

40th ANNUAL REPORT

OF



VEEKAYEM FASHION AND

APPARELS LIMITED

F.Y. 2024-2025

GENERAL INFORMATION

CIN	: U17120MH1985PLC037516
Registered office	: 113, Udyog Bhavan, Sharma Ind. Estate, Walbhat Road, Goregaon East, Mumbai - 400 063 IN
Board of Directors	
Mr. Krishankant Tarachand Gupta	: Chairman & Managing Director
Mr. Vijaykumar Gupta	: Whole time Director
Mr. Madanlal Gupta	: Non - Executive Director
Mr. Santwana Amarshu Vernekar	: Non Executive Independent Director
Mrs. Madhukar Jagdev Prasad Sharma	: Non Executive Independent Director
Key Managerial Personnel	
Mr. Hemant Shivilal Gupta	: Chief Financial Officer
Ms. Gopika Singh	: Company Secretary and Compliance Officer
Banker	: State Bank of India, Mumbai ICICI Bank Limited, Mumbai
Statutory Auditors	: M/s. Mittal & Associates, Chartered Accountants, 501, Empress Nucleus, Gaothan Road, Gundavli, Andheri East - 400069.
Share Registrar & Transfer Agent	: KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032 Tel : +91 40 6716 1606
Website	: www.vkmgroups.com
E-Mail	: admin_mumbai@vkmgroups.biz



VEEKAYEM FASHION AND APPARELS LIMITED

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NOTICE is hereby given that the 40th **Annual General Meeting** of the Members of **Veekayem Fashion and Apparels Limited** will be held on Tuesday, September 30, 2025 at 04:30 p.m. at the Registered office of the Company situated at 113, Udyog Bhavan, Sharma Ind. Estate, Walbhat Road, Goregaon East, Mumbai 400063, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025 including the Audited Balance Sheet as at March 31, 2025, the Statement of Profit & Loss for the year ended on that date together with the reports of the Board of Directors and Auditor thereon.
2. To appoint a Director in place of Mr. Vijay Kumar Gupta, Whole-time Director (DIN: 01781934) who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

3. **Appointment of H. Maheshwari & Associates, Company Secretaries as Secretarial Auditor of the company for term of five (5) consecutive years and fixation of remuneration thereof.**

To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Regulation 24A of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended from time to time and as per applicable provisions of the Companies Act, 2013 ("the Act") and Rules framed thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and as per the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. H. Maheshwari & Associates, Company Secretaries, be and is hereby appointed as Secretarial Auditors of the Company, to hold office for a term of five (5) consecutive years, commencing from the Financial Year 2025-26 till Financial Year 2029-30, at such remuneration, as may be mutually agreed with the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to the Committee of the Board or to any Director(s) or Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT any of the Directors and/or the Key Managerial Personnel of the



Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with the Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**By Order of the Board
For Veekayem Fashion and Apparels Limited**

**Sd/-
Gopika Singh
Company Secretary
ACS-23550**

Registered Office:

113, Udyog Bhavan, Sharma Ind. Estate,
Walbhat road, Goregaon East,
Mumbai - 400063
Date: 06th September 2025
Place: Mumbai

**NOTES – Forming Part of the Notice:**

1. Explanatory Statement as required under Section 102 of the Companies Act (Act) is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
3. Pursuant to the provisions of section 105 of the companies act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument appointing proxy as per the format included in the annual report should be returned to the registered office of the company not less than forty eight (48) hours before the commencement of the meeting.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting to email -id cs@vkmgroups.biz.
5. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote, if not already voted through remote E-Voting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, between 11:00 a.m. and 1:00 p.m. up to the date of the Meeting.
7. A route map showing the direction to reach the venue of the Annual General Meeting is given at the end of this notice as per the requirement of the Secretarial Standards – 2 on 'General Meeting'.
8. The Register of Members and the Share Transfer Books will remain closed from Wednesday, September 24, 2025 to Tuesday, September 30, 2025 (both days inclusive) for the purpose of Annual General Meeting of the Company.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company or its Registrar & Share Transfer Agents – KFIN Technologies Limited.



10. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.vkmgroups.com and also on website of the respective Stock Exchange.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder and as a part of 'Green Initiative in Corporate Governance,' Companies conserve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their email address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
12. The Notice of AGM, Annual Report, Attendance Slip, Ballot paper and Proxy form are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report, Attendance Slip, Ballot paper and Proxy form in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
13. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual Report to the Meeting.
14. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
15. The 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.
16. The Board of Directors have appointed Mr. Hemant Maheshwari of M/s. H. Maheshwari & Associates, Practising Company Secretary (Membership No.: A26145 and COP : 10245), as the Scrutinizer to scrutinize the remote e-voting process as well as voting during the AGM in a fair and transparent manner.
- 17.



THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins on September 26, 2025 at 09.00 a.m. and ends on September 29, 2025 at 05.00 p.m. The remote e-voting module shall be disabled by KFIN for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e., September 23, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2025.

Login method for e-voting:

Applicable only for Individual Members holding securities in Dematerialised mode. As per the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual members holding securities in dematerialised mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Individual Members (holding securities in demat mode) login through Depository

Login method for Individual members holding securities in demat mode is given below:

NSDL	CDSL
1. User already registered for IDeAS facility: - URL: https://eservices.nsdl.com - Click on the "Beneficial Owner" icon under 'IDeAS' section. - On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" - Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote	1. Existing user who have opted for Easi / Easiest - URL: www.cdslindia.com - Click on New System Myeasi - Login with user id and password. - Option will be made available to reach e-Voting page without any further authentication. - Click on e-Voting service provider name to cast your vote.



during the remote e-Voting period	
2. User not registered for IDeAS e-Services I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" III. Proceed with completing the required fields. IV. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.	2. User not registered for Easi/Easiest I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.
3. By visiting the e-Voting website of NSDL I. URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for	3. By visiting the e-Voting website of CDSL I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.



casting your vote during the remote e-Voting period.

Individual Members (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. Once logged in, you will be able to see the e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Login method for non-individual Members and Members holding shares in physical form are given below : Procedure and Instructions for remote e-voting are as under:

- Initial password is provided in the body of the email.
- Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with RTA for e-voting, you can use your existing User ID and password for casting your votes.

User ID: For Members holding shares in Demat Form:-

For NSDL: 8 character DP ID followed by 8 digits Client ID. For CDSL: 16 digits beneficiary ID.

For CDSL: 16 digits beneficiary ID.

User ID: For members holding shares in Physical Form:



Event Number followed by Folio No. registered with the Company.

Password: Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons

- d. After entering the details appropriately, click on LOGIN.
- e. You will reach the password change menu wherein you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. You need to login again with the new credentials.
- g. On successful login, the system will prompt you to select the EVENT i.e., **VEEKAYEM FASHION AND APPARELS LIMITED**.
- h. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- i. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- j. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- k. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (pdf/jpg format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at cs@vkmgroups.biz and may also upload the same in the e-voting module in their login.

The details of Director's Appointment or Re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard



on General Meetings ("SS-2") issued by The **Institute of Company Secretaries of India** are as below:

Name of Director	Vijay Kumar Gupta
DIN	01781934
Date of Birth	13th June 1954
Age	69 Years
Date of first appointment on the Board	03 rd April 2004
Qualifications	M.com
A Brief Resume of the Director & Nature of his Expertise in Specific Functional Areas;	Master of commerce having rich experience about operation, management and functioning of weaving and readymade garment industry.
Disclosure of relationships between directors inter-se;	None
Directorship Held in Other Listed companies	None
Memberships/Chairmanships of committees of other Listed companies	NIL
Number of shares held in the Company	3,97,318
Terms and conditions of appointment	Whole Time Director Liable to retire by rotation.

By Order of the Board of Directors
For Veekayem Fashion and Apparels Limited

Sd/-
Gopika Singh
Company Secretary
ACS-23550

Registered Office:

113, Udyog Bhavan, Sharma Ind. Estate,
Walbhat Road, Goregaon East,
Mumbai – 400063

Place: Mumbai

Date: September 06th, 2025

**EXPLANATORY STATEMENT (PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3

The Securities and Exchange Board of India ("SEBI"), through a notification dated 12th December, 2024, introduced the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 ("Listing Regulations"), thereby amending the existing Listing Regulations. As per the amendment, every listed company is required to appoint either an individual for not more than one term of five consecutive years or a Secretarial Audit firm for not more than two terms of five consecutive years as the Secretarial Auditors based on the recommendation of its Board of Directors and subject to the approval of its members in its Annual General Meeting.

