

INDEPENDENT AUDITOR'S REPORT

To the Members of K K SILK MILLS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **K K SILK MILLS LIMITED** ("the Company"), which comprise the Balance sheet as at March 31, 2025, the statement of Profit and Cash Flow Statement for the year ended on that date, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's of Director Report, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are responsible for expressing our opinion on whether the Company has adequate internal controls system in place and the operating effectiveness of such controls.;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the **Annexure A**, a statement on the matters specified under Paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of the written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- 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, 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - A) The Management has represented that, to the best of it's 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 ("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 it's knowledge and belief, no funds 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 that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (1) and (2) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.



- vi. Based on our examination, which included test checks, the Company has used accounting software system for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software system. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place: Mumbai
Date: September 05, 2025

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W



Deepak Kumar Jain
Partner

M.No: 154390

UDIN: 25154390BM0TG1315



Annexure-A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of K K Silk Mills Limited on the financial statements for the year ended March 31, 2025, we report that:

I. PROPERTY, PLANT AND EQUIPMENT

(A)

a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.

b) The Company does not own intangible assets.

(B) As explained to us, all the Property, Plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical 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 immovable properties are held in the name of the Company.

(D) According to the information and explanations given to us and on the basis of our examination of the records, the company has not revalued its PPE during the year.

(E) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

II. INVENTORIES

a) During the operating cycle of the Company, Management regularly conducts physical verification of finished goods, raw material and store & spares which in our opinion is reasonable with regard to the size & nature of the Company's business. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of accounts.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with banks are in agreement with the books of accounts of the company except for the Quarter/Month ended March 2025:

(Rs. In Lakhs)

Particulars	As per Financial Statement	As per Stock Statement*
Total Closing Stock	5635.02	5526.76
Total Debtors	5394.40	5485.28
Total Creditors	4042.86	3763.26



The Company has submitted the stock statement to the bank till March 25, 2025.

III. LOANS AND ADVANCES

(A) The Company has not provided any guarantee or provided any security for loans, however, the Company has provided loan to one corporate entity during the year, the required details given under clause:

- a) The Company has not provided any loans, provided any guarantees or security for loans to subsidiaries, joint ventures and associates.
- b) During the Year, the Company has provided unsecured loan to one Company aggregating to INR 1,436.75 lacs and balance outstanding at the balance sheet date is INR 578.29 lacs respectively.

(B) The Terms and Conditions of the unsecured loan granted is not prejudicial to the Company's interest.

(C) The Schedule of repayment of such unsecured loan has been specified and the repayments of principal and interest are regular.

(D) There is no amount overdue, and hence reporting under clause 3(iii) (d) is not applicable to the Company.

(E) The Company has not renewed any loan which has fallen due during the year to the same parties, and hence reporting under clause 3(iii) (e) is not applicable to the Company.

(F) The Company has not granted any loans which are repayable on demand without specifying terms and conditions of repayment, and hence reporting under clause 3(iii) (f) is not applicable to the Company.

IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of the Section 185 and 186 of the Act, with respect to the loans and investment made.

V. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

VI. COST RECORDS

The Central Government has prescribed maintenance of cost records under Section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



VII. STATUTORY DUES

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including goods & service tax, duty of customs, cess, provident fund, professional tax and other statutory dues have been regularly deposited by the company during the year with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of goods & service tax, provident fund, income tax, professional tax, duty of customs, cess and any other material statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

According to the information and explanation given to us, there are no dues of goods and service tax and income tax which have not been deposited with the appropriate authorities on account of any dispute.

VIII. There were no transactions which have not been recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (43 of 1961).

IX. (a). In our opinion, and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b). The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c). The Company has applied term loans for the purpose for which the loans were obtained.

(d). On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the Company.

(e). The Company does not have any subsidiaries, associates or joint ventures. Therefore clause ix(e) of the Order, is not applicable to the Company.

(f). The Company does not have any subsidiaries, associates or joint ventures. Therefore, clause ix(f) of the Order, is not applicable to the Company.

X. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans or Private placement or preferential allotment and hence reporting under clause 3 (x) (a) to (b) of the Order is not applicable to the Company.

XI. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) No report under sub-section (12) of section 143 of the Companies Act, 2013 is required to be filed by the auditors in Form ADT-4 as prescribed under Rules, 2014 with the central government during the year and up to the date of this report.



(c)Based on our enquires and according to the information and explanation given by the management, we have been informed that no whistle blower complaint has been received during the year.

- XII.** In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- XIII.** According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable and the details of transactions with the related parties have been disclosed in the financial statements as required by applicable Accounting Standard.
- XIV.** According to the information and explanation given to us, the Internal Audit is not applicable to the Company. Accordingly, the clause 3(xiv) (a) to (b) of the Order is not applicable to the Company.
- XV.** According to information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into non-cash transaction with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not Applicable.
- XVI.** The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and the Company is not a Core Investment Company (CIC) and hence clause 3 (xvi) b, c and d are not applicable
- XVII.** According to the information and explanation given to us, the company has not incurred cash losses in the current financial year and has not incurred any cash losses in the preceding financial year.
- XVIII.** There has been no resignation of statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the order is not applicable.
- 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 and based on our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet and 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 with a period of one year from the Balance sheet date, will get discharged by the Company as and when they fall due.
- XX.** The order under second proviso to sub-section (5) and sub-section (6) of section 135 of the said Act is not applicable to the company.



