance for doubtful debts	95.41	99.94
Total	1,863.84	2,210.72

Trade receivables ageing schedule - as at 31st March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,162.27	313.88	45.24	0.35	342.10	1,863.84
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	5.81	55.39	30.16	0.23	3.82	95.41
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,168.08	369.27	75.41	0.58	345.92	1,959.25
Less : Allowance for doubtful debts						95.41
						1,863.84

Trade receivables ageing schedule - as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,507.69	298.71	38.21	8.48	357.63	2,210.72
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	5.91	52.71	25.47	5.65	8.99	98.73
Disputed Trade receivables – considered good	-	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	1.21	1.21
Total	1,513.60	351.42	63.68	14.13	367.83	2,310.66
Less : Allowance for doubtful debts						99.94
						2,210.72

11 CASH AND CASH EQUIVALENTS

	As at 31 st March 2026	As at 31 st March 2025
Balances with banks		
On Cash Credit Accounts	-	18.04
On Current Accounts	0.29	0.92
Cheques, drafts on hand	9.48	46.41
Cash on hand	7.84	15.90
Total	17.61	81.26

12 OTHER BANK BALANCES

	As at 31 st March 2026	As at 31 st March 2025
Dividend Accounts	0.01	0.02
Fixed Deposits with banks (including interest accrued)*		
- Against guarantees and letter of credit	1.35	10.30
- As security with Sales Tax Authorities	0.24	0.23
- Pledged against credit facilities	84.58	39.47
Total	86.18	50.02

*Represents deposits with original maturity of more than 3 months and includes deposits with remaining maturity of less than 12 months from the balance sheet date.

13 OTHER FINANCIAL ASSETS - CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Assets held for disposal *	-	58.49
Interest Receivable	1.16	0.73
Employee Advances	2.06	3.04
Other receivables (Tender deposits, scrap sales etc.)	25.15	23.43
Total	28.37	85.69

*The Group had certain property, plant and equipment which were not in active use and hence classified as Assets held for disposal. The said assets were put to use during the financial year and were re-classified under property, plant and equipment.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

14 OTHER CURRENT ASSETS

	As at 31 st March 2026	As at 31 st March 2025
Unsecured, Considered Good		
Advances other than capital advances:		
Advances to related parties	0.33	0.48
Other advances	27.03	41.68
Right to recover returned goods	0.40	-
Prepaid expenses	51.26	68.05
Net surplus - defined benefit obligation (Leave encashment)	2.15	-
Net surplus - defined benefit obligation (Gratuity) (Refer Note 40.2)	-	2.46
Advance to Government Authorities	174.08	176.92
Total	255.25	289.59

15 EQUITY SHARE CAPITAL

	As at 31 st March 2026	As at 31 st March 2025
Authorised		
4,00,00,000 (31 st March 2025: 6,00,00,000) Equity Shares of Rs.10/- each (Refer Note 15.1)	400.00	600.00
Issued , Subscribed and Paid up		
1,83,78,382 (31 st March 2025: 1,83,78,382) Equity Shares of Rs.10/- each	183.78	183.78
Total	183.78	183.78

- 15.1** Authorised share capital of Rs.200.00 millions comprising of 2,00,00,000 Equity Shares of Rs.10/- each has been transferred to KSR Footwear Limited pursuant to the Scheme of Arrangement sanctioned by The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), vide Order dated 27 March, 2025 (Refer Note 34)

15.2 Reconciliation of the number of Equity shares

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	1,83,78,382	183.78	1,81,33,998	181.34
Equity shares issued upon conversion of share warrants (Refer Note 15.6)	-	-	2,44,384	2.44
Balance as at the end of the year	1,83,78,382	183.78	1,83,78,382	183.78

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

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15.3 Details of Shares held by the Holding Company

Name of Shareholder	As at 31 st March 2026		As at 31 st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khadim Development Company Private Limited	92,73,229	50.46	92,73,229	50.46

15.4 Details of Shares held by each Shareholder holding more than 5 % of the aggregate shares in the Company

Name of Shareholder	As at 31 st March 2026		As at 31 st March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khadim Development Company Private Limited (Holding Company)	92,73,229	50.46	92,73,229	50.46
Siddhartha Roy Burman	16,33,533	8.89	16,29,533	8.87

15.5 During the year ended 31st March 2019, the Company had issued 4,417 equity shares of Rs.10 each on exercise of employee stock options (Refer Note 42).

15.6 During the financial year 2023-24, the Company had issued 4,08,768 fully convertible equity share warrants at Rs.365 each on a preferential basis. The said warrants were convertible into fully paid-up equity shares of Rs.10 at a premium of Rs.355 each. Out of the said issue 2,44,384 share warrants were issued to two non-promoters and were converted during the previous financial year and 1,64,384 and 80,000 equity shares were issued on 29th May 2024 and 19th July 2024 respectively.

15.7 Rights, Preferences and Restrictions attached to Equity Shares

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

15.8 Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as at 31st March 2026:

Promoter name	Shares held by promoters				% change during the year
	As at 31 st March 2026		As at 31 st March 2025		
	No.of shares	% of total shares	No.of shares	% of total shares	
Siddhartha Roy Burman	16,33,533	8.89%	16,29,533	8.87%	0.02%
Khadim Development Company Private Limited	92,73,229	50.46%	92,73,229	50.46%	0.00%
Total	1,09,06,762	59.35%	1,09,02,762	59.33%	0.02%

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Disclosure of Shareholding of Promoters as at 31st March 2025:

Promoter name	Shares held by promoters				% change during the year
	As at 31 st March 2025		As at 31 st March 2024		
	No.of shares	% of total shares	No.of shares	% of total shares	
Siddhartha Roy Burman	16,29,533	8.87%	16,29,533	8.99%	-0.12%
Khadim Development Company Private Limited	92,73,229	50.46%	92,73,229	51.14%	-0.68%
Total	1,09,02,762	59.33%	1,09,02,762	60.13%	-0.80%

15.9 Shares reserved for issue under Options

	As at 31 st March 2026	As at 31 st March 2025
Equity shares of Rs.10/- each	11,553	20,217
	11,553	20,217

During the year ended 31st March 2018, the Company introduced the Khadim Employee Stock Option Plan (2017) through the resolution passed by the Board of Directors and the same was subsequently approved by the Shareholders.

Terms and conditions of Options granted

Each option entitles the holder thereof to apply for and be allotted one equity share of Rs.10 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from such date.

The vesting period for conversion of Options is as follows:

On completion of 12 months from the date of grant of the Options - 15% vests

On completion of 24 months from the date of grant of the Options - 15% vests

On completion of 36 months from the date of grant of the Options - 30% vests

On completion of 48 months from the date of grant of the Options - 40% vests

The Options have been granted at the 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Further details of 'Khadim Employee Stock Option Plan 2017' are provided in Note 42.

16 OTHER EQUITY

	As at 31 st March 2026	As at 31 st March 2025
A Reserves and surplus		
i. Capital reserve -Amalgamation Reserve		
Opening balance	231.92	231.92
Fair value of net assets transferred on demerger adjusted pursuant to the Scheme (Refer Note 34)	(231.92)	-
Closing balance	-	231.92

This Reserve represents the surplus of net assets over the Equity Shares issued as purchase consideration pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court at Calcutta with effect from 1st October 2004

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(All amounts in Rupees millions, unless otherwise stated)

	As at 31 st March 2026	As at 31 st March 2025
ii. Securities premium		
Opening balance	1,366.95	1,280.19
Add: Equity shares issued upon conversion of share warrants (Refer Note 15.6)	-	86.76
Closing balance	1,366.95	1,366.95
This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
iii. Share options outstanding account		
Opening balance	6.26	9.96
Less: Lapse of Share options outstanding	(2.69)	(3.70)
Closing balance	3.57	6.26
This Reserve relates to stock options granted by the Company under Khadim Employee Stock Option Plan 2017. This Reserve is transferred to securities premium or retained earnings on exercise or cancellation of vested options.		
iv. Retained earnings		
Opening balance	724.56	670.35
Add: Profit for the year	30.99	50.60
Add: Other comprehensive gain/(loss) (net of tax)	5.34	(0.10)
Add: Lapse of Share options outstanding	2.69	3.70
Add: De-recognition of reserves of KSR Footwear Limited (Refer Note 34)	1.22	-
Less: Fair value of net assets transferred on demerger adjusted pursuant to the Scheme (Refer Note 34)	(650.22)	-
Closing balance	114.58	724.56
This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.		
Total Reserves and Surplus (i+ii+iii+iv)	1,485.10	2,329.69
B Money received against share warrants		
Opening balance	-	22.30
Add: Proceeds from issue of share warrants on preferential basis (Refer Note 15.6)	-	66.90
Less: Equity shares issued upon conversion of share warrants (Refer Note 15.6)	-	(89.20)
Closing balance	-	-
C Items of other comprehensive income		
Exchange differences in translating the financial statements of foreign operations		
Opening balance	0.02	0.01
Add/(less): Movement during the year	0.01	0.01
Closing balance	0.03	0.02
Total Other Equity (A+B+C)	1,485.13	2,329.71

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

17 BORROWINGS - NON-CURRENT

	As at 31 st March 2026	As at 31 st March 2025
SECURED		
Term Loans from Banks		
State Bank of India Term Loan [Refer Note 1 of 17.2]	10.33	19.08
ICICI Bank Term Loan [Refer Note 2 of 17.2]	129.62	91.00
Total	139.95	110.08

17.1 Terms of Repayment

The scheduled maturity of these term loans is mentioned as under:

Name of the Bank	2026-27*	2027-28	2028-29	2029-30
State Bank of India Term Loan	8.75	8.75	1.58	-
ICICI Bank Term Loan	44.44	44.44	44.44	40.74
Total	53.19	53.19	46.02	40.74

*Represents 'Current maturities of long term debt' (refer Note 21 - Borrowings - Current)

17.2 Nature of Security of Term Loans from Banks

- Primary security** - Hypothecation charge on inventory, receivables and all other current assets of the Company, both present and future, on second pari-passu basis with other working capital member banks under the consortium.

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore on second pari-passu basis with other working capital members banks under the consortium, lien on fixed deposit on second pari-passu basis, and equitable mortgage of properties at Kasba and Gariahat

- First charge on specific immovable and movable property, plant and equipment of the company and personal guarantee of promoter.