M/s. H. Maheshwari & Associates., was appointed as the Secretarial Auditors of the Company for the Financial Year 2024-25. Accordingly, the Board of Directors of the Company ("the Board") at their meeting held on 06th September, 2025, considering the experience and expertise and on the recommendation of the Audit Committee, has recommended for the approval of the Members of the Company, appointment of M/s. H. Maheshwari & Associates, Company Secretaries ("M/s. H. Maheshwari & Associates") (Firm Registration No.: S2012MH180300), as the Secretarial Auditor of the Company, for a period of Five (5) consecutive years from commencing from Financial Year 2025-26 till Financial Year 2029-30 at such remuneration as shall be fixed by the Board of the Company.

Brief Profile of M/s. H. Maheshwari & Associates

M/s. H. Maheshwari & Associates, Company Secretaries, is a firm of Practising Company Secretaries with a strong track record of delivering strategic, research-driven, and customised corporate advisory solutions. With deep domain expertise in Corporate Laws, SEBI regulations and Compliance Management, the firm is well-equipped to carry out a comprehensive Secretarial Audit in accordance with the provisions of Section 204 of the Companies Act, 2013. The firm is led by CS Hemant Maheshwari, an Associate Member of the Institute of Company Secretaries of India (ICSI), with overall 14 years of experience advising diverse businesses across sectors such as Real Estate, Infrastructure, Finance, and Technology. With a client-first approach and a commitment to integrity and innovation, H. Maheshwari & Associates. continues to be a trusted partner for businesses navigating complex regulatory and governance landscapes. The Board considered the appointment as Secretarial Auditor due to its proven expertise in corporate legal advisory. The firm's deep understanding of regulatory frameworks, combined with its leadership under CS Hemant Maheshwari who brings 14 years of cross-sectoral experience making it well-positioned to conduct



a thorough and value-driven Secretarial Audit. M/s. H. Maheshwari & Associates is best suited for the Company due to its proven ability to deliver insightful, compliance focused Secretarial Audits backed by deep regulatory expertise and sectoral experience. M/s. H. Maheshwari & Associates., have given their consent to act as the Secretarial Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 204 of the Companies Act, 2013 ("the Act") and the Listing Regulations. Based on the recommendation of the Audit Committee and the Board of Directors, the proposed remuneration payable to the Secretarial Auditors for the Financial Year 2025-26 is Rs. 1,00,000/- (One Lakh Only), excluding applicable taxes and out of-pocket expenses. The remuneration for subsequent year(s) of their tenure shall be determined by the Board, upon recommendation of the Audit Committee.

The Board, recommends passing of this Ordinary Resolution as set out at Item No. 3 of this Notice, for your approval.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the Resolution mentioned at Item No.3 of the Notice.

By Order of the Board of Directors
For Veekayem Fashion and Apparels Limited

Sd/-
Gopika Singh
Company Secretary
ACS-23550

Registered Office:
113, Udyog Bhavan, Sharma Ind. Estate,
Walbhat Road, Goregaon East,
Mumbai – 400063

Place: Mumbai
Date: September 06th, 2025



DIRECTOR'S REPORT

To

The Members,

The Board of Directors of Your Company take pleasure in presenting the 40th Annual Report on the operational and business performance, along with the Audited Financial Statements for the financial year ended March 31, 2025.

KEY FINANCIALS

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

(Rs. In Lakhs)

Particulars	Year Ended	
	March 31, 2025	March 31, 2024
Revenue from Operations	32129.46	24382.14
Other Income	34.74	49.91
Total Revenue	32164.21	24432.05
Profit/Loss before Tax	963.93	542.63
Less: Taxation Expenses		
Current Tax	235.10	131.02
Deferred Tax	-35.52	9.06
Profit/(Loss) after tax	764.35	402.55
Balance of Profit /(Loss) for earlier years	2116.63	1714.08
Profit for the year	764.35	402.55
Balance carried forward	2880.98	2116.63

RESULT OF OPERATIONS AND STATE OF AFFAIRS

The total Income of the company for the year under review is Rs. 32,164.21 Lakhs as against the previous year Rs. 24432.05 Lakhs. The Profit After Tax stood at Rs. 764.35 Lakhs compared to the previous year Rs. 402.55 Lakhs. Your directors are expecting better results in the coming financial year.