XXI. Since the Company do not require to prepare consolidated financial statement. Accordingly, reporting under clause 3(xxi) of the order is not applicable.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W



Deepak Kumar Jain
Partner

M.No: 154390

UDIN: 25154390BMOTGL1315

Place: Mumbai

Date: September 05, 2025



Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W



Deepak Kumar Jain
Partner

M.No: 154390

UDIN: 25154390BM0TG1315

Place: Mumbai

Date: September 05, 2025



K K SILK MILLS LIMITED
CIN: U17120MH1991PLC063074
BALANCE SHEET AS AT March, 2025

		(Rs in Lacs)		
	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Baa	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1,493.94	746.97
	(b) Reserves and surplus	4	2,478.45	2,771.83
2	Share Application Money Pending Allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	5	499.59	709.90
	(b) Deferred tax liabilities (Net)	6	174.28	148.71
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions	7	9.96	-
4	Current liabilities			
	(a) Short-term borrowings			
	(b) Trade payables	8	5,431.53	4,459.36
	(i) Total outstanding dues of micro enterprises and small enterprises	9	94.14	91.91
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,948.72	2,092.35
	(c) Other current liabilities	10	90.54	117.09
	(d) Short-term provisions	11	104.05	24.84
	TOTAL		14,325.20	11,162.95
II.	ASSETS			
1	Non-current assets			
	(a) Property, Plant & Equipment and Intangible Assets			
	(i) Property, Plant & Equipment	12	1,999.66	2,109.24
	(ii) Intangible assets		-	-
	(iii) Capital work in progress		-	-
	(b) Non current Investments		-	-
	(c) Long-term loans and advances		-	-
	(d) Other non-current assets	13	64.77	73.71
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	14	5,635.03	4,311.15
	(c) Trade receivables	15	5,394.40	4,070.30
	(d) Cash and cash equivalents	16	75.38	77.92
	(e) Short-term loans and advances	17	1,055.17	471.07
	(f) Other current assets	18	100.80	49.55
	TOTAL		14,325.20	11,162.95
	Significant Accounting Policies	2		

The Notes form integral part of Financial Statements

As per our report of even date

For and on behalf of
Borkar & Muzumdar
Chartered accountants
Firm Registration No. 101569W

Deepak Kumar Jain
Partner
M.N. 154390

Date : September 05, 2025
Place : Mumbai

For and on behalf of Board of Directors
K K Silk Mills Limited

For K K SILK MILLS LTD. For K K SILK MILLS LTD.

Director
Managing Director
DIN:00040966

Director
Nilesh K Jain
Wholtime Director
DIN:00040930

Date : September 05, 2025
Place : Mumbai

Date : September 05, 2025
Place : Mumbai



Nashan Shah
Chief Financial
Officer

PAN: JXSPS2550F



Saachi Madhani
Company Secretary
PAN: AXEPK4282D

K K SILK MILLS LIMITED
CIN: U17120MH1991PLC063074
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025
(Rs. In Lacs)

	Particulars	Note No.	2024-25	2023-24
I	Revenue From Operation			
	Sale of Goods & Services	19	22,077.99	19,054.12
II	Other income	20	64.75	83.06
III	Total Income (I + II)		22,142.74	19,137.18
IV	Expenses:			
	Cost of materials consumed	21	4,157.21	2,604.27
	Purchase of Stock in trade		14,762.91	12,512.70
	Manufacturing Expenses	22	1,454.23	1,470.29
	Changes in inventories of finished goods and Garment	23	-699.24	542.12
	Employee benefits expenses	24	704.81	631.54
	Finance costs	25	594.34	518.60
	Depreciation and amortization expenses	12	210.03	195.65
	Other expenses	26	298.92	355.14
	Total expenses(IV)		21,483.22	18,830.32
V	Profit before exceptional and extraordinary items and tax (III-IV)		659.52	306.86
VI	Exceptional items	27	-	-
VII	Profit before extraordinary items and tax (V + VI)		659.52	306.86
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		659.52	306.86
X	Tax expense:			
	(1) Current tax		164.55	70.21
	(2) Tax Expenses of earlier years		-	1.67
	(2) Deferred tax		26.67	6.16
XI	Profit (Loss) for the Year from continuing operations (VII-VIII)		468.29	228.80
XII	Profit/(loss) from discontinuing operations			
XIII	Tax expense of discontinuing operations			
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			
XV	Profit (Loss) for the Year (XI + XIV)		468.29	228.80
XVI	Earnings per equity share:	35		
	(1) Basic		3.13	1.53
	(2) Diluted		3.13	1.53
	Significant Accounting Policies	2		

The Notes form integral part of Financial Statements of the financial statements

As per our report of even date

For and on behalf of
Borkar & Muzumdar
Chartered accountants
Firm Registration No. 101569W


Deepak Kumar Jain
Partner
M.N. 154390

Date : September 05, 2025
Place : Mumbai




For and on behalf of Board of Directors
K K Silk Mills Limited


For K K SILK MILLS LTD. For K K SILK MILLS LTD.



Manish K Shah
Managing Director
DIN:00040966

Date : September 05, 2025
Place : Mumbai


Nilesh K Jain
Wholetime Director
DIN:00040930

Date : September 05, 2025
Place : Mumbai


Naman Shah
Chief Financial Officer
PAN : JXSP52550F


Sachin Madhani
Company Secretary
PAN : AXEPK4282D

K K SILK MILLS LIMITED
CIN: U17120MH1991PLC063074
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