18 LEASE LIABILITIES

	As at 31 st March 2026			As at 31 st March 2025		
	Non-Current	Current	Total	Non-Current	Current	Total
Lease Liabilities	1,091.64	181.57	1,273.21	1,577.49	234.03	1,811.52
Total	1,091.64	181.57	1,273.21	1,577.49	234.03	1,811.52

- The details of the contractual maturities of lease liabilities as at 31st March 2026 on an undiscounted basis are as follows:

Particulars	As at 31 st March 2026
Less than one year	181.57
One to two years	166.65
Two to three years	171.65
Three to four years	174.65
Four to five years	169.40
More than five years	409.29
Total	1,273.21

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

18.2 (i) The Group has recognised expenses of Rs.51.34 millions (Previous year - Rs.62.45 millions) in relation to short-term leases and recorded as 'Rent expenses' and 'Commission and Discount expenses' of Rs.48.13 millions and Rs.3.21 millions respectively for the year ended 31st March 2026 under 'Other Expenses' in Note 32.

18.2 (ii) The Group has recognised expenses of Rs.2.56 millions (Previous Year - Rs.2.73 millions) as variable lease payment for commissioned outlets for the year ended 31st March 2026 and recorded as 'Commission and Discount' under Other Expenses in Note 32.

The Group has also recognised expenses of Nil (Previous year - Rs.4.71 millions) as variable lease payment on account of Solar Power generated for the year ended 31st March 2026 and recorded as 'Power and Fuel' under 'Other Expenses' in Note 32.

19 PROVISIONS - NON-CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Post employment benefits		
Gratuity (Refer Note 40.2)	5.93	-
Total	5.93	-

20 OTHER NON-CURRENT LIABILITIES

	As at 31 st March 2026	As at 31 st March 2025
Deferred Government Grant	-	4.42
Total	-	4.42

21 BORROWINGS - CURRENT

	As at 31 st March 2026	As at 31 st March 2025
SECURED		
Loans repayable on demand		
Cash Credit / Working Capital Demand Loans from Banks		
State Bank of India Cash Credit [Refer Note 1 of 21.1]	517.31	597.73
State Bank of India Standby Line of Credit [Refer Note 1 of 21.1]	-	40.00
Central Bank of India Cash Credit [Refer Note 2 of 21.1]	108.14	69.41
Union Bank of India Cash Credit [Refer Note 3 of 21.1]	324.15	186.47
ICICI Bank Cash Credit [Refer Note 4 of 21.1]	0.57	-
ICICI Bank Demand Loan I [Refer Note 4 of 21.1]	75.00	78.00
UNSECURED		
Loans repayable on demand		
From Related parties [Refer Note 21.2]	-	1.50
Current maturities of long term debt [Refer Note 17.1]	53.19	58.91
Total	1,078.36	1,032.02

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for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

21.1 Nature of Security of Cash Credit and Working Capital Demand Loans from Banks

- 1 Primary security** - Hypothecation charge on inventory, receivables and all other current assets of the Company, both present and future, on pari-passu basis with other working capital member banks under the consortium.

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, equitable mortgage of property at Kasba and Gariahat, personal guarantee of promoter and corporate guarantee of group company.

- 2 Primary security** - Same as State Bank of India Cash Credit (Refer Note 1 above).

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, equitable mortgage of property at Howrah, lien on fixed deposit, personal guarantee of promoter and corporate guarantee of group company.

- 3 Primary security** - Same as State Bank of India Cash Credit (Refer Note 1 above).

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, equitable mortgage of properties at Chandannagar, Rashbehari Avenue and Madhyamgram, personal guarantee of promoter and corporate guarantee of group company.

- 4 Primary security** - Same as State Bank of India Cash Credit (Refer Note 1 above).

Collateral security - Equitable mortgage of properties at Serampore, Salt Lake, KG Road, Bangalore and Civil Station, Bangalore, and lien on fixed deposit on pari-passu basis with other working capital member banks under the consortium, personal guarantee of promoter and corporate guarantee of group company.

- 21.2** The Group had taken an interest-free unsecured loan of Rs.Nil (Previous Year: Rs.1.50 millions) from a director which was repaid during the year

22 TRADE PAYABLES (Refer Note 47)

A Trade payables ageing schedule - as at 31st March 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	13.22	-	-	-	13.22
Others	1,094.37	7.03	1.79	13.07	1,116.26
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	1,107.59	7.03	1.79	13.07	1,129.48

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Trade payables ageing schedule - as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	4.19	-	-	-	4.19
Others	1,934.16	8.98	3.81	18.34	1,965.29
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	1,938.35	8.98	3.81	18.34	1,969.48

- B** The Group has entered into certain Supplier Finance Arrangements (SFA) with finance providers during the year. The primary objective of these arrangements is to benefit the suppliers with early payments. The Group has provided security in the form of fixed deposits to some of the finance providers.

	As at 31 st March 2026	As at 31 st March 2025
Carrying amount of Financial Liabilities		
(i) Financial liabilities classified under 'Trade Payables'	288.60	457.96
(ii) Out of (i), amount received by suppliers from finance providers	288.60	457.96
Payment terms		
(i) The Financial liabilities that are part of the arrangement	30-180 days	-
(ii) Comparable trade payables that are not part of the arrangement	30-180 days	-

There are no material business combinations or foreign exchange differences that would affect the liabilities under the supplier finance arrangement.

The Group has applied transitional relief and accordingly comparative information, wherever applicable, for the above disclosures is not presented in the first year of adoption of the amendment.

23 OTHER FINANCIAL LIABILITIES - CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Interest accrued and due on borrowings	-	0.93
Unpaid Dividend [Refer Note 23.1]	0.01	0.02
Deposits from customers	115.29	108.20
Other payables:		
Payables on purchase of property, plant and equipment	3.01	5.02
Others [Reimbursement claims, etc.]	0.03	0.36
Total	118.34	114.53

- 23.1** There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013, as amended as at the year end.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

24 OTHER CURRENT LIABILITIES

	As at 31 st March 2026	As at 31 st March 2025
Advance from customers	15.23	12.54
Advance against sale of Assets held for disposal	2.00	2.00
Statutory remittances (GST, Contribution to Provident and Other Funds, Withholding Tax)	21.52	27.60
Deferred Government Grant	-	1.69
Refund liabilities	0.72	-
Others	2.72	2.96
Total	42.19	46.79

25 PROVISIONS - CURRENT

	As at 31 st March 2026	As at 31 st March 2025
Other short term benefits		
Leave Encashment	-	0.64
Total	-	0.64

26 CURRENT TAX LIABILITIES

	As at 31 st March 2026	As at 31 st March 2025
Provision for Income Tax (Net of advance taxes Rs.9.77 millions; 31 st March 2025: Rs.2.80 millions)	8.65	8.78
Total	8.65	8.78

27 REVENUE FROM OPERATIONS

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Sale of products *	3,666.65	4,136.33
[Refer Note 27.1]		
Other operating revenues [Refer Note 27.2]	4.30	44.00
Total	3,670.95	4,180.33

* Net of sales returns and refund liability of Rs.0.72 millions (Previous Year - Nil)

27.1 Details of sale of products

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Footwear and accessories	3,666.65	4,136.33
Total	3,666.65	4,136.33

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

27.2 Details of other operating revenues

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Sale of ancillaries	-	41.37
Scrap sales	4.25	2.60
Export incentives	0.05	0.03
Total	4.30	44.00

28 OTHER INCOME

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Interest income comprises interest from:		
- Deposits with banks - carried at amortised cost	7.35	6.91
- Other financial assets measured at amortised cost	18.71	21.21
Liability Not Required Written Back	48.67	57.79
Royalty received from related party	5.12	-
Other non-operating income (Rental income, etc.)	27.87	17.94
Total	107.72	103.85

29 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Inventories at the end of the year		
Work - in - progress	-	61.83
Right to recover returned goods (Refer Note 14)	0.40	-
Finished goods	-	563.19
Stock-in-trade	1,265.75	1,372.44
	1,266.15	1,997.46
Inventories at the beginning of the year		
Work - in - progress	61.83	60.90
Finished goods	563.19	310.09
Stock-in-trade	1,372.44	1,397.25
	1,997.46	1,768.24
Total	731.31	(229.22)
Less: Related to discontinued operations (Refer Note 34)	649.56	116.19
Changes in inventories of finished goods, stock-in-trade and work-in-progress related to continuing operations	81.75	(345.41)

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

30 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Salaries and wages	427.62	549.85
Contribution to Provident and other funds	19.62	21.49
Staff Welfare Expenses	32.85	32.00
Total	480.09	603.34

31 FINANCE COSTS

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Interest expense on financial liabilities measured at amortised cost	143.06	110.51
Interest expense on lease liabilities	119.35	138.25
Total	262.41	248.76

32 OTHER EXPENSES

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Consumption of Stores	-	0.06
Power and Fuel [Refer Note 18.2 (ii)]	65.36	72.67
Rent [Refer Note 18.2 (i)]	65.34	79.13
Rates and Taxes	24.23	14.55
Bank Charges	39.43	45.07
Insurance	12.09	12.54
Repairs - to Others	86.10	110.07
Travelling and Conveyance Expenses	27.13	32.22
Printing and Stationery	3.16	2.87
Postage, Telephone and other Communication Expenses	11.99	11.49
Advertising, Marketing and Sales Promotion Expenses	90.33	155.38
Freight Charges, Transport and Delivery	102.91	134.63
Professional Fees	35.99	44.17
Commission and Discount [Refer Note 18.2 (i) and (ii)]	219.05	229.35
Legal Expenses	1.99	0.25
Debts/Advances written off	2.57	13.15
Loss on sale/discard of property, plant and equipments - Net	5.03	3.48
Provision for doubtful debts, advances and other assets	17.72	35.04
Security Hire Charges	3.64	5.89
Corporate social responsibility (Refer Note 36)	1.77	1.66
Miscellaneous Expenses (Refer Note 32.1)	9.83	13.64
Total	825.66	1,017.31

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

32.1 Miscellaneous Expenses include :

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Amount paid /payable to Statutory Auditors (excluding tax)		
- Statutory Audit (including Limited Review fees)	1.98	1.98
- Tax Audit	-	0.26
- Other matters	0.25	0.33
Total	2.23	2.57