TRANSFER TO RESERVE IN TERMS OF SECTION 134(3) OF THE COMPANIES ACT, 2013

For the financial year ended on March 31, 2025 the Company has transferred the amount of profit to Reserves.

**DIVIDEND**

Your directors have not recommended any dividend for the year to conserve the resources in the long run.

UNCLAIMED DIVIDEND

There is no balance lying in unpaid equity dividend account.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

SHARE CAPITAL**(A) Authorized Share Capital**

The Company's Authorized Capital stands Rs. 11,00,00,000 (Eleven Crores only) divided into 1,10,00,000 Equity Share of Rs.10/- each. During the Year there has been no change in the authorized share capital.

(B) Issued and Paid-up Share Capital

During the Year under review, the Company has not issued any further equity share capital. As at March 31, 2025, the paid-up equity share capital of the company was Rs. 5,87,57,300/- (Five Crore Eight Seven Lakhs Fifty Seven Thousand Three Hundred) only divided into 58,75,730 (Fifty Eight Lacs Seventy Five Thousand Seven Hundred and Thirty) equity shares of Rs.10/- each.

(C) Convertible Warrants

The Company has pending conversion of 1302900 warrants issued to Promoter and Promoter Group as on date which was allotted on 25th July 2024.

DIRECTORS AND KEY MANAGERIAL PERSONNELS

During the year under review there are no changes in the Board of Directors of the Company:

AUDIT COMMITTEE

The Composition of the Audit Committee as at March 31, 2025 and details of the Members participation at the Meetings of the Committee are as under:



Name of Director	Status in Committee	Nature of Directorship	Attendance at the Audit Committee Meetings held on			
			01.04.2024	29.05.2024	06.09.2024	31.12.2024
Mr. Madhukar Sharma	Chairman	Non-Executive and Independent Director	Yes	Yes	Yes	Yes
Mr. Santwana Vernekar	Member	Non-Executive and Independent Director	Yes	Yes	Yes	Yes
Mr. Krishankant Gupta	Member	Director	Yes	Yes	Yes	Yes

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes:

Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.

Reviewing with the Management, the Half Yearly Unaudited Financial Statements and the Auditor's Limited Review Report thereon / Audited Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.

Review the Management Discussion & Analysis of financial and operational performance.

Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Accounting Standard Policy.

Review the investments made by the Company.



All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee, as per Section 178(1) of Companies Act, 2013, under the Chairmanship of Mr. Madhukar Sharma After constitution the committee met twice with full attendance of all the members. The composition of the Nomination and Remuneration Committee as at March 31, 2025 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Status in Committee	Nature of Directorship	Attendance at the Remuneration Committee Meetings held on
			06.09.2024
Mr. Madhukar Sharma	Chairman	Non- Executive Director	Yes
Mr. Madanlal gupta	Member	Non- Executive and Independent Director	Yes
Mr. Santwana Vernekar	Member	Non- Executive and Independent Director	Yes

The terms of reference of the Committee as per Companies Act 2013 and SEBI (LODR) 2015, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 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:
- Use the services of an external agencies, if required;



- Consider candidates from a wide range of backgrounds, having due regard to diversity; and
- Consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
 - 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.
 - Recommend to the board, all remuneration, in whatever form, payable to senior management.

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee, as per Section 178 (5) of Companies Act, 2013, continued working under Chairmanship of Mr. Madhukar Sharma. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. During the year, the committee met one time with full attendance of all the members. The composition of the Stakeholders Relationship Committee as at March 31, 2025 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Status in Committee	Nature of Directorship	Attendance at the Stakeholders" Relationship Committee held on
			06.09.2024
Mr. Madanlal Gupta	Chairman	Non- Executive Director	Yes
Mr. Krishankant Gupta	Member	Managing Director	Yes
Mr. Vijay Kumar Gupta	Member	Whole-time Director	Yes

The terms of reference of the Committee are:



- 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- 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.
- 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.