Particulars	As at March 31, 2025		(Rs. In Lacs)	
	Amount	Amount	Amount	Amount
A. Cash Flow from Operating Activities				
Profit / (Loss) before taxation				
Adjustments for:-		659.52		306.86
Depreciation & amortisation				
Interest income	210.03		195.65	
Interest Expenditure	-54.77		-37.54	
(Profit)/Loss on Sale of Fixed Asset	594.34		518.60	
			-4.30	
Operating profit/ (Loss) before		749.59		672.41
Changes in Working Capital:		1,409.11		979.27
Increase/(Decrease) in trade payables				
Increase/(Decrease) in other current liabilities	1,858.60		317.74	
Increase/(Decrease) in Short Term Provisions (Other than Income Tax)	-26.55		-54.56	
Increase/(Decrease) in Long term Provision	79.76		24.84	
Increase/(Decrease) in Short Term Borrowings	9.96			
(Increase)/Decrease in trade receivables	972.17		124.86	
(Increase)/Decrease in inventories	-1,324.10		-1,121.29	
(Increase)/Decrease in short term loans and advances (Other than Mar	-1,323.88		566.67	
Credit)			-240.96	
(Increase)/Decrease in Long term loans and advances (Other than	-584.10			
Advance Tax)			412.19	
(Increase)/Decrease in other current assets	-51.24		12.90	
(Increase)/Decrease in other non-current assets	-1.05	-390.41	-2.71	39.67
Taxes paid (net of refunds)		180.90		69.18
Net Cash generated / (used) from Operating Activities	A	837.80		949.76
B. Cash flow from Investing Activities				
Sale of Fixed Assets				
Purchase of tangible/intangible assets			46.92	
FD Margin Money	-100.45		-683.70	
Interest received	13.26		-61.70	
Increase in Other Non-Current Assets	54.77		37.54	
Net Cash generated / (used) from investing activities	B	-22.43	-2.71	-663.67
C. Cash flow from Financing Activities				
Interest paid				
Proceeds from Borrowings	-594.34		-518.60	
Repayment of borrowings				
Net Cash generated / (used) from financing activities	C	-210.32	238.23	-280.37
Net increase / (Decrease) in cash and cash equivalents	(A+B+C)	-804.65		5.72
Cash and Cash equivalents at the beginning of the year		10.72		10.50
Cash and Cash equivalents at the end of the year		16.22		16.22
Cash And Cash equivalents comprise of:		26.94		16.22
Cash on hand				
Balance With Bank		21.50		7.73
Total		5.43		8.49
		26.94		16.22

For and on behalf of
Borkar & Muzumdar
Chartered accountants
Firm Registration No. 101569W

Deepak Kumar Jain
Partner
M.N. 154390
Date : September 05, 2025
Place : Mumbai

For and on behalf of Board of Directors
K K Silk Mills Limited
For K K SILK MILLS LTD. For K K SILK MILLS LTD.

Manish K. Shah
Managing Director
DIN:00040966
Date : September 05, 2025
Place : Mumbai

Director
Rajesh K Jain
Wholetime Director
DIN:00040930
Date : September 05, 2025
Place : Mumbai

Director



Naman Shah
Chief Financial Officer
PAN: JXSPS2550F



Saachi Madhani
Company Secretary
PAN: AXEPK4282D

Note 3 : Share Capital

K K SILK MILLS LIMITED
Notes to Accounts forming part of Balance Sheet

(Rs in Lacs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs. 10 each	22,500,000	2,250.00	11,250,000	1,125.00
Issued Equity Shares of Rs. 10 each	14,939,360	149.39	7,469,680	74.70
Subscribed & Paid up Equity Shares of Rs. 10 each fully paid up	14,939,360	1,493.94	7,469,680	746.97
Total	14,939,360	1493.94	7,469,680	746.97

(a) Reconciliation of number of Equity shares

(Rs in Lacs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	7,469,680	746.97	7,469,680	746.97
Shares Issued during the year	7,469,680	747	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,939,360	1,493.94	7,469,680	746.97

(b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ms. Dhamiben Shah	0	0.00%	1,888,400	25.28%
Ms. Asha Shah	3,780,064	25.30%	1,093,200	14.64%
Mr. Manish K Shah	3,848,600	25.76%	1,201,280	16.08%
Mr. Nilesh K Shah	5,436,336	36.39%	1,079,768	14.46%
M/s. Manish Shah (HUF)	0	0.00%	507,698	6.80%
KDM Textiles	0	0.00%	473,020	6.33%
Ms. Pinky N Shah	876,132	5.86%	438,066	5.86%
Total	13,941,132	93.32%	6,681,432	89.45%

(c) Rights, preferences, restrictions:

Equity Shares

The Company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

(d) Promoter's Shareholding

Shares held by Promotor as on March 31, 2025

Promoter's Name	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	% Change during the year
Mr. Manish K Shah	3,848,600	25.76%	1,201,280	16.08%	-
Mr. Nilesh K Shah	5,436,336	36.39%	1,079,768	14.46%	-
Ms. Asha M Shah	3,780,064	25.30%	1,093,200	14.64%	-
Ms. Pinky N Shah	876,132	5.86%	438,066	5.86%	-
Total	13,941,132	93.32%	3,812,314	51.04%	-

Shares held by Promotor as on March 31, 2024

Promoter's Name	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	% Change during the year
Mr. Manish K Shah	1,201,280	16.08%	1,201,280	16.08%	-
Mr. Nilesh K Shah	1,079,768	14.46%	1,079,768	14.46%	-
Ms. Asha M Shah	1,382,334	18.51%	1,093,200	14.64%	-
Ms. Pinky N Shah	438,066	5.86%	438,066	5.86%	-
Total	4,101,448	54.91%	3,812,314	51.04%	-

For K K SILK MILLS LTD.

Director

For K K SILK MILLS LTD.

Director



Note 4 : Reserves & Surplus

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Securities Premium Account		
Opening Balance	1012.03	1012.032
Add : Securities premium credited on Share issued	-	-
Less : Premium Utilised	-	-
Closing Balance	1,012.03	1,012.03
(b) General Reserves		
Opening Balance	35.96	35.96
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	35.96	35.96
(c) Capital Reserve		
Opening Balance	8.02	8.02
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	8.02	8.02
(d) Surplus in Profit & Loss account		
Opening balance	1,715.81	1,487.01
(+) Net Profit/(Net Loss) for the year	468.29	228.80
(-) Amount Utilised for Issue of Bonus Shares	746.97	-
(-) Adjustment for provision for gratuity relating to earlier years (AS 15)	12.83	-
(-) Adjustment for prior period taxation provision	1.87	-
Closing Balance	1,422.44	1,715.81
Total	2,478.45	2,771.83