33 CURRENT TAX EXPENSES

A. Amount recognised in profit or loss

i. Tax expenses of continuing operations in consolidated statement of profit and loss

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Current tax		
Income tax for the year	18.42	33.87
Adjustments/(credits) related to previous years - Net	3.13	-
Total Current tax	21.55	33.87
Deferred tax		
Deferred tax for the year	(2.71)	(7.72)
	18.84	26.15

ii. Tax expenses of discontinued operations in consolidated statement of profit and loss (Refer Note 34)

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Current tax	-	(22.29)
Deferred tax	-	15.24
	-	(7.05)
Total tax expenses (i+ii)	18.84	19.10

B Amount recognised in other comprehensive income

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
The tax (credit)/charge arising on income and expenses recognised in other comprehensive income is as follows:		
Deferred tax		
On items that will not be reclassified to profit or loss		
Re-measurement gain/(loss) on defined benefit plans	(1.80)	0.03
Total	(1.80)	0.03

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

C Reconciliation of effective tax rate

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Profit before tax from continuing operations	49.83	218.77
Loss before tax from discontinued operations (Refer Note 34)	-	(149.07)
Applicable tax rate	25.168%	25.168%
Income tax expense on above rate	12.54	17.54
Effect of unused tax loss not recognised as deferred tax assets	0.10	0.34
Expenses not allowable under tax laws	56.85	72.11
Additional expenses allowable under tax laws	(53.78)	(70.89)
	15.71	19.10
Tax adjustment of prior periods	3.13	-
Tax as per consolidated statement of profit and loss	18.84	19.10

Note:

As on 31st March 2025, the Group had long term capital losses of Rs.184.07 millions out of which losses of Rs.11.38 millions pertained to discontinued operations and hence transferred pursuant to the Scheme of Arrangement (Refer Note 34). No deferred tax assets have been recognised on the balance losses of Rs.172.69 millions as on 31st March 2026. These losses are due to expire in the following year:

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Assessment year 2026-2027	49.99	49.99
Assessment year 2031-2032	122.70	134.08
	172.69	184.07

34 Discontinued operations

The Board of Directors of the Group, at its meeting dated 29th September 2023, had approved a Scheme of Arrangement between Khadim India Limited (KIL) and KSR Footwear Limited (KFL) and their respective shareholders and creditors under sections 230 to 232, 66 and other relevant provisions of the Companies Act, 2013. The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), vide Order dated 27 March, 2025, had sanctioned the Scheme of Arrangement. Pursuant to the Scheme, KIL has demerged its distribution business, as a going concern, into KFL effective from 1st May 2025, with appointed date being 1st April 2025 as per the Scheme. Upon the scheme being effective, the Group has transferred the assets and liabilities pertaining to Distribution business to KFL as on the appointed date. The Group has accordingly derecognized from its books of accounts the carrying value of such assets and liabilities. In accordance with the Scheme, the excess of the carrying value of assets transferred (including derecognition of the carrying amount of investment in KFL) over the carrying value of liabilities transferred aggregating Rs.882.14 millions has been adjusted to Capital Reserve and Retained Earnings to the extent of Rs.231.92 millions and Rs.650.22 millions respectively. Pursuant to the Scheme, KFL has allotted 1,83,78,382 new Equity Shares of Rs 10/- each fully paid up on 10th June 2025 to the shareholders of KIL (as on the Record Date i.e., 7th June 2025) and the Group has cancelled its investment of Rs.0.10 millions in KFL and therefore it has ceased to be the wholly owned subsidiary of the Company w.e.f. 1st April 2025.

Further, pursuant to the requirements of Indian Accounting Standards (Ind AS), the results of the Group's distribution business upto the appointed date of demerger have been disclosed as discontinued operations. Consequently, the financial results of the Group for the previous year ended 31st March 2025 have been presented accordingly.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Brief particulars of the Discontinued Operations are given as under:

a. Loss from Discontinued Operations for the year:

	For the year ended 31 st March 2025
Income	
Revenue From Operations	2,057.07
Other Income	5.13
Total Income	2,062.20
Expenses	
Cost of materials consumed	1,299.47
Changes in inventories of finished goods, stock-in-trade and work-in-progress	116.19
Employee benefits expense	144.48
Finance costs	51.88
Depreciation and amortization expense	117.38
Other expenses	481.87
Total Expenses	2,211.27
Loss before tax from discontinued operations	(149.07)
Tax expense:	
Current tax	(22.29)
Deferred tax	15.24
	(7.05)
Loss from discontinued operations	(142.02)

b. Assets and liabilities pertaining to the discontinued operations derecognized from books of accounts:

	For the year ended 31 st March 2025
ASSETS	
a. Property, Plant and Equipment and Intangible Assets (including Capital work in progress)	354.96
b. Right of Use Asset	343.38
c. Inventories	804.22
d. Trade receivables	460.15
e. Other assets	75.76
Total Assets (A)	2,038.47
LIABILITIES	
a. Lease liabilities	412.81
b. Borrowings	150.00
c. Trade payables	575.09
d. Other liabilities	18.53
Total Liabilities (B)	1,156.43
Net assets transferred to KFL pursuant to the Scheme (A-B)	882.04
Add: Derecognition of the carrying amount of investment in KFL	0.10
	882.14

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	For the year ended 31 st March 2025
Adjusted with:	
- Capital Reserves	231.92
- Retained Earnings	650.22
	882.14

c. Cashflows from discontinued operations for the year:

	For the year ended 31 st March 2025
a. Net Cash generated from Operating Activities	240.07
b. Net Cash used in Investing Activities	(20.87)
c. Net Cash used in Financing Activities	(86.59)

35 Earnings Per Share (EPS) - The numerator and denominator used to calculate Basic and Diluted EPS :

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
i. Profit/(Loss) after Tax attributable to the Equity Shareholders	30.99	50.60
- From continuing operations	30.99	192.62
- From discontinued operations (Refer Note 34)	-	(142.02)
ii. Weighted average number of equity shares outstanding for the purpose of basic earnings per share	1,83,78,382	1,83,28,371
iii. Weighted average number of equity shares in computing diluted earnings per share	1,83,78,382	1,83,28,371
iv. Earnings per share from continuing operations (Face value Rs.10/- per share)		
- Basic	1.69	10.51
- Diluted	1.69	10.51
v. Earnings per share from discontinued operations (Face value Rs.10/- per share)		
- Basic	-	(7.75)
- Diluted	-	(7.75)
vi. Earnings per share from continuing and discontinued operations (Face value Rs.10/- per share)		
- Basic	1.69	2.76
- Diluted	1.69	2.76

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

36 Details of Corporate Social Responsibility (CSR) expenditure

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
i. Gross amount required to be spent as per section 135 of the Companies Act, 2013	1.77	1.96
ii. Amount carried forward from previous years for setting off in the current year	0.11	0.41
iii. Net amount required to be spent during the year	1.66	1.55
iv. Details of amount spent during the year:		
- Promoting education among children including livelihood enhancement projects	0.21	1.40
- Eradicating hunger, poverty and malnutrition	-	0.16
- For creating awareness with respect to environmental issues	-	0.10
- Promoting healthcare	1.00	-
- Making available safe drinking water	0.56	-
	1.77	1.66
v. Excess amount spent during the year carried forward for setting off in future years	0.11	0.11

37 The Group has identified one business segment namely "Footwear and accessories" which is consistent with internal reporting provided to the Managing Director who is the Chief Operating Decision Maker (CODM) in accordance with Ind AS 108 "Operating Segments".

Disclosure required under Ind AS 108 "Operating Segments" for Companies with single segment are as follows :

Geographical information

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Revenue from external customers		
From continuing operations		
- Within India	3,667.29	4,180.33
- Outside India	3.66	-
	3,670.95	4,180.33
From discontinued operations (Refer Note 34)		
- Within India	-	2,052.87
- Outside India	-	4.20
	-	2,057.07
Total	3,670.95	6,237.40
	As at 31st March 2026	As at 31st March 2025
Non-current assets*		
- Within India	1,650.24	2,388.88
- Outside India	-	-
Total	1,650.24	2,388.88

* excludes financial assets, deferred tax assets, post-employment benefit assets.

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

38 Contingent Liabilities in respect of (to the extent not provided for) -

	As at 31 st March 2026	As at 31 st March 2025
Claims against the Group not acknowledged as debts :		
a. GST Matters under dispute	5.10	6.86
b. Income Tax Matters under dispute	0.90	0.44

The claims disputed by the Group as above relate to issues of applicability and classification and it is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

39 Commitments (to the extent not provided for)

	As at 31 st March 2026	As at 31 st March 2025
Capital Commitment (Net of capital advances - Rs.1.37 millions; 31 st March 2025 - Rs.0.29 millions)	4.80	0.67

40 Employee Benefits

The Group has recognized, in the Consolidated Statement of Profit and Loss for the year ended 31st March 2026 an amount of Rs.16.02 millions (Previous Year - Rs.22.88 millions) as expenses under defined contribution plans (Employer's Contribution to Provident and Other Funds) under Note 30.

40.1a Defined Benefit Plan

Description of Plans

The employees' gratuity fund scheme is managed by Life Insurance Corporation Of India (LIC) as a defined benefit plan. The present value of obligation is determined by actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Risk Management

The Defined Benefit Plans expose the Group to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

Investment Risks: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds - the valuation of which is inversely proportional to the interest rate movements.