During the year, no complaints were received from shareholders. There are no balance complaints. The Company had no share transfers pending as on March 31, 2025.

BOARD'S PERFORMANCE EVALUATION:

The Board of Directors carried out an annual evaluation of the Board itself, its Committees and individual Directors. The entire Board carried out performance evaluation of each Independent Director excluding the Independent Director being evaluated. The Nomination Remuneration Committee also carried out evaluation of every director's performance. The evaluation was done after taking into consideration inputs received from the Directors, setting out parameters of evaluation. Evaluation parameters of the Board and Committees were mainly based on Disclosure of Information, Key functions of the Board and Committees, Responsibilities of the Board and Committees, etc. Evaluation parameters of Individual Directors including the Chairman of the Board and Independent Directors were based on Knowledge to Perform the Role, Time and Level of Participation, Performance of Duties and Level of Oversight and Professional Conduct etc. Independent Directors in their separate meeting evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

In Compliance with the provision of Section 177(9) the Board of Directors of the Company has framed the "Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company. The WhistleBlower is disclosed on the website of the Company.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company.

All Protected Disclosures reported under the Policy are to be thoroughly investigated by the



Committee concerned or by a person designated by such committee. As per the requirement of Listing Regulations, details of Vigil Mechanism is provided on the Website of the Company.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of section 149(6) of the Companies Act, 2013 and there is no change in the circumstances as on the date of this report which may affect their respective status as an independent director:

(a) that necessary declaration with respect to independence has been received from all the Independent Directors of the company;

b) that all the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet or renewed any fixed deposits during the year.

LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 (the Act) are given in the notes to the Financial Statements.

MEETINGS OF THE BOARD

Your Company holds at least four Board meeting in a year, one in each quarter and also to review the financial results of the company. The company also holds additional board meeting to address its specific requirements as and when required. All the decisions and urgent matters approved by way of circular resolutions are placed and numbered and noted at the subsequent Board meeting. Annual calendar of the meeting of the board are finalized well before the beginning of the financial year after seeking concurrence of all the Directors.

During the financial year 2024-25, Seven (07) Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.



Sr. No.	Date of Meeting	No. of Directors	No. of Directors Present
1	01 st April 2024	5	5
2	29 th May 2024	5	5
3	25 th July 2024	5	5
4	06 th September 2024	5	5
5	13 th November 2024	5	5
6	15 th February 2025	5	5
7	16 th March 2025 (Meeting of Independent Directors)	2	2

The Composition, category and attendance of each Director at the Board and Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various companies is as follows: -

Name of Director	Designation	Category	No. of Board Meetings held during the year	No. of Board Meetings attended during the year	Attendance at the previous AGM
Krishankant Tarachand Gupta	Chairman and MD	Promoter	6	6	Yes
Vijaykumar Gupta	Whole Time Director	Promoter	6	6	Yes
Madanlal Gupta	Non Executive Director	Promoter - NED	6	6	Yes
Madhukar Jagdev Prasad Sharma	Director	IDNE	7	7	No
Santwana Amarshu Vernekar	Director	IDNE	7	7	Yes

*NED – Non- Executive Director

*IDNE- Independent and Non- Executive

PARTICULARS OF EMPLOYEES:



There was no employee drawing remuneration in excess of limits prescribed under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The disclosure pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Directors report as follows.

Sr. No.	Requirements	Disclosure	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	1. Krishankant Gupta 2. Madanlal Gupta 3. Vijay Kumar Gupta	2.09 times 1.44 times 2.09 times
II.	The percentage increase in remuneration of each director, CFO, CS in the financial year	No increase	
III.	The percentage increase in the median remuneration of employees in the financial year	5%	
IV.	The number of permanent employees on the rolls of the Company as on 31st March, 2025	780 employees.	
V.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	5%	
VI.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is confirmed	

**DIRECTORS' RESPONSIBILITY STATEMENT:**

You Directors would like to inform that the audited financial statements for the year ended March 31, 2025 are in conformity with the requirements of the Companies Act, 2013 and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and result of operations. These financial statements are audited by M/s. Mittal & Associates, Chartered Accountants, statutory auditors of the Company.