Note 5 : Long Term Borrowings

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
(a) Term loans		
From Banks		
Secured by hypothecation charge on fixed assets of the Company acquired out of bank finance.	703.28	988.14
*Primary Security		
Hypothecation charge on the entire current assets, moveable fixed assets and moveable assets held in the company premises, factory land & building, godown, in the name of company		
*Collateral Security		
Mortgage charge on Extension of EM on Factory land and building situated on Plot No.J/1401/1, GIDC, Umerngaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Factory land and building situated on Plot No.J/603/A, GIDC, Umerngaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Factory land and building situated on Plot No.J/1401/2, GIDC, Umerngaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Land(Leaschold right) and building at survey no 141/p, Plot No-406, GIDC, Umerngaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Flat No-404, GIDC, Umerngaon(Valsad), Gujarat.		
Mortgage charge on Hypothecation of all the Plant & Machinery installed at all Factory Land & building in the name of Company except assets created from Term Loan.		
Mortgage charge on Counter Indemnity of Duly Charged FDRs, Hypothecation of Stock procured under LC & Book Debts created out of the sale of such stocks.		
Personnel Guarantee given by Dhaemiben Shah, Asha Shah, Nilesh Shah, Pinky Shah and Manish K Shah		
Repayable in 36 to 44 installment		
Loan From GIDC		
Secured by Immovable Properties	5.73	7.08
Less: Disclosed under Short Term Borrowings		
- Current Maturity of Long term borrowing	238.77	333.77
	470.24	661.45
Unsecured		
From Banks		
Less: Disclosed under Short Term Borrowings		
- Current Maturity of Long term borrowing	-	-
	-	-
Loan & Advances from Related Parties		
Repayable in five years	29.35	48.45
Total	499.59	709.90

For K K SILK MILLS LTD.

Director

For K K SILK MILLS LTD.

Director



Note 6: Deferred Tax

The Company has recognised deferred tax in accordance with the requirement of Accounting Standard-22 on "Accounting for Taxes on Income" as notified under the Companies(Accounting Standards) Rules, 2014. The breakup of Net Deferred Tax Liability(DTL) is as follows :

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Liability		
Difference between Book and Tax Depreciation	179.50	155.66
Deferred Tax Asset		
Provision for Doubtful Debtors	-2.52	-6.95
Provision for Gratuity	-2.70	
Net Deferred Tax Liability / (Assets)	174.28	148.71

Note 7 : Long Term Provision

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Gratuity Provision	9.96	-
Total	9.96	0.00

Note 8 : Short Term Borrowings

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
(a) Loans repayable on demand		
From Banks		
Cash Credit and Working Capital Demand Loan	4955.54	3,703.96
Purchase Bill discounting	237.22	179.01
(Backed by Inland Letter of credit issued by Banks)		
From NBFC-SBI Global Factoring		
Bill Discounting Facility	-	212.98
*Primary Security		
Hypothecation charge on the entire current assets, moveable fixed assets and movable assets held in the company premises, factory land & building, godown, in the name of company		
*Collateral Security		
Mortgage charge on Extension of EM on Factory land and building situated on Plot No.J/1401/1, GIDC, Umergaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Factory land and building situated on Plot No.J/603/A, GIDC, Umergaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Factory land and building situated on Plot No.J/1401/2, GIDC, Umergaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Land(Leasehold right) and building at survey no 141/p, Plot No-406, GIDC, Umergaon(Valsad), Gujarat.		
Mortgage charge on Extension of EM on Flat No-404, GIDC, Umergaon(Valsad), Gujarat.		
Mortgage charge on Hypothecation of all the Plant & Machinery installed at all Factory Land & building in the name of Company except assets created from Term Loan.		
Mortgage charge on Counter Indemnity of Duty Charged FDRs, Hypothecation of Stock procured under LC & Book Debts created out of the sale of such stocks		
Personnel Guarantee given by Dhaemiben Shah, Asha Shah, Nilesh Shah, Pinky Shah and Manish K Shah		
Loan & Advances from Related Parties		29.64
Current Maturities of Long Term Borrowing	238.77	333.77
	5,431.53	4,459.36
Total	5,431.53	4,459.36

For K K SILK MILLS LTD.

Director

For K K SILK MILLS LTD.

Director



Note 9 : Trade Payables

(Rs in Lacs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables:		
(i) Dues of micro enterprises and small enterprises	94.14	91.91
(ii) Dues of Creditors other than micro enterprises and small enterprises	3,948.72	2,092.35
Total	4,042.86	2,184.26

Trade payables ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	68.18				68.18
(ii) Others	3,834.29	31.40	25.11	57.92	3,948.72
(iii) Disputed dues- MSME	25.96				25.96
(iv) Disputed dues- Others					-

Trade payables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	91.91	-	-	-	91.91
(ii) Others	2,000.47	64.23	8.27	19.39	2,092.35
(iii) Disputed dues- MSME					
(iv) Disputed dues- Others					

Note 10 : Other Current Liabilities

(Rs in Lacs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Liabilities	9.37	7.77
Salary Payable	59.12	42.97
Advance from customer	0.53	3.85
Creditors For Capital Goods	0.56	42.92
Other Liabilities	20.95	19.59
Total	90.54	117.09

Note 11 : Short Term Provision

(Rs in Lacs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Income Tax (Net of Advance Tax)	103.30	24.84
Gratuity Provision	0.76	-
Total	104.05	24.84

Note 13 : Other Non Current Assets

(Rs in Lacs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposit*	36.47	46.46
Security Deposit	28.30	27.25
Total	64.77	73.71

* Secured Against Term Loan & Letter of Credit

Note 14 : Inventories

(Rs in Lacs)		
Particulars	As at March 31, 2025	As at March 31, 2024
a) Raw Materials and components	1,368.53	786.53
b) Stores and Spares	36.83	44.55
c) Finished Garment	1,033.79	668.10
d) Finish Fabrics	3,130.39	2,796.84
e) Incidental Goods	65.48	15.12
Total	5,635.03	4,311.15

For K K SILK MILLS LTD.