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government Bonds. Decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

Longevity Risk: The present value of the Defined Benefit Plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

40.1b The Group presents the leave as a current liability in the Consolidated Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date and the same is treated as 'Short term employee benefits' expenses (Also refer Note 3.14.IV)

40.2

	Gratuity (Funded)	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
I. Components of Employer Expense		
- recognized in Consolidated Statement of Profit and loss		
a. Current Service cost	3.80	4.45
b. Net Interest cost	(0.20)	(0.35)
c. Past Service Cost because of New Labour Codes (Exceptional item)	12.96	-
d. Total expense recognized in the Consolidated Statement of Profit and Loss	16.56	4.10
- For continuing operations	16.56	2.63
- For discontinued operations	-	1.47
- Re-measurements recognized in Other Comprehensive (Income)/Loss		
e. Return on plan assets (excluding amounts included in Net interest cost)	(0.24)	(0.23)
f. Effect of changes in financial assumptions	(2.84)	2.61
g. Effect of experience adjustments	(4.06)	(2.25)
h. Total re-measurement (gain)/loss included in Other Comprehensive (Income)/Loss	(7.14)	0.13
i. Total defined benefit cost recognized in Consolidated Statement of Profit and Loss and Other Comprehensive Income (d+h)	9.42	4.23
The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognized in "Contribution to Provident and other funds" under Note 31. The past service cost have been shown as "Exceptional Items" in the Consolidated Statement of Profit and Loss. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.		
II. Actual Returns	4.10	4.48
III. Changes in Defined Benefit Obligation (DBO)		
a. Present value of DBO at the beginning of the year	59.84	58.80
b. Current Service Cost	3.80	4.45
c. Past Service Cost because of New Labour Codes (Exceptional item)	12.96	-
d. Interest Cost	3.65	3.90
e. Re-measurement gains:		
- Effect of changes in financial assumptions	(2.84)	2.61
- Effect of experience adjustments	(4.06)	(2.25)
f. Benefits paid	(8.80)	(7.67)
g. Decrease due to effect of demerger (Refer Note 34)	(9.02)	-
h. Present value of DBO at the end of the year	55.53	59.84

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	Gratuity (Funded)	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
IV. Change in the Fair Value of Plan Assets		
a. Plan Assets at the beginning of the year	62.30	61.91
b. Interest income	3.86	4.25
c. Re-measurement (gains)/losses on plan assets	0.24	0.23
d. Actual Company contributions	1.20	3.58
e. Benefits paid	(8.80)	(7.67)
f. Decrease due to effect of demerger (Refer Note 34)	(9.20)	-
g. Plan Assets at the end of the year	49.60	62.30

	Gratuity (Funded)	
	As at 31 st March 2026	As at 31 st March 2025
V. Net (Liability)/Asset recognized in Consolidated Balance Sheet		
a. Present value of Defined Benefit Obligation	55.53	59.84
b. Fair value of Plan Assets	49.60	62.30
c. Funded Status - (Deficit)/Surplus	(5.93)	2.46
d. Net (Liability)/Asset recognized in Consolidated Balance Sheet	(5.93)	2.46
- Current	-	2.46
- Non-Current	(5.93)	-
VI. Best estimate of Employers' expected contribution for the next year	4.24	4.66
VII. Actuarial Assumptions		
a. Discount Rate (%)	7.24%	6.59%
b. Salary Escalation	5.00%	5.00%
c. Mortality	Indian Assured Lives Mortality (2012-14) table ultimate	

The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

VIII. Major Category of Plan Assets as a % of the Total Plan Assets

Gratuity - Funds managed by Insurer (LICI in Group Gratuity Scheme)	100%	100%
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In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

IX. Net Asset recognized in Consolidated Balance Sheet (including experience adjustment impact)

	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Gratuity		
Present value of DBO	55.53	59.84
Fair value of plan assets	49.60	62.30
Funded status [Surplus / (Deficit)]	(5.93)	2.46
Experience gain / (loss) adjustments on plan liabilities	4.06	2.25
Experience gain / (loss) adjustments on plan assets	0.24	0.23

X. Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

	Gratuity - DBO as at	
	31 st March 2026	31 st March 2025
1. Discount rate + 100 basis points	51.56	55.32
2. Discount rate - 100 basis points	59.99	64.97
3. Salary increase rate + 1%	59.41	64.84
4. Salary increase rate - 1%	51.97	55.34

XI. Maturity analysis of the benefit payments

	Gratuity	
	31 st March 2026	31 st March 2025
Year 1	3.18	2.25
Year 2	5.67	6.13
Year 3	2.43	3.93
Year 4	5.04	3.01
Year 5	3.65	4.86
Next 5 years	19.87	21.57

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

41 Related Party Disclosure as per requirements of Ind AS 24 on “Related Party Disclosures”

A) List of Related Parties

Holding Company	Khadim Development Company Private Limited
Key Management Personnel (KMP)	Mr. Siddhartha Roy Burman - Executive Chairman (Refer Note 41.3)
	Mr. Rittick Roy Burman, Managing Director (Refer Note 41.4)
	Mr. Ritoban Roy Burman, Non-Executive Non-Independent Director
	Dr. Indranath Chatterjee, Non-Executive Independent Director (upto 28 th September 2024)
	Prof. (Dr.) Surabhi Banerjee, Chairperson, Non-Executive Independent Director (Refer Note 41.5)
	Mr. Alok Chauthmal Churiwala, Non-Executive Independent Director
	Mrs. Upma Mukherjee, Non-Executive Independent Director (resigned w.e.f. 6 th April 2026) (Refer Note 41.6)
	Mr. Indrajit Chaudhuri, Group Chief Financial Officer (Refer Note 41.7)
	Mr. Abhijit Dan, Group Company Secretary and Head Legal (Refer Note 41.8)
Enterprises over which KMP and their relatives exercise significant influence	Khadim Enterprises
	K.M. Khadim & Co.
	St. Marys' Clinic & Drug Stores
	Sheila Departmental Stores Private Limited
	Bee Tee Enterprise
	Khadim Estate Advisors Private Limited
	Storyscope Films Private Limited
	KSR Footwear Limited (w.e.f. 1 st April 2025)
Relatives of KMP	Mrs. Namita Roy Burman (Mother of Mr. Siddhartha Roy Burman)

B) Particulars of transactions during the year ended 31st March 2026:

Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
I) Holding Company (Refer Note 41.1)				
a) Rent received from Khadim Development Co. Pvt Ltd		0.03		0.03
II) Key Management Personnel (Refer Note 41.2)				
a) Remuneration				
- Mr. Siddhartha Roy Burman (Refer Note 41.1)	39.11		34.99	
- Mr. Rittick Roy Burman	6.89		5.95	
- Mr. Indrajit Chaudhuri	4.57		4.95	
- Mr. Abhijit Dan	2.97	53.54	2.99	48.88
b) Rent paid to Mr. Siddhartha Roy Burman		-		0.08
c) Sitting fees				
- Dr. Indranath Chatterjee		-	0.24	
- Prof. (Dr.) Surabhi Banerjee	0.53		0.61	
- Mr. Alok Chauthmal Churiwala	0.51		0.59	
- Mrs. Upma Mukherjee	0.51		0.32	
- Mr. Ritoban Roy Burman	0.16	1.71	0.12	1.88

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
d) Commission				
- Prof.(Dr.) Surabhi Banerjee	-		0.30	
- Mr.Alok Chauthmal Churiwala	-	-	0.30	0.60
e) Unsecured loan taken(repaid) from Mr.Rittick Roy Burman		(1.50)		1.40
III) Enterprises over which KMP and their relatives exercise significant influence				
a) Commission paid				
- Khadim Enterprises	0.14		0.18	
- Bee Tee Enterprises	0.50		0.52	
- Sheila Departmental Stores Pvt Ltd	0.41		0.48	
- St. Mary's Clinic & Drug Stores	0.06		0.09	
- K M Khadim & Co.	0.60	1.71	0.60	1.87
b) Rent and maintenance charges received				
- Khadim Estate Advisors Pvt Ltd	0.03		0.03	
- Storyscope Films Private Limited	0.03		0.03	
- KSR Footwear Limited	0.10	0.16	-	0.06
c) Rent paid to Khadim Estate Advisors Pvt Ltd		-		0.84
d) Royalty received from KSR Footwear Limited		5.12		-
e) Sale of capital goods to KSR Footwear Limited		1.82		-
f) Sale of goods to KSR Footwear Limited		66.50		-
g) Shared service income received from KSR Footwear Limited		7.51		-
h) Purchase of goods from KSR Footwear Limited		71.60		-
IV) Relatives of Key Management Personnel				
Remuneration				
- Mrs.Namita Roy Burman		0.08		1.44

C) Outstanding Balances

	As at 31 st March 2026	As at 31 st March 2025
I) Holding Company		
- Khadim Development Co Pvt Ltd	0.24	0.20
II) Key Management Personnel		
- Mr.Siddhartha Roy Burman	(1.74)	(1.47)
- Mr.Rittick Roy Burman	(0.64)	(2.03)
- Prof.(Dr.) Surabhi Banerjee	-	(0.28)
- Mr.Alok Chauthmal Churiwala	-	(0.27)
- Mr.Indrajit Chaudhuri	(0.32)	(0.48)
- Mr.Abhijit Dan	(0.22)	(0.31)
III) Enterprises over which KMP and their relatives exercise significant influence		
- Khadim Enterprises	(0.35)	(0.32)
- Bee Tee Enterprises	(0.79)	(0.65)
- Sheila Departmental Stores Pvt Ltd	(0.55)	(0.34)

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

	As at 31 st March 2026	As at 31 st March 2025
- St. Mary's Clinic & Drug Stores	(0.06)	0.07
- Khadim Estate Advisors Pvt Ltd	0.08	0.09
- Storyscope Films Private Limited	0.02	0.12
- KSR Footwear Limited	(0.96)	-
- K M Khadim & Co.	(0.73)	(0.41)

Figures in brackets represent credit balances.

41.1 Refer Notes 17.2 and 21.1 in respect of guarantees given for loans taken by the Company.

41.2 Post employment benefits are actuarially determined on overall basis and not included above.

41.3 Mr.Siddhartha Roy Burman was re-designated from 'Chairman and Managing Director' to 'Managing Director' on 29 September 2024 and then to 'Executive Chairman' on 1st April 2025.

41.4 Mr.Rittick Roy Burman was re-designated from 'Wholtime Director' to 'Managing Director' on 1st April 2025.

41.5 Prof.(Dr.) Surabhi Banerjee was re-designated from 'Non-Executive Independent Director' to 'Chairperson, Independent Director' on 29th September 2024 and then to 'Non-Executive Independent Director' on 31st March 2025

41.6 Mrs.Upma Mukherjee was re-designated from "Non-Executive Non-Independent Director" to "Non-Executive Independent Director" of the Company on 1st April 2025

41.7 Mr.Indrajit Chaudhuri was re-designated from 'Chief Financial Officer' to Group Chief Financial Officer' on 29th September 2024

41.8 Mr.Abhijit Dan was re-designated from 'Company Secretary and Head Legal' to 'Group Company Secretary and Head Legal' on 29th September 2024.