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- c. the Directors had 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 had prepared the annual accounts on a going concern basis.
- e. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were 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.

AUDITORS:**Statutory Auditor**

The Board had appointed M/s. Mittal & Associates Chartered Accountants as the statutory auditors of the Company for term of five consecutive years, from the conclusion of 37th Annual General Meeting, held in 2022 till the conclusion of the 42nd Annual General Meeting to be held in the year 2027, as approved by shareholders of the Company.



COMMENTS ON AUDITOR'S REPORT

The notes referred to in the Auditors report are self-explanatory and as such they do not call for any further explanation.

SECRETARIAL AUDITOR

Mr. Hemant Maheshwari (Practicing Company Secretary) having Membership No. 26145 and Certificate of Practice No. 10245 representing H. Maheshwari & Associates, Practicing Company Secretary Firm as Secretarial Auditor of the Company pursuant to Section 204 of the Companies Act 2013, to undertake Secretarial audit of the Company for the Financial Year 2024-25. The Secretarial Audit Report Provided by him is in **Annexure II and III**.

INTERNAL AUDITORS:

M/s. P.G. Kanvinde & Associates., Chartered Accountants, Mumbai, has been appointed as Internal Auditors of the Company for FY 2024-25. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee.

The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a half yearly basis. The scope of internal audit is approved by the Audit Committee.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and that the provisions of Section 188 of the Companies Act 2013 are not attracted.

Thus, disclosure in form AOC-2 is not required. Further, there are no materially significant related party transactions made by the Company with Promoters and Directors or other designated persons which may have a potential conflict with the interest of the Company at large.

EXTRACT OF ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company shall be available on the website of the Company **www.vkmgroups.com**

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS



No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and company's operation in future.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

CORPORATE GOVERNANCE REPORT

Pursuant to the provisions of Regulation 15(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the provisions of the Corporate Governance are not applicable to the Company as the Company has listed its specified securities on SME Exchange. Corporate Governance Report as per Reg. 34(3) read with Schedule V is not required

RISK MANAGEMENT POLICY

The Company has laid down procedure to inform the Board about risk assessment & minimization procedure. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk management and mitigation measures.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company has internal financial controls which are adequate and were operating effectively. The controls are adequate for ensuring the orderly & efficient conduct of the business, including adherence to the Company's Policies, the preventions and detections of frauds & errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO:

A. CONSERVATION OF ENERGY

Both manufacturing units of Umbergaon, Valsad of the company adopts a cautious approach in power and fuel consumption by optimizing the operation of shifts and by following strict fuel consumption measures. However there were no capital investment on energy conservation equipments.



B. TECHNOLOGY ABSORPTION

- (i) the efforts made towards technology absorption – None as not immediately required.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution - Cost Reduction Plan With Shifting Of Garment Employee From Fix Salary To Piece Rate Salary
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – None imported in previous year than last 3 years.
- (a) the details of technology imported - Line System Production Machines In Garment
- (b) the year of import – From 2011
- (c) whether the technology been fully absorbed; Yes
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof- Not Applicable
- (e) the expenditure incurred on Research and Development – Not significantly

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (RS. IN LAKHS)

The company has done transactions whereby it is required to report foreign exchange earnings as well as outgo which are as follows.

Foreign Exchange Earning: INR 1377.68 Lakhs

Foreign Exchange Outgo: NIL

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis of the financial condition and result of operation of the Company under review, is annexed as Annexure – I and forms an integral part of the Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Disclosure as per Rule 9 of the Companies (Corporate Social responsibility Policy) Rules, 2014 was not applicable to the Company for the Financial Year 2024-25.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013



During the year the Company has adopted a policy for prevention of Sexual harassment of women at workplace and has not received any complaint of harassment.

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed displayed by all executive, officer and staff, resulting in successful performance of the Company.