Director

For K K SILK MILLS LTD.

Director



Note 15 : Trade Receivables

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
(i) Undisputed Trade receivables – considered good		
(ii) Undisputed Trade Receivables – considered doubtful	5,394.40	4,070.30
(iii) Disputed Trade Receivables–considered good	10.03	30.36
(iv) Disputed Trade Receivables – considered doubtful		
Less: Allowance for Bad & Doubtful Debts	10.03	30.36
Total	5,394.40	4,070.30

Trade Receivable Ageing Schedule as at 31 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	
(i) Undisputed Trade receivables – considered good						
(ii) Undisputed Trade Receivables – considered doubtful	5,206.98	135.33	13.10	14.85	24.14	5,394.40
(iii) Disputed Trade Receivables–considered good				10.03		10.03
(iv) Disputed Trade Receivables – considered doubtful						-

Trade Receivable Ageing Schedule as at 31 March 2024

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	
(i) Undisputed Trade receivables – considered good						
(ii) Undisputed Trade Receivables – considered doubtful	3,950.58	60.10	23.96	35.65	-	4,070.30
(iii) Disputed Trade Receivables–considered good			30.20	0.16	-	30.36
(iv) Disputed Trade Receivables – considered doubtful						-

Note 16 : Cash and Bank Balance

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
A.Cash and Cash Equivalent		
(i) Balances with banks		
(ii) Cash on hand	5.43	8.49
	21.50	7.73
B. Other Bank Balance		
(i) Fixed Deposits as Margin Money against letter of credit		
(Maturity of more than 3 Months but less than 12 Months)	48.44	61.70
Total	75.38	77.92

Note 17 : Short Term Loans and Advances

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to suppliers		
Loan & Advances to Employees	401.88	255.62
Loans & Advances to Others parties	53.22	23.89
Auction Deposit	588.03	161.56
	12.04	30.00
Total	1055.17	471.07

Note 18 : Other Current Assets

(Rs in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Prenoid Expenses		
Balance with Revenue Authorities	14.73	6.01
Other Current Asset including IPO related expenses	65.97	40.61
	20.11	2.93
Total	100.80	49.55

For K K SILK MILLS LTD.

Director

For K K SILK MILLS LTD.

Director



K K SILK MILLS LIMITED

Notes to Accounts forming part of Statement of Profit & Loss

Note 19 : Revenue From Operation

Particulars	2024-2025	2023-2024
Sale of products	20760.27	17758.96
Service Charges Received	1283.61	1189.97
Export Sales	13.74	89.58
Other Operating Revenue		
Sale of Scrap	20.37	15.62
Total	22,077.99	19,054.12

Note 20 : Other Income

Particulars	2024-2025	2023-2024
Interest Income	54.77	37.54
Other non-operating income (net of expenses directly attributable to such income)		
Miscellaneous income	8.79	6.25
Foreign Exchange Gain	1.18	0.43
Commission Received	-	34.54
Profit on Sale of Machinery	-	4.30
Total	64.75	83.06

Note 21 : Cost of Material Consumed

Particulars	2024-2025	2023-2024
Consumption of Raw Material		
Opening Stock	786.53	804.23
Add: Purchase during the Year	4,739.21	2,586.58
	5,525.75	3,390.80
Less: Closing Stock	1,368.53	786.53
Consumption	4,157.21	2,604.27

a. Material Includes

Particulars	2024-2025	2023-2024
Yarn & other material	4,157.21	2,604.27
Total	4,157.21	2,604.27

For K K SILK MILLS LTD.


Director

For K K SILK MILLS LTD.


Director



Note 22 : Manufacturing Expenses

Particulars	2024-2025	2023-2024
Consumption of Incidental Goods	198.16	165.50
Stores and Spares Consumed	99.98	173.35
Insurance Expense	7.42	10.96
Repairs to Plant & Machinery	32.85	31.02
Weaving Charges	37.85	21.60
Power and Fuel Consumed	333.09	380.76
Process Charges	200.96	214.38
Job Work Charges	471.91	414.11
Other Manufacturing Expenses	72.01	58.61
Total	1,454.23	1,470.29

Note 23 : Changes in Inventories in Finished Goods and Garment

Particulars	2024-2025	2023-2024
Stock-in -Trade		
Opening Stock	2,796.84	3,426.19
Closing Stock	3,130.39	2,796.84
	-333.55	629.35
Finished Goods		
Opening Stock	668.10	580.88
Closing Stock	1,033.79	668.10
	-365.69	-87.22
Total	-699.24	542.12

Note 24 : Employee Benefit Expenses

Particulars	2024-2025	2023-2024
(a) Salaries and Wages	572.12	474.32
(b) Labour on Contract	70.17	100.35
(c) Contributions to fund	13.89	7.53
(d) Remuneration to Directors	17.50	16.50
(e) Staff welfare expenses	33.23	32.84
(f) Gratuity expenses	-2.10	-
Total	704.81	631.54

For K K SILK MILLS LTD.


Director

For K K SILK MILLS LTD.


Director



Note 25 : Finance Cost

Particulars	2024-2025	2023-2024
Interest expense	569.71	483.25
Other borrowing costs	24.63	35.35
Total	594.34	518.60

Note 26 : Other Expenses

Particulars	2024-2025	2023-2024
Brokerage and Commission	31.58	31.30
Audit Fees	5.50	5.50
Legal & Professional Fees	20.76	24.06
Printing & Stationery	5.72	5.99
Rent, Rates & Taxes	15.31	57.64
Repairs to building & Furniture	0.68	0.83
Security Expenses	14.01	12.64
Telephone & Internet Charges	1.18	1.51
Transportation Expenses	58.21	47.77
Travelling Expenses	11.03	12.71
Provision for Bad and Doubtful debts	-20.34	30.36
Sales Promotion expenses	22.55	4.38
Miscellaneous Expenses	132.74	120.46
Total	298.92	355.14

Note 27 : Exceptional Items

Particulars	2024-2025	2023-2024
Insurance Claim written off-no longer receivable	-	-
Total	-	-

Explanatory Note (i):

Particulars	2024-2025	2023-2024
As Statutory Auditor	4.75	4.75
As Tax Auditor	0.75	0.75
Total	5.50	5.50

For K K SILK MILLS LTD.