42 Information in respect of Options granted under the Company's Employee Stock Option Scheme ('Scheme'):

Name of the Scheme	Khadim Employee Stock Option Plan 2017
i. Date of Shareholders' approval	17 th June 2017
ii. Total number of Options approved under the Scheme	Options equivalent to 1,86,465 equity shares of Rs.10/- each
iii. Vesting schedule	The vesting period for conversion of Options is as follows: On completion of 12 months from the date of grant of the Options - 15% vests On completion of 24 months from the date of grant of the Options - 15% vests On completion of 36 months from the date of grant of the Options - 30% vests On completion of 48 months from the date of grant of the Options - 40% vests
iv. Pricing formula	Closing market price on the day prior to the date of grant on stock exchange with highest trading volume

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(All amounts in Rupees millions, unless otherwise stated)

Name of the Scheme	Khadim Employee Stock Option Plan 2017
v. Maximum term of Options granted	5 years from the date of vesting
vi. Source of shares	Primary issuance
vii. Variation in terms of Options	None
viii. Method used for accounting of share-based payments plans	The employee compensation cost has been calculated using the fair value method of accounting for Options under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2025-26 is Nil (Previous Year - Nil).
ix. Nature and extent of employee share based payment plan that existed during the period including the general terms and conditions of the plan	Each option entitles the holder thereof to apply for and be allotted one equity share of Rs.10 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from such date.
x. Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price per Option - Rs.320 Weighted average fair value per Option - Rs.310
xi. Option movements during the year:	
a. Options outstanding at the beginning of the year	20,217
b. Options granted during the year	-
c. Options cancelled and lapsed during the year	8,664
d. Options vested and exercisable during the year (net of Options lapsed and exercised)	-
e. Options exercised during the year	-
f. Number of equity shares of Rs.10 each arising as a result of exercise of Options during the year	-
g. Options outstanding and exercisable at the end of the year	11,553
h. Money realised by exercise of the Options during the year	-
xii. Weighted average share price of shares arising upon exercise of Options	No options were exercised during the year
xiii. A description of the method used during the year to estimate the fair value of Options, the weighted average exercise price and weighted average fair value of Options granted	The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option - Rs.320 Weighted average fair value per Option - Rs.310
The significant assumptions used to ascertain the above	The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis: Risk-free interest rate - 8% Expected life - 6 years Expected volatility - 80% Dividend yield - 0% Fair market value of the underlying share in the market at the time of Option grant - Rs.400

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

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Name of the Scheme	Khadim Employee Stock Option Plan 2017
xiv. Methodology for determination of expected volatility	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is based on the daily volatility of the stock prices on National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) over a period prior to the date of grant corresponding with the expected life of the options.
xv. Options granted to	No options were granted during the year.
a. Key managerial personnel	Nil
b. Senior managerial personnel	Nil
c. Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year	Nil
d. Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant.	None

43 Financial Instruments and related disclosures

A Capital Management

The Group aims at maintaining a strong capital base safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to meet the requirements of working capital that arise from time to time as well as requirements to finance business growth. The Group is not subject to any externally imposed capital requirements.

B Categories of Financial Instruments

	As at 31 st March 2026		As at 31 st March 2025	
	Carrying value	Fair value	Carrying value	Fair value
I Financial assets				
a. Measured at amortised cost				
Trade receivables	1,863.84	1,863.84	2,210.72	2,210.72
Cash and cash equivalents	17.61	17.61	81.26	81.26
Other bank balances	86.18	86.18	50.02	50.02
Other financial assets	203.42	203.42	313.08	313.08
Total Financial assets	2,171.05	2,171.05	2,655.08	2,655.08
II Financial liabilities				
a. Measured at amortised cost				
Lease liabilities	1,273.21	1,273.21	1,811.52	1,811.52
Borrowings	1,218.31	1,218.31	1,142.10	1,142.10
Trade payables	1,129.48	1,129.48	1,969.48	1,969.48
Other financial liabilities	118.34	118.34	114.53	114.53
Total Financial liabilities	3,739.34	3,739.34	5,037.63	5,037.63

Notes to Consolidated Financial Statements

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C Financial risk management objectives

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current risk management framework rests on policies and procedures issued by appropriate authorities; process of regular reviews to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

Interest rate Risk

As majority of the financial assets and liabilities of the Group are either non-interest bearing or fixed interest bearing instruments, the Group's net exposure to interest risk is negligible.

Price Risk

The Group invests its short term funds primarily in debt mutual fund. Accordingly, these do not pose any significant price risk.

Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group 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. The Group consistently generated strong cash flows from operations by ensuring timely collections of its trade receivables and this together with the available cash and cash equivalents provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

As at 31st March 2026	Carrying value	Less than 1 year	Between 1 to 5 years	Beyond 5 years	Total
Lease liabilities	1,273.21	181.57	682.35	409.29	1,273.21
Borrowings	1,218.31	1,078.36	139.95	-	1,218.31
Trade payables	1,129.48	1,129.48	-	-	1,129.48
Other financial liabilities	118.34	118.34	-	-	118.34
Total	3,739.34	2,507.75	822.30	409.29	3,739.34

As at 31st March 2025	Carrying value	Less than 1 year	Between 1 to 5 years	Beyond 5 years	Total
Lease liabilities	1,811.52	234.03	938.21	639.28	1,811.52
Borrowings	1,142.10	1,032.02	110.08	-	1,142.10
Trade payables	1,969.48	1,969.48	-	-	1,969.48
Other financial liabilities	114.53	114.53	-	-	114.53
Total	5,037.63	3,350.06	1,048.29	639.28	5,037.63

Credit Risk

The Group's customer base is diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with guidelines issued centrally and business-specific credit policies. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment are recognized, where considered appropriate by responsible management. The Group has adopted a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix taking into account historical credit loss experience.

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The movement of the expected loss provision (allowance for bad and doubtful receivables) made by the Group are as under:

	Expected Loss Provision	
	As at 31 st March 2026	As at 31 st March 2025
Opening Balance	99.94	62.70
Add: Provisions made - continuing operations	17.72	35.04
Add: Provisions made - discontinued operations	-	2.20
Less: Provisions transferred pursuant to the Scheme (Refer Note 34)	22.25	-
Closing Balance	95.41	99.94

Of the trade receivables balance at the end of the year, no dues from any one customer exceeded 20 per cent of gross financial assets. The Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Foreign currency Risk

The Group undertakes transactions denominated in foreign currency (mainly US Dollar, Euro and Pound Sterling) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency are also subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities, are as follows:

	As at 31 st March 2026	As at 31 st March 2025
	USD	USD
Financial assets	-	-
Financial liabilities	-	29.74

The forward exchange contracts that were outstanding on respective reporting dates (not designated under Hedge Accounting):

	Currency	Cross Currency	Buy
As at 31 st March 2026	USD	Rupees	-
As at 31 st March 2025	USD	Rupees	0.35

The aforesaid contracts have a maturity of less than 1 year from the year end.

44 Fair value measurement

Fair value hierarchy

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

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

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

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

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If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, current investments, trade payables, other current financial assets and liabilities and short-term borrowings are considered to be equal to the carrying amounts of these items due to their short-term nature and accordingly not included in the below table. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

	Fair value hierarchy (Level)	Fair value	
		As at 31 st March 2026	As at 31 st March 2025
I Financial assets			
a. Measured at amortised cost			
Other financial assets - Non-Current	3	175.05	227.39
Total Financial assets		175.05	227.39
II Financial liabilities			
a. Measured at amortised cost			
Borrowings - Non-Current	3	139.95	110.08
Total Financial liabilities		139.95	110.08

45 Other Statutory Information

- Title deeds of Immovable Properties are in the name of the Group.
- The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- In respect of borrowings from banks on the basis of security of current assets, there are no material discrepancies between the quarterly returns or statements of current assets filed by the Group with banks and the books of account.
- The Group was not holding any benami property and no proceedings were initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Group has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India
- The Group does not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 the Companies Act, 1956.
- The Group did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.

Notes to Consolidated Financial Statements

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- viii. The Group has not traded or invested in Crypto Currency or Virtual Currency during the year ended 31st March, 2026.
- ix. The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds 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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- x. The Group has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xi. The Group did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the 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).
- xii. The Group 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.
- 46** On 21st November, 2025, the Government of India notified four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has assessed and disclosed the incremental impact of these changes on the basis of best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact as "Impact of new Labour Codes" under "Exceptional items" in the Consolidated Statement of Profit and Loss for the year ended 31st March, 2026. The incremental impact consisting of gratuity and leave encashment benefits of Rs.18.20 millions primarily arises due to change in wage definition. The Group continues to monitor the finalisation of Central/ State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

47 Micro, Small and Medium scale business entities:

Details as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), as amended. This information has been determined to the extent such parties have been identified on the basis of information available with the Group

Sl. No.	Particulars	31 st March 2026	31 st March 2025
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	13.22	4.19
	Interest	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil

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Sl. No.	Particulars	31 st March 2026	31 st March 2025
3	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.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	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.	Nil	Nil

- 48** Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements (Part III) to Schedule III to the Companies Act, 2013:

Name of the entity	Net Assets, i.e. total assets - liabilities		Share in Profit/(Loss)		Share in Other Comprehensive Income/(Loss)		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Income	Amount	As % of Consolidated Other Comprehensive Loss	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
Khadim India Limited	100.01%	3,796.32	101.30%	31.39	99.73%	5.34	101.06%	36.73
Subsidiary								
Foreign								
Khadim Shoe Bangladesh Limited	-0.01%	(0.21)	-1.30%	(0.40)	0.27%	0.01	-1.06%	(0.39)
Non-controlling interests in all subsidiaries	-	-	-	-	-	-	-	-
Total	100.00%	3,796.11	100.00%	30.99	100.00%	5.35	100.00%	36.34

- 49** The consolidated financial statements were approved for issue by the Board of Directors on 20th May 2026

- 50** Previous year's figures have been regrouped/rearranged (such reclassification is not material) wherever necessary to make them comparable with those of current year.