**For and on behalf of the Board of Directors
VEEKAYEM FASHION AND APPARELS LIMITED**

**Krishankant Tarachand Gupta
Chairman & Managing Director**

DIN: 01741133

Place: Mumbai

Date: Sep. 06th, 2025

Annexures to Board's Report (Contd).**ANNEXURE - I****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENTS****A. Readymade garments**

The readymade garments (RMG) industry, which involves the mass production of clothing items that are ready for sale and immediate wear, is structured through several distinct segments. Here's a breakdown of its key components. readymade garments industry is evolving rapidly, driven by technological, economic, and social changes. Here are some notable developments:



Raw Material Supply:

- **Textile Production:** Producers of various fabrics such as cotton, polyester, wool, and blends supply the foundational materials for garment manufacturing.
- **Trims and Accessories:** Suppliers provide buttons, zippers, labels, and other components required for garment assembly.

Manufacturing:

- **Fabric Mills:** Transform raw fibers into textiles that can be used to make garments.
- **Garment Factories:** These facilities cut, sew, and assemble fabrics into finished clothing items. They vary in size from large-scale factories with high production volumes to smaller workshops specializing in niche markets.
- **Cut, Make, and Trim (CMT) Factories:** Offer services such as cutting fabric, making garments, and trimming (adding finishing details). Often work on a contract basis for various brands.

Design and Branding:

- **Fashion Designers:** Develop designs and create collections based on current trends, seasonal changes, and brand identity.
- **Brands and Labels:** These entities market and sell garments under their own brand names. They may oversee the entire production process or outsource manufacturing to third parties.

Retail and Distribution:

- **Retail Channels:** Include brick-and-mortar stores (e.g., department stores, specialty shops) and online platforms (e-commerce sites, brand websites).
- **Wholesalers and Distributors:** Facilitate the movement of goods from manufacturers to retailers and manage inventory.

End Consumers:

- **Individual Shoppers:** The final recipients of readymade garments, whose preferences and buying behavior drive demand.

Technological Advancements:



- **Automation and Robotics:** Increased use of automation in garment manufacturing enhances production efficiency, reduces labor costs, and improves precision.
- **3D Printing:** Emerging technologies in 3D printing are enabling rapid prototyping and customized production of garments.
- **Digital Design and Prototyping:** Designers are leveraging digital tools and software for more accurate and innovative garment design, reducing the time and cost associated with traditional prototyping.

Sustainability and Environmental Impact

- **Sustainable Materials:** There is a growing emphasis on the use of eco-friendly and recycled materials to reduce the environmental impact of garment production.
- **Circular Economy:** The industry is adopting practices such as recycling, upcycling, and designing for longevity to minimize waste and promote sustainability.
- **Ethical Manufacturing:** Increased consumer and regulatory pressure is driving brands to adopt fair labor practices and improve working conditions in manufacturing facilities.

Changing Consumer Behavior

- **E-Commerce Growth:** The rise of online shopping has significantly altered retail dynamics, with many brands investing heavily in their digital presence and direct-to-consumer models.
- **Personalization:** Consumers are increasingly seeking personalized and customized clothing options, which has led to the development of made-to-order and bespoke garments.
- **Fast Fashion vs. Slow Fashion:** The fast fashion model, characterized by rapid production and low-cost items, is being challenged by a growing movement towards slow fashion, which emphasizes quality, durability, and ethical production.

Supply Chain Dynamics

- **Globalization:** Manufacturing is often located in low-cost countries, but rising wages and geopolitical uncertainties are leading companies to explore new production regions.
- **Supply Chain Resilience:** Recent disruptions, such as the COVID-19 pandemic, have highlighted the vulnerabilities in global supply chains, prompting brands to seek more robust and localized solutions.



Digital Transformation:

- **Data Analytics:** Brands are increasingly using data analytics to understand consumer preferences, optimize inventory, and enhance marketing strategies.
- **Virtual Try-Ons and Augmented Reality:** Technologies like AR are enhancing the online shopping experience by allowing customers to visualize how garments will look on them before making a purchase.

Retail Innovations:

- **Omni-Channel Retailing:** The integration of online and offline shopping experiences is becoming essential for meeting consumer expectations for convenience and flexibility.
- **Experiential Retail:** Physical stores are evolving to offer unique and engaging experiences, such as interactive displays and personalized shopping assistance, to attract and retain customers.

Regulatory and Compliance Issues:

- **Trade Policies:** Changes in trade policies and tariffs can impact manufacturing and distribution strategies, affecting costs and market access.
- **Safety and Compliance:** Compliance with safety standards and regulations is crucial, especially for ensuring the quality and safety of garments for consumers.