Director

For K K SILK MILLS LTD.

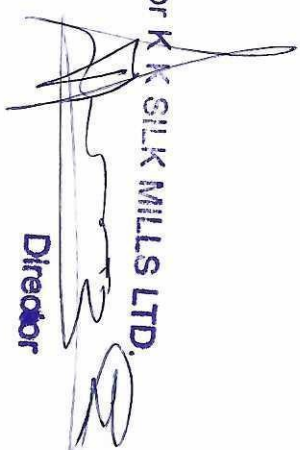


Director



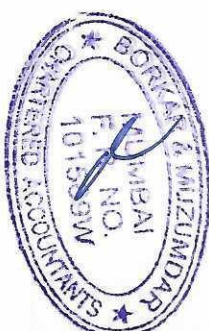
K K Silk Mills Limited
Financial Statements for the Year ended March 31, 2025
Property, Plant & Equipment and Intangible Assets - 12

Particulars	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1 April 2024	Additions during the year	Deletion during the year	Balance as at March 31, 2025	Balance as at 1 April 2024	Depreciation charge for the year	Dep on deletion	Adjustment due to Schedule-II	Balance as at 31st March, 2025	Balance as at 31st March, 2025	Balance as at 31st March 2024
Tangible Assets											
Land	2.94	-	-	2.94	0.95	-	-	-	0.95	1.99	1.99
Building	337.95	-	-	337.95	189.09	11.31	-	-	200.40	137.55	148.86
Plant & Machinery	3,216.84	85.06	-	3,301.89	1,430.50	181.32	-	-	1,611.82	1,690.07	1,786.33
Solar Plant	112.99	-	-	112.99	1.73	4.53	-	-	6.26	106.74	111.27
Furniture & Fixtures	61.73	9.04	-	70.77	28.38	5.03	-	-	33.40	37.37	33.35
Vehicles	28.05	-	-	28.05	19.59	1.82	-	-	21.41	6.63	8.45
Residential Building	2.08	-	-	2.08	1.22	-	-	-	1.22	0.86	0.86
Office equipments	26.89	1.82	-	28.70	17.10	2.83	-	-	19.93	8.77	9.79
Computer	25.11	3.45	-	28.56	22.30	2.31	-	-	24.61	3.95	2.81
Electrical Installations	80.42	1.08	-	81.50	74.89	0.88	-	-	75.78	5.72	5.53
	3,895.00	100.44	-	3,995.44	1,785.75	210.03	-	-	1,995.78	1,999.66	2,109.24
Total Tangible Assets	3,895.00	100.44	-	3,995.44	1,785.75	210.03	-	-	1,995.78	1,999.66	2,109.24

For K K SILK MILLS LTD.

Director

For K K SILK MILLS LTD.

Director





K K Silk Mills Limited

BOARD'S REPORT

To,
The Members of,
K K SILK MILLS LIMITED

Your directors take pleasure in presenting their 32nd Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year March 31, 2025. The most significant and far – reaching event in 2024-25 was filing the DRHP on BSE, the initial stage of listing which will shape our growth and commitment towards creating a Global Business.

1. FINANCIAL HIGHLIGHTS

Particular	(Rs. in Lakhs)	
	For the yearended March 31, 2025	For the yearended March 31, 2024
Revenue from Operations	22,077.99	19,054.12
Other income	64.75	83.06
Total Income	22,142.74	19,137.18
Less: Total Expenses	21,483.22	18,830.32
Profit before exceptional and extraordinary items and tax	659.52	306.86
Less: Extraordinary items	0	0
Profit Before Tax	659.52	306.86
Tax expenses	191.77	78.04
Profit/ (Loss) for the period	467.75	228.80

2. STATE OF COMPANY'S AFFAIR & FUTURE OUTLOOK

During the financial year ended March 31, 2025, K K Silk Mills Ltd demonstrated robust operational and financial growth, solidifying its position as a prominent player in the textile industry. The Company operates across a diverse range of products, including knitted fabrics and readymade garments, catering to both domestic and international markets. With a production facility of 5,422 square meters in Umbergaon, Gujarat, K K Silk Mills has established itself as a reliable manufacturer and exporter of high-quality textile products. The Company is poised for further growth and expansion, driven by its plans to modernize its manufacturing setup and reduce debt through a proposed SME IPO.

There has been no change in the business of the Company during the financial year ended March 31, 2025.

The highlights of the Company's performance, as compared to previous Financial Year is as under:

- During the year under review, the Company has a Net profit of Rs. 468.29 (In Lakhs) against a profit of Rs. 228.80 (In Lakhs) during the previous Financial Year.



GSTIN - MH-27AAACM5784E1ZD • GSTIN - GUJARAT- 24AAACM5784E1ZJ • CIN NO. U17120MH1991PLC063074

Regd. Office : 314, Kewal Industrial Estate, S.B.Road, Lower Parel (W), Mumbai - 400 013.

TEL.: 022 - 4970 8920 / 4979 1298 • E-mail : info@kksilkmills.com • Web.: www.kksilkmills.com

Factory : Plot No. 603/A, Phase-III, Umbergaon, Dist. Valsad, Gujarat - 396 171. Tel.: 75740 01443

- During the year under review, the revenue from operations of the Company has increased to Rs. 22,077.99 (in lakhs) as compared to Rs. 19,054.12 (in lakhs) in the previous Financial Year.
- During the year under review the Earning per share has increased to Rs. 3.13 compared to Earnings per share of Rs. 1.53 for the previous Financial Year.