For and on behalf of Board of Directors

Siddhartha Roy Burman
Executive Chairman
DIN: 00043715

Rittick Roy Burman
Managing Director
DIN: 08537366

Abhijit Dan
Group Company Secretary & Head - Legal
Membership No.: ACS 21358

Indrajit Chaudhuri
Group Chief Financial Officer
Membership No.: FCA 61162

Place: Kolkata
Date: 20th May 2026

Notice

NOTICE is hereby given that the 45th (Forty-Fifth) Annual General Meeting ('AGM') of the Members of Khadim India Limited ("the Company") will be held on **Thursday, September 24, 2026 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ritoban Roy Burman (DIN: 08020765), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Re-appointment of M/s. Ray & Ray, Chartered Accountants as the Statutory Auditors of the Company for the second term of period of 5 (Five) consecutive years**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) and / or substitution(s) thereof for the time being in force] and upon due recommendation of the Audit Committee and Board of Directors, M/s. Ray & Ray, Chartered Accountants (Firm's Registration No. 301072E and having their head office at Webel Bhavan, Ground Floor, Block – EP & GP, Sector – V, Salt Lake, Kolkata – 700091], be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for the second term of 5 (Five) consecutive years commencing from the conclusion of 45th Annual General Meeting ('AGM') till the conclusion of the 50th AGM to be held in the financial year 2031-32, at such remuneration plus out-of-pocket expenses, if any, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to do all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and to seek necessary approvals or settle any questions, difficulties or doubts that may arise in this regard without further referring to the Members of the Company."

SPECIAL BUSINESS:

4. **Continuation of office of Prof. (Dr.) Surabhi Banerjee (DIN: 07829304) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) and other applicable provisions if any, the consent of the Members of the Company be and is hereby accorded for continuation of Directorship of Prof. (Dr.) Surabhi Banerjee (DIN: 07829304) who was re-appointed as an Independent Director of the Company for a period of 5 years at the 40th Annual General Meeting of the Company held on September 28, 2021 and who will attain the age of 75 years on October 29, 2026, till the expiry of her existing term (i.e., upto May 24, 2027).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Notice

5. **Alteration of Articles of Association**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules made there under [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and subject to such other approvals as may be required, the existing Articles of Association ('AOA') of the Company be and is hereby altered on account of substitution in Clause 16(c)(i)(B) as follows:

"to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause A above, either for cash or for a consideration other than cash, if the price of such shares is determined as per the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 or any other rules or regulations issued by the Securities and Exchange Board of India in this regard."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors

Abhijit Dan

Group Company Secretary & Head – Legal

Membership No.: A21358

Date: July 02, 2026

Place: Kolkata

Notice

NOTES:

1. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 03/2025 dated September 22, 2025 read with other General Circulars issued in this regard by MCA and applicable circulars issued by Securities Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Relevant Circulars"), have permitted convening the General Meeting through VC or OAVM without physical presence of the Members. In accordance with the Relevant Circulars, applicable provisions of the Companies Act, 2013, as amended (the 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Annual General Meeting ("AGM") of the Company is being held through VC / OAVM, without the physical presence of the Members at a common venue. The deemed venue for the 45th AGM shall be the Registered office of the Company.
2. Additional information in respect of Business Item No. 3 (Ordinary Business) to be transacted during the AGM, as required under the Listing Regulations read with Circulars issued thereunder are enclosed herewith and marked as **Annexure-I**. Further, the relevant Explanatory Statement pursuant to Section 102 of the Act and the Rules framed thereunder, in respect of all the Special Business to be transacted during the meeting also forms part of **Annexure-I**. The recommendation of the Board of Directors of the Company along with the rationale in terms of Regulation 17(11) of the Listing Regulations is also mentioned therein.
3. The information as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, relating to the Business Item Numbers 2 and 4 is enclosed herewith and marked as **Annexure-II**.
4. Since the AGM will be held through VC / OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not enclosed to this Notice.
5. Since the AGM will be held through VC / OAVM, the Route Map of the AGM venue is not enclosed to this Notice.
6. As per the provisions of the Relevant Circulars, Members attending the AGM through VC / OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to attend and vote during the AGM.
8. Pursuant to Section 113 of the Act, corporate members are requested to send to the Company at compliance@khadims.com, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the AGM.
9. It is hereby informed that in terms of the provisions of the Listing Regulations, the Company is required to intimate the Stock Exchanges the details of the agreements entered into by the shareholders, promoters, promoter group, related parties, directors, key managerial personnel and employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements. Accordingly, it is hereby advised to the stakeholders to inform the Company about any such agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. The Company will inform the details of such agreements to the Stock Exchanges on becoming aware of it within the prescribed timelines.

[Explanation: For this purpose, the term 'directly or indirectly' includes agreements creating an obligation on the parties to such agreements to ensure that the Company shall or shall not act in a particular manner.]

Notice

10. Procedure for inspection of documents by the Members:

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, shall be made electronically available for inspection by the Members during the AGM upon login at National Securities Depository Limited ('NSDL') e-voting system at <https://www.evoting.nsdl.com>.

All documents referred to in the Notice and the Explanatory Statement shall also be available for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e., Thursday, September 24, 2026 at 11:30 a.m. Members seeking to inspect such documents can send an e-mail to compliance@khadims.com mentioning their names, PAN, folio numbers / demat account numbers and contact numbers.

11. Procedure for registration as speakers / seek clarification:

- a) Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests, preferably from Friday, September 11, 2026 (10:00 a.m. IST) to Thursday, September 17, 2026 (5:00 p.m. IST), at compliance@khadims.com from their registered e-mail addresses, mentioning their names, folio numbers / demat account numbers, PAN details and mobile numbers. Only those Members who have registered themselves as speakers will be allowed to express their views / ask questions during the AGM. The Company / the Chairman of the Meeting reserves the right to restrict the number of questions, time allotted and number of speakers to ensure smooth conduct of the AGM.
 - b) Any Member desirous of receiving any information on the Financial Statements or Operations of the Company is requested to forward his / her query(ies) to the Company through e-mail at compliance@khadims.com, mentioning his / her name, folio numbers / demat account numbers, e-mail addresses and mobile numbers, at least seven working days prior to the AGM, so that the required information can be made available during the AGM.
12. To support the "Green Initiative", Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices and Circulars etc. from the Company electronically.
 13. The Company does not have any shareholders holding shares in physical mode as on the date of this Notice.
 14. Members holding shares in demat mode are requested to quote the DP ID and Client ID in all communication / correspondence with the Company or its Registrar and Transfer Agent ('RTA'), MUFG Intime India Private Limited (formerly, Link Intime India Private Limited).
 15. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in the dematerialized form are, therefore, requested to submit their PAN details to their respective Depository Participants ('DPs').
 16. Members holding shares in demat mode are further requested to intimate to the respective Depository Participant, changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
 17. In terms of SEBI Master Circular No. HO/38/13/ (4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 and other applicable provisions, the Members of the Company (who have not opted for the nomination) are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission

Notice

of shares held by them as well as to prevent accumulation of unclaimed assets in securities market. To avail the facility of nomination or to opt out or cancel / make any variation in the already submitted nomination, members are requested to reach out to their respective DPs.

18. In accordance with Regulation 12 of the Listing Regulations read with SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, all the payments to shareholders with respect to dividend shall be made in electronic mode only and no 'payable at par' warrants or cheques or drafts shall be issued towards dividend pay-outs. Therefore, the Members are requested to update their bank account details. Members who wish to change their bank account details may advise their respective DPs about such change with complete details of bank account, including IFSC Code. Members residing at the regions where NECS / NEFT / Direct Credit / RTGS / Swift Facility is available are advised to avail of the option to collect dividend by way of these electronic modes.
19. The Company has uploaded the details of unpaid and unclaimed dividend lying with the Company on the website of the Company www.khadims.com. Members wishing to claim dividends that remain unclaimed / unpaid are requested to correspond with the RTA as mentioned above, or with the Secretarial Department. Members are requested to note that, pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with relevant circulars and amendments thereto ("IEPF Rules") dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The concerned shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority.

In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

The due date for transfer of unclaimed dividend for the financial year ended March 31, 2019 together with the corresponding shares to IEPF is September 11, 2026.

The Company had sent a letter in this regard to the Members concerned, who have not encashed their dividend warrants for the financial year ended March 31, 2019, to claim the amount of dividend from the Company on or before August 24, 2026.

The Company had also published a Notice in Newspapers, viz., "Business Standard" (all editions) in English and 'Aajkal' in Bengali advising the Members concerned to claim their unclaimed or unpaid dividend from the Company within the stipulated time period, so as to prevent the concerned shares to be transferred to the Demat Account of the IEPF Authority. The complete list of said Members is also available on the website of the Company at <https://www.khadims.com/pages/unpaid-unclaimed-dividend>.

Members are informed that once the unclaimed or unpaid dividend is transferred to the designated account of IEPF and shares are transferred to the Demat Account of the IEPF Authority, no claim shall lie against the Company in respect of such dividend / shares.

Members are requested to quote their Folio numbers / DP Id and Client Id in all communication / correspondence with the Company or its RTA.

20. In compliance with the Relevant Circulars and the Listing Regulations, Notice of the AGM along with the Annual Report is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories / RTA.

Members may note that the Notice and Annual Report will also be available on the website of the Company viz., www.khadims.com and on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The Notice will also be available on the website of NSDL at www.evoting.nsdl.com.

Notice

A letter in physical mode shall be sent to those shareholders, whose e-mail addresses are not registered, providing the web-link, including the exact path, where complete details of the Annual Report are available.

Hard copy of the Annual Report shall be sent to those shareholders who request for the same.

21. Any member desirous of obtaining hard copy of the said Notice along with the Annual Report for the financial year ended March 31, 2026 may send a request to the Company at compliance@khadims.com, through his / her registered e-mail address, mentioning his / her name, PAN, folio numbers / demat account numbers and contact number.
22. Members may refer to the relevant SEBI Circulars on redressal of investor grievances and / or on Online Dispute Resolution (ODR), available on the links provided on the Company's website at <https://www.khadims.com/pages/investor-grievance> or the RTA's website, i.e., www.in.mpms.mufg.com under the tab "Resources > Downloads > Circulars".
23. **Procedure for attending the AGM through VC / OAVM:**
 - a. Members will be able to attend the AGM through VC / OAVM through the NSDL e-voting system.
 - b. The facility for the Shareholders to join this Meeting will be available from 30 minutes before the time scheduled for the Meeting and may close not earlier than 30 minutes after the commencement of the Meeting and will be available for 1,000 Members on a first-come first-served basis. This restriction would however not apply to participation of shareholders holding 2% or more shareholding of the Company, promoters, institutional investors, directors, key and senior managerial personnel, auditors, scrutinizer, etc.
 - c. The instructions to attend the AGM through VC / OAVM is enclosed herewith and marked as **Annexure-III** and the same shall form part of this Notice.
24. **Voting through electronic means:**
 - a. As per the provisions of Section 108 and other applicable provisions, if any, of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto, read with the relevant MCA Circulars, the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India and Regulation 44 of the Listing Regulations, the Company is pleased to facilitate its Members to transact business of the AGM of the Company by voting through electronic means. For this, the Company has engaged the services of NSDL having office at 301, 3rd Floor, Naman Chambers, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400 051, to provide remote e-voting services and e-voting facility during the AGM, who are holding the shares as on the cut-off date.
 - b. **The remote e-voting period commences at 9:00 a.m. IST on Monday, September 21, 2026 and ends at 5:00 p.m. IST on Wednesday, September 23, 2026.** During this period, the Members of the Company, holding shares, as on the **cut-off date i.e., Thursday, September 17, 2026** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - c. The facility for voting through electronic means shall be made available during the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right during the AGM through electronic voting system. However, Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - d. The instructions to cast votes through remote e-voting and through e-voting system during the AGM is enclosed herewith and marked as **Annexure-IV** and the same shall form part of this Notice.

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25. In order to scrutinize the e-voting process in a fair and transparent manner, Mr. A.K. Labh (FCS - F4848, CP No. 3238) of M/s. A.K. Labh & Co., Company Secretaries, Kolkata, has been appointed by the Board of Directors of the Company as the Scrutinizer.
26. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through electronic voting system provided during the AGM and remote e-voting in the presence of at least two witnesses, not in the employment of the Company and submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws. The resolution(s) shall be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.
27. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e., www.khadims.com and on the website of NSDL i.e., www.evoting.nsdl.com immediately after the results are declared by the Chairman or a person authorised by him in writing. The same shall be communicated by the Company to the stock exchanges i.e., BSE Limited and National Stock Exchange of India Limited where the Company's shares are listed.
28. **The note on "Directors and Key Managerial Personnel" mentioned in the Board's Report dated May 20, 2026 would be read as follows:**

Your Company's Board complies with the constitution requirement under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

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

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

The Members of the Company vide resolutions passed via Postal Ballot on June 23, 2025 had considered and approved the following re-designations and appointments:

- i. Re-designation of Mrs. Upama Mukherjee (DIN: 10585455) from "Non-Executive Non-Independent Director" to "Independent Director" of the Company effective April 01, 2025.
- ii. Re-designation and appointment of Mr. Siddhartha Roy Burman (DIN: 00043715) as "Executive Chairman" (also a "Whole-Time Key Managerial Personnel") in the category of "Whole-Time Director" and also to be functioned as 'Chairman' of the Company for a fresh term of 3 (Three) consecutive years commencing from April 01, 2025.
- iii. Re-designation and appointment of Mr. Rittick Roy Burman (DIN: 08537366) as "Managing Director" (also a "Whole-Time Key Managerial Personnel") of the Company for a fresh term of 3 (Three) consecutive years commencing from April 01, 2025.

Notice

Further, pursuant to Section 152(6) of the Companies Act, 2013, Mr. Rittick Roy Burman (DIN: 08537366), Director, retired by rotation and was re-appointed at the Annual General Meeting held on September 19, 2025.

Subsequently, Mrs. Upama Mukherjee (DIN: 10585455) resigned as an Independent Director of the Company with effect from close of business hours on April 06, 2026, citing personal reasons.

Consequently, the Board of Directors vide its meeting held on July 02, 2026, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members at the Extraordinary General Meeting on August 01, 2026, approved the appointment of Mr. Sekhar Bhattacharjee (DIN: 05125932) as an Additional Director in the capacity of Non-Executive Independent Director of the Company for a term of 5 (Five) consecutive years effective from July 02, 2026 to July 01, 2031 pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof] and he is not liable to retire by rotation.

Further, pursuant to the provisions of Regulation 17(1A) of the Listing Regulations, the Board of Directors vide its said meeting held on July 02, 2026, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members at the ensuing Annual General Meeting, approved the continuation of office of Prof. (Dr.) Surabhi Banerjee (DIN:07829304) who was re-appointed as an Independent Director of the Company for a period of 5 (Five) years at the 40th Annual General Meeting of the Company held on September 28, 2021 and who will attain the age of 75 years on October 29, 2026, till the expiry of her existing term (i.e., upto May 24, 2027). Your Directors recommend her continuation of office at the ensuing Annual General Meeting.

Mr. Ritoban Roy Burman (DIN: 08020765), Non-Executive Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible, offered himself for re-appointment. Your Directors recommend his re-appointment at the ensuing Annual General Meeting.

The brief profile of Mr. Ritoban Roy Burman and Prof. (Dr.) Surabhi Banerjee other relevant information under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings with respect to Director seeking re-appointment is provided in the Notice convening Annual General Meeting.

Notice

Annexure-I

ADDITIONAL INFORMATION RELATING TO THE ORDINARY BUSINESS

Item No. 3

The Members of the Company vide 40th AGM held on September 28, 2021 had approved the appointment of M/s. Ray & Ray, Chartered Accountants, (Firm's Registration No. 301072E) as the Statutory Auditors of the Company to hold office from the conclusion of 40th AGM till the conclusion of the 45th AGM to be held in the financial year 2026-27.

In terms of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Company can appoint or re-appoint an audit firm as Statutory Auditors for not more than 2 (Two) terms of 5 (Five) consecutive years.

Considering their familiarisation with respect to the operations and functions of the Company, their long-standing professional services as an Audit Firm and on due recommendation of the Audit Committee, the Board of Directors proposes that Members re-appoint M/s. Ray & Ray, Chartered Accountants, as the Statutory Auditors of the Company to hold office for a second term of 5 (Five) consecutive years commencing from the conclusion of 45th AGM till the conclusion of the 50th AGM to be held in the financial year 2031-32 at such remuneration and out-of-pocket expenses, if any, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

M/s. Ray & Ray, Chartered Accountants have conveyed its consent for re-appointment as the Statutory Auditors of the Company for the said purpose, along with the requisite confirmation that, their appointment, if made by the shareholders, will be within the limits prescribed under the Act.

M/s. Ray & Ray, Chartered Accountants, holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ('ICAI'). They have further confirmed that they are eligible for the proposed re-appointment as Statutory Auditor in terms of the provisions of the Sections 139(2), 141(2) and 141(3) of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

The details required to be disclosed under Regulation 36(5) of the Listing Regulations (as amended) are as under:

A. Proposed fees payable to the Statutory Auditor(s): The fees paid to M/s. Ray & Ray, Chartered Accountants, inter alia, towards statutory audit for FY 2025-26 has been mentioned elsewhere in the Annual Report for FY 2025-26. The remuneration proposed to be paid to the Statutory Auditor during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The remuneration proposed to be paid to the Statutory Auditors during their second term of appointment will be determined by the Board of Directors, based on the Audit Committee's recommendation and in consultation with M/s. Ray & Ray, Chartered Accountants. The fees will be based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmarks.

M/s. Ray & Ray, Chartered Accountants, shall not render any services that are prohibited under the applicable law or as prescribed by ICAI from time to time.

B. Terms of re-appointment: Appointment as Statutory Auditors of the Company for a second term of 5 (Five) consecutive years commencing from the conclusion of 45th AGM till the conclusion of the 50th AGM to be held in the financial year 2031-32, to carry out Audit of the Financial Statements (Standalone and Consolidated), Annual Financial Results, Limited Review of the Unaudited Quarterly Financial Results etc. subject to approval by the Members of the Company.

C. In case of a new auditor, any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: Not Applicable.

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D. Basis of recommendation for re-appointment: The Audit Committee and Board of Directors, at their respective meetings held on May 20, 2026 have considered various parameters like industry experience including experience in retail industry, competency of the audit team, efficiency in conduct of audit, independence, technical knowledge, etc. and found M/s. Ray & Ray, Chartered Accountants, suitable for re-appointment as Statutory Auditors of the Company and accordingly, recommend the same to the Members of the Company.

E. Credentials of the Statutory Auditor(s) proposed to be re-appointed: M/s. Ray & Ray, Chartered Accountants, is one of the leading CA firms in India with its head office in Kolkata. The firm has a pan India presence through its branch offices in major metropolitan cities and offers audit, tax and advisory services in India and abroad.

M/s. Ray & Ray branch offices are located in major metro cities in India including New Delhi, Mumbai, Bengaluru and Chennai and have dedicated team of professionals capable of offering services across a range of verticals at any location within India and abroad.

M/s. Ray & Ray, over the last ten decades, since its inception in 1922, has grown into an institution that embodies the highest standards of professional integrity, values and expertise.

M/s. Ray & Ray has provided services to large number of industries in different sectors and has gained in-depth knowledge in their functioning and acquired the domain experience.

None of the Directors of the Company, Key Managerial Personnel or their respective relatives is in any way concerned or interested, financially or otherwise in the proposed resolution.

The Board recommends this resolution for approval of the Members of the Company by way of an Ordinary Resolution.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE ACT

Item No. 4

The members of the Company vide AGM held on September 28, 2021 had approved the re-appointment of Prof. (Dr.) Surabhi Banerjee (DIN: 07829304) as Non-Executive Independent Director for a second term of 5 (Five) consecutive years, commencing from May 25, 2022 to May 24, 2027.

Apart from being a Director on the Board, Prof. (Dr.) Surabhi Banerjee is also a member of Audit Committee and Nomination & Remuneration Committee and has been effectively performing her duties and providing valuable guidance to the Company in key strategic matters from time to time.

In terms of the Regulation 17(1A) of Listing Regulations, no listed company shall appoint, re-appoint or continue the directorship of any person as a Non-Executive Director who has attained the age 75 years unless a special resolution is passed to that effect.

Further, the listed company is required to ensure compliance with the said provision at the time of appointment or re-appointment, or any time prior to the non-executive director attaining the age of 75 years.