3. NATURE OF BUSINESS & MATERIAL CHANGES, IF ANY

The nature of the business of your company remains unchanged during the Financial Year. However, the following material changes and significant events have taken place:

- **Increase in Authorized Capital:** During the year, as on 1st November, 2024 the authorized share capital of the company was increased from Rs 11,25,00,000 to Rs 22,50,00,000. This increase in authorized capital provides the company with the flexibility to issue additional shares in the future, thereby supporting its growth plans, strategic initiatives, and potential fundraising requirements.

- **Bonus Issue of Shares:** On March 11, 2025, the company issued and allotted 74,69,680 bonus shares of ₹10 each in the ratio of 1:1 to all existing shareholders, thereby increasing the paid-up capital of the company. This strategic decision reflects the company's commitment to reward its shareholders and enhance its capital base to support future growth initiatives.

- **Change in Registered Office:** With effect from March 19, 2025, the registered office of the Company was shifted to 314, Kewal Industrial Estate, Lower Parel West, Mumbai, Maharashtra 400013. This relocation is expected to facilitate better operational efficiency, enhance management oversight, and improve logistical convenience, ultimately benefiting the company's overall performance.

4. TRANSFER TO RESERVES

During the year under review, no amount was transferred to Reserves.

5. DIVIDEND

The Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the tremendous growth opportunities that your Company is currently engaged with, has decided that it would be prudent not to recommend any Dividend for the year under review.

6. SHARE CAPITAL

a. Authorised Share Capital:

During the year under review, the Authorised Share Capital of the Company was increased from Rs. 11,25,00,000 (Rupees Eleven Crores Twenty-five Lakhs Only) divided into 1,12,50,000 (One Crore Twenty five Lakh Only) equity shares of Rs. 10 each to 22,50,00,000 (Rupees Twenty-two Crores Fifty Lakhs Only) divided into 2,25,00,000 (Two crore Twenty five Lakh) equity shares.



A brief of the same in tabular format is prescribed below:

Particulars	As on 31 st March, 2025		As on 31 st March, 2024	
	Number of shares	Amount (in Lakhs)	Number of shares	Amount (in Lakhs)
Authorized Share Capital: Equity shares of Rs. 10 each	2,25,00,000	2,250.00	1,12,50,000	1,125.00

Changes during the Year

There were no changes made to the Authorised Share Capital of the Company for the year ended 31st March, 2025.

b. Issued, Subscribed and Paid-up Share Capital

Particulars	As on 31 st March, 2025		As on 31 st March, 2024	
	Number of shares	Amount (in Lakhs)	Number of shares	Amount (in Lakhs)
Issued, Subscribed and Paid-up Share Capital: Equity shares of Rs. 10 each	1,49,39,360	1,493.94	74,69,680	746.96

Changes during the Year

The movement of the issued, subscribed and paid-up share capital of the Company during the financial year is as follows:

During the year under review, the Company has also increased its Authorised Capital to 2,25,00,000 (Two Crore Twenty-five Lakh Lakh only) shares having face value of Rs. 10/- (Rupees 10)

Further, the Company made Bonus Issue of 74,69,680 (Seventy-four Lakh Sixty-nine Thousand Six Hundred and Eighty Only) equity shares having face value of Rs. 10/- (Rupees Ten)

7. SUB-DIVISION/ SPILT OF EQUITY SHARES

No sub-division/ spilt took place in the Company, for the year under review.

8. DETAILS OF HOLDING/SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES



The Company is not having any Subsidiary, Associate or Joint Company.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The details of Loans and Investment and Guarantees made by the Company to other Corporate or persons are given in notes to the Financial Statements which forms integral part of this Annual Report.

10. DEPOSITS

During the year under review, your Company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014. No amount was outstanding which were classified as Deposit under the applicable provisions of the Companies Act, 2013 as on the Balance Sheet date.

11. AUDITORS

a. STATUTORY AUDITOR

In accordance with Section 139 of the Act and the rules made there under, M/s. Borkar & Mazumdar (FRN: 101569W), Chartered Accountants were appointed as Statutory Auditor of the Company in the 31st Annual General Meeting for a term of 5 years commencing from conclusion of the 31st Annual General Meeting upto the 36th Annual General Meeting of the Company to be held in calendar year 2029.

The Auditors have confirmed their availability within the meaning of provisions of Section 139 of the companies Act, 2013.

AUDITORS' REPORT

M/s. Borkar & Mazumdar, Statutory Auditors of the Company has audited Books of Accounts of the Company for the Financial Year ended March 31, 2025 and has issued the Auditors' Report thereon.

The Independent Auditors' Report for the financial year ended March 31, 2025 on the Financial Statements of the Company and its subsidiaries forms part of this Annual Report.

There are no qualifications or reservation or adverse remarks or disclaimers in the said report. The Auditors Report are self-explanatory and do not call for any further comments.

12. DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT:

Changes in Directors and Key Managerial Personnel

• DIRECTORS:

As on March 31, 2025, the Board comprised of Six (6) Directors as below:



Sr No	Name of Person	Designation	DIN
1	Asha Manish Shah	Director	00041005
2	Manish Kantilal Shah	Managing Director	00040966
3	Nilesh Kantilal Jain	Whole-time Director	00040930
4	Priyanka Mayuresh oka	Independent Director	08066379
5	Naina Israni	Independent Director	10410689

• **CHANGES DURING THE YEAR**

During the year under review, the Company has appointed Ms. Naina Israni and Ms. Priyanka Mayuresh Oka as Independent Director as on 2nd January 2025 and 1st March 2025 respectively.

Further, Pinky Nilesh Shah and Paresh Dhirajlal Shah, Directors of the Company resigned w.e.f. 27th February 2025.

• **KEY MANAGERIAL PERSONNEL:**

During the year under review, Saachi Rajesh Madnani was appointed as a Company Secretary of the Company w.e.f 16th December 2024

13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met 10 times during the financial year ended March 31st, 2025. Which are as follows:

27.06.2024, 29.08.2024, 01.11.2024, 16.12.2024, 31.12.2024, 08.01.2025, 20.01.2025, 27.02.2025, 11.03.2025, 19.03.2025, 15.04.2025, 23.04.2025

The Attendance of the Board Member and Committee Members in the respective meetings are as follows:

Name of Director	Board Meetings during the year	
	Entitled to attend	Attended
Ms. Asha Manish Shah	12	12
Mr. Manish Kantilal Shah	12	12
Mr. Nilesh Kantilal Jain	12	12
Ms. Priyanka Mayuresh oka	4	4
Ms. Naina Israni	7	7

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Act, states that-

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and



made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the Profit and Loss of the Company for that period;

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. COMMITTEES OF THE BOARD

The Company has several committees, which have been established as part of best corporate governance practices and comply with the requirements of the relevant provisions of applicable laws and statutes.

As on March 31, 2025 Company has four Committees namely Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Responsibility Committee

The details of the composition of the Board and its Committees is placed on the Company's website at www.kksilkmills.com

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

a) NOMINATION AND REMUNERATION COMMITTEE

A Nomination and Remuneration Committee is in existence in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013.

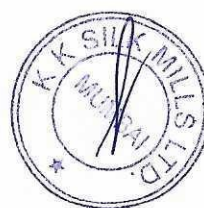
The Committee consists of the following Members as on March 31, 2025:

Name of Committee Members	Status in the Committee	Nature of Directorship	Number of meetings attended
Priyanka Mayuresh Oka	Chairman	Independent Director	1
Naina Israni	Member	Independent Director	1
Asha Manish Shah	Member	Director	1

b) AUDIT COMMITTEE

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013.

Terms of Reference/ Policy:



Apart from all the matters provided under Section 177 of the Companies Act, 2013, the Audit Committee reviews report of the internal auditor, financial performance and meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company

The Committee consists of the following members as on March 31, 2025:

Name of Committee Members	Status in the Committee	Category	Number of meetings attended
Priyanka Mayuresh Oka	Chairman	Independent Director	2
Naina Israni	Member	Independent Director	2
Manish Kantilal Shah	Member	Managing Director	4

c) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is in existence in accordance with the provisions of Section 178 of the Companies Act, 2013.

Terms of Reference/Policy:

Apart from all the matters provided under section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee reviews the complaints received from the stakeholders of the company as and when required and discusses their findings, suggestions, observations and other related matters.

The Committee consists of the following members as on March 31, 2025:

Name of Committee Members	Status in the Committee	Category	Number of meetings attended
Priyanka Mayuresh Oka	Chairman	Independent Director	1
Naina Israni	Member	Independent Director	1
Nilesh Kantilal Jain	Member	Whole Time Director	1

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 are not applicable to our Company.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

No Agreement was entered with related parties by the Company during the current year. All the related party transactions were entered by the Company in ordinary course of Business and were in arm's length basis. The Company presents all related party transactions before the Board specifying the nature, value and terms and conditions of transaction. Transaction with the related party are conducted in a transparent manner with the interest of the Company and stakeholders as utmost priority.

18. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 which will be filed with the Registrar of Companies/MCA, can be accessed on the website of the



19. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy in accordance with provisions of Section 177(9) of the Act and Regulations of Listing Regulations, to provide a formal mechanism to its Directors/ Employees/Stakeholders of the Company for reporting any unethical behavior, breach of any statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPSI), misuse of office, suspected / actual fraud and criminal offences. During the year under review, no such concern from any whistle-blower has been received by the Company. The Whistle Blower Policy is available on the Company's website at www.kksilkmills.com

20. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defense cover of the Company's risk management. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company.

21. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company on various activities also puts necessary internal control systems in place to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

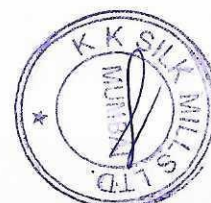
22. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no cases/complaints filed during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act").

The Company has in place an Internal Complaints Committee (ICC) in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year 2024-25	
Number of complaints received	0
Number of complaints disposed of	Not Applicable
Number of cases pending for more than 90 days	Not Applicable

The Company is committed to providing a safe and respectful work environment for all its employees, and necessary awareness programs are conducted from time to time.



23. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no Materially Related Party Transactions i.e. transactions exceeding 10% of the annual turnover as per the last audited Financial statements. Particulars of contract or arrangements with related parties are annexed herewith in Form AOC 2 as Annexure-A.

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on Company's website. Further Suitable Disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements in the Annual Report.

24. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company does not have any funds as contemplated under Section 125 of the Act lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

25. MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Given the nature of activities of your Company, it has not spent any substantial amount on conservation of energy and technology absorption respectively under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

27. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

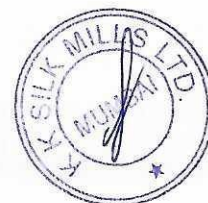
During the year under review, the Company has not received any Orders from the Regulators or Courts or Tribunal which can impact the 'going concern' status of the Company.

28. POLICIES

All the policies are available on the website of the Company i.e. www.kksilkmills.com

29. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards on Meeting of the Board (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India.



The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

30. **ACKNOWLEDGEMENTS**

Your directors take this opportunity to thank and acknowledge with gratitude, the contributions made by the employees through their hard work, dedication, competence, commitment and co-operation towards the success of your Company and have been core to our existence that helped us to face all challenges.

Your directors are also thankful for consistent co-operation and assistance received from its shareholders, investors, business associates, customers, vendors, bankers, regulatory and government authorities and showing their confidence in the Company.

For and on behalf of the Board of Directors
K K Silk Mills Limited

For K K SILK MILLS LTD.


Manish Kantilal Shah Director
Managing Director
DIN: 00040966

For K K SILK MILLS LTD.


Nilesch Kantilal Jain Director
Whole Time Director
DIN: 00040930

Place: Mumbai
Date: 05.09.2025