Prof. (Dr.) Surabhi Banerjee shall attain the age of 75 years on October 29, 2026. Prof. (Dr.) Banerjee is in good health and of sound and alert mind. Based on the recommendation of the Nomination and Remuneration Committee and further taking into account the professional skill, knowledge, experience, continued valuable guidance to the management and the contributions made by Prof. (Dr.) Banerjee during her association with the Company and also on the basis of her performance evaluation, the Board of Directors opined that it shall be in the interest of the Company to continue to avail the services of Prof. (Dr.) Banerjee, as an Independent Director of the Company for the remaining tenure.

Notice

Prof. (Dr.) Surabhi Banerjee is not dis-qualified from being continued as a Director in terms of Section 164 of the Act. Further, Prof. (Dr.) Surabhi Banerjee fulfils the conditions specified in the Act read with Schedule IV to the Act and Rules made thereunder and also under the Listing Regulations for continuation of office as an Independent Director of the Company post attaining age of 75 years.

None of the Directors / Key Managerial Personnel of the Company or their relatives except Prof. (Dr.) Surabhi Banerjee are concerned or interested (financially or otherwise), in the proposed resolution.

The Board recommends this resolution for approval of the Members of the Company by way of a Special Resolution.

Item No. 5

Clause 16(c)(i)(B) of the existing Articles of Association ('AoA') of the Company provides for determination of price of equity shares based on the valuation report by a registered valuer which is in addition to determination of the price as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") in case of further issue of capital.

The Company is a listed entity whose shares are listed with BSE Limited and the National Stock Exchange of India Limited, and is primarily governed by the provisions of various rules and regulations as issued by SEBI from time-to-time and hence in order to align the valuation methodology in line with the requirements of the ICDR Regulations, it is proposed to fix the valuation norm mentioned therein as the only valuation method to determine the price for issuance of new shares and hence necessary changes in the relevant Article of the existing AoA of the Company is proposed.

Hence, the Board of Directors of the Company has considered to amend the relevant clause of the AoA accordingly.

None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed special resolution.

The Board recommends this resolution for approval of the Members of the Company by way of a Special Resolution.

By Order of the Board of Directors

Abhijit Dan

Date: July 02, 2026

Place: Kolkata

Group Company Secretary & Head – Legal

Membership No.: A21358

Notice

Annexure-II

INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING AGM

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2)]

Sl. No.	Particulars	Item No. 2	Item No. 4
1.	Name of the Director	Mr. Ritoban Roy Burman	Prof. (Dr.) Surabhi Banerjee
2.	DIN	08020765	07829304
3.	Date of Birth	June 04, 1992	October 29, 1951
4.	Age	34 Years	74 years
5.	Nationality	Indian	Indian
6.	Qualifications	Bachelor's degree in Mass Communication from St. Xaviers College, Kolkata.	Master's degree in Arts from the University of Leeds, U.K. and a Doctorate in English from University of Calcutta.
7.	Profile, experience and expertise in specific functional areas	Mr. Ritoban Roy Burman joined the Company in 2013 as Manager-Marketing and served in this capacity till November 2017. During this period, he gained good exposure in various aspects of footwear marketing. Since then, he has been an integral part of our organisation, contributing his valuable expertise across different facets of the business.	She has 38 years of experience as an academican. Prior to joining the Company, she was associated as Vice Chancellor with Central University of Orissa, University of Gour Banga and Netaji Subhas Open University.
8.	Date of first appointment on the Board	December 14, 2017	May 25, 2017
9.	Shareholding in the Company (including shareholding as a beneficial owner)	Mr. Ritoban Roy Burman holds 3,000 equity shares (0.02%) of the Company in individual capacity.	Nil
10.	Relationship with other Directors, Manager or with KMPs	Son of Mr. Siddhartha Roy Burman, Executive Chairman and brother of Mr. Rittick Roy Burman, Managing Director.	None
11.	Number of meetings attended during the financial year 2025-26	Number of Meetings held: 5 Number of Meetings attended: 4	Number of Meetings held: 5 Number of Meetings attended: 5
12.	List of outside Directorships held in other Public Companies (excluding foreign Companies and Companies under Section 8 of the Companies Act, 2013)	KSR Footwear Limited	None
13.	The Listed entity from which Director has resigned in last three years	None	None
14.	Chairman / member of the Committees of Board of Directors of other companies in which he is a Director*	None	None

Notice

Sl. No.	Particulars	Item No. 2	Item No. 4
15.	Terms and conditions of Appointment or Re-appointment	Mr. Ritoban Roy Burman who was appointed as Non - Executive, Non - Independent Director with effect from December 14, 2017 and whose appointment had been confirmed at the AGM held on September 06, 2018, is liable to retire by rotation.	Prof. (Dr.) Surabhi Banerjee who was re-appointed as Non – Executive Independent Director commencing from May 25, 2022 to May 24, 2027 and whose re-appointment had been confirmed at the AGM held on September 28, 2021, is not liable to retire by rotation.
16.	Remuneration proposed to be paid	Mr. Ritoban Roy Burman shall be eligible for the following: a. Sitting fees for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board; b. Reimbursement of expenses for participation in the Board and other meetings; and c. Commission as may be approved by the Members.	Prof. (Dr.) Surabhi Banerjee shall be eligible for the following: a. Sitting fees for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board; b. Reimbursement of expenses for participation in the Board and other meetings; and c. Commission as may be approved by the Members.
17.	Remuneration last drawn by such person, if applicable (As per last audited balance sheet dated March 31, 2026)	₹ 0.16 million	₹ 0.53 million
18.	Skills & capabilities required for the role and the manner in which the proposed person meets such requirement	Sales and Marketing	Management, Administration and Finance

*Includes only Audit Committee and Stakeholders' Relationship Committee.

In addition to the above, other requisite details required relating to re-appointment of aforesaid Director have already been provided elsewhere in the Board's Report.

Notice

Annexure-III

A. INSTRUCTIONS TO ATTEND THE AGM THROUGH VC / OAVM:

1. Members will be able to attend the 45th AGM through VC / OAVM through the NSDL e-Voting system. Members may access to the same by following the instructions mentioned in Annexure-IV to this Notice. After successful login, you can see link of "VC / OAVM link" appearing under "Join Meeting" menu against the Company name. You are requested to click on VC / OAVM link placed under "Join Meeting" menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, DVP, NSDL at evoting@nsdl.com or call 022 4886 7000.
3. Members under the category of Institutional Investors are encouraged to attend the AGM and also vote through remote e-Voting or e-Voting during the AGM.
4. Members are encouraged to join the Meeting through Laptops for better experience.
5. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants connecting from Mobile Devices or through laptops / desktops / tablets connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video / camera along with good internet speed.

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Annexure-IV

A. INSTRUCTIONS FOR REMOTE E-VOTING:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically and join AGM on NSDL e-Voting system

Details on Step 1 is mentioned below:

a. Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by the Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. OTP based Login: For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id / mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Users registered for NSDL IDeAS facility: Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. Users not registered for NSDL IDeAS facility: If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

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Type of shareholders	Login Method
	4. e-Voting website of NSDL Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. e-Voting mobile application of NSDL Shareholders / Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest Users who have opted for Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers website directly. The menu will have links of e-Voting service provider i.e., NSDL. Click on NSDL to cast your vote. 3. Users not registered for Easi / Easiest If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

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Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 21 09911.

b. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

Sl. No.	Manner of holding shares	Your User ID is:
a)	For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b)	For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID. For example, if your Beneficiary ID is 12***** then your user ID is 12*****.

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5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8-digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned under **"Instructions for Members whose e-mail ids are not registered / updated"**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details / Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number / folio number, your PAN, your name, your registered address etc.
 - c) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the "EVEN" of all the companies in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of the Company to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

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5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution(s), you will not be allowed to modify your vote.

B. INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
3. Members who have voted through remote e-Voting before the AGM will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

C. GENERAL GUIDELINES FOR SHAREHOLDERS:

1. Institutional shareholders (i.e., other than individuals, HUFs, NRIs etc.) are required to send a scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / Authority Letter etc. with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to aklabhcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e., other than individuals, HUFs, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "e-Voting" tab in their login. Please note that in case of Institutional Shareholders (i.e., other than individuals, HUF, NRI, etc.), furnishing of the Board Resolution / Authority Letter or Power of Attorney, in any mode as mentioned hereinabove is mandatory and in lack of it, the vote would be considered invalid by the Scrutinizer.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details / Password?**" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, Members may refer the "Frequently Asked Questions (FAQs) for Shareholders" and "e-voting user manual for Shareholders" available under the download section of www.evoting.nsdl.com or call on 022 4886 7000 or send a request to Ms. Pallavi Mhatre, DVP, NSDL at evoting@nsdl.com.
4. The voting rights of the Member shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e., Thursday, September 17, 2026.
5. A person whose name appears in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the cut-off date i.e., Thursday, September 17, 2026 only shall be entitled to avail the facility of remote e-Voting as well as voting at the AGM through electronic means. A person who is not a Member as on the cut-off date, i.e., Thursday, September 17, 2026 should treat this Notice for information purpose only.
6. Non-individual shareholders, who acquires shares of the Company and become a Member of the Company after despatch of the Notice of the AGM and holding shares as on the cut-off date i.e., Thursday, September 17, 2026 may obtain the login User Id and password / PIN by sending a request to

Notice

NSDL at evoting@nsdl.com / RTA at investor.helpdesk@in.mpms.mufg.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing User ID and password / PIN for casting your vote. If you forgot your password, you can reset your password by using "**Forgot User Details / Password**" option available on www.evoting.nsdl.com or call on 022 4886 7000.

In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., Thursday, September 17, 2026 may follow steps mentioned above under Step 1: "Access to NSDL e-Voting system".

7. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
8. **Instructions for Members whose e-mail ids are not registered / updated:**

Please contact your Depository Participant (DP) and register / update your e-mail address as per the process advised by your DP. The DP ID - Client ID (16 Digit DP ID + Client ID or 16 Digit Beneficiary ID), Name of the shareholder, client master or copy of consolidated account statement, PAN (self-attested scanned copy) and AADHAAR (self-attested scanned copy) shall be required for the aforesaid purpose.

Alternatively, Shareholder / Member may send an e-mail request to evoting@nsdl.com for obtaining **User Id and Password** by providing the above-mentioned documents.

KHADIM INDIA LIMITED

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