In summary, the readymade garments industry is characterized by a complex structure involving raw material suppliers, manufacturers, designers, retailers, and end consumers. It is currently undergoing significant transformations driven by technological advancements, sustainability concerns, shifting consumer preferences, and evolving global dynamics. Understanding these elements is crucial for navigating the challenges and opportunities in this vibrant and competitive sector.

B. Yarn

Industry Overview

The yarn industry is a pivotal segment of the textile and apparel sector, focusing on the production of yarns from various fibers, including natural (cotton, wool, silk) and synthetic (polyester, nylon) materials. Yarn serves as a fundamental input for producing fabrics used in clothing, home textiles, and industrial applications.



Market Structure

The yarn industry is characterized by a diverse and fragmented market structure:

- **Global and Regional Players:** The industry features a mix of large multinational corporations and small to medium-sized enterprises. Major global players often have extensive production facilities and distribution networks, while regional players may focus on local markets or niche segments.
- **Vertical Integration:** Many companies in the yarn industry engage in vertical integration, controlling multiple stages of the supply chain from fiber production to yarn spinning. This integration helps in reducing costs and ensuring consistent quality.
- **Concentration and Competition:** The industry varies in terms of market concentration. In some regions, a few large firms dominate the market, while in others, there is a high level of competition among numerous smaller firms. The competitive landscape can influence pricing, innovation, and market dynamics.

Technological Developments

- **Advancements in Spinning Technology:** Recent developments include the adoption of advanced spinning technologies, such as air-jet spinning and ring spinning innovations, which enhance the efficiency and quality of yarn production.
- **Automation and Industry 4.0:** The integration of automation, robotics, and Industry 4.0 technologies (e.g., IoT, AI) has significantly improved production processes, allowing for real-time monitoring, predictive maintenance, and optimized resource management.
- **Sustainable Practices:** The industry is increasingly focused on sustainability, with innovations aimed at reducing environmental impact. This includes the development of eco-friendly fibers, water-efficient dyeing processes, and recycling technologies.

Market Trends

- **Sustainability and Eco-Friendly Products:** There is a growing demand for sustainable and eco-friendly yarns, driven by consumer awareness and regulatory pressures. Companies are investing in recycled fibers, organic materials, and sustainable production practices.
- **Customization and Specialization:** The market is seeing a shift towards customization and specialized yarns tailored to specific applications, such as performance textiles or high-fashion fabrics. This trend is driven by evolving consumer preferences and technological advancements.



- **Global Supply Chain Dynamics:** The yarn industry is influenced by global supply chain trends, including fluctuations in raw material prices, trade policies, and geopolitical factors. Companies are increasingly looking to diversify their supply chains to mitigate risks and ensure stability.

Challenges and Opportunities

- **Raw Material Costs:** Volatility in the prices of raw materials, such as cotton and petrochemicals, can impact production costs and profit margins. Companies must navigate these fluctuations through strategic sourcing and cost management.
- **Regulatory Compliance:** Compliance with environmental regulations and standards is becoming more stringent, requiring investments in cleaner technologies and processes. While this poses a challenge, it also presents an opportunity for companies to differentiate themselves through sustainability.
- **Innovation and R&D:** Continuous investment in research and development is crucial for staying competitive. Innovations in yarn properties, such as enhanced durability, elasticity, and functionality, can open new market opportunities and meet evolving consumer demands.

Future Outlook

The yarn industry is expected to continue evolving with advancements in technology, increased focus on sustainability, and shifts in consumer preferences. Companies that embrace innovation, adapt to market trends, and effectively manage supply chain challenges will be well-positioned for future growth and success. The industry's adaptability and responsiveness to these developments will play a significant role in shaping its trajectory in the coming years.

C. Grey Cloth

Industry Structure: The grey cloth industry, a vital part of the textile sector, involves the production of fabric that has not yet undergone dyeing, printing, or finishing processes. This sector plays a crucial role as an intermediary in the textile supply chain, providing the base material for further processing into finished textiles. The structure of the grey cloth industry can be outlined as follows:

- **Market Segmentation:** Grey cloth is segmented based on fiber types (e.g., cotton, polyester, wool, blended fabrics), fabric construction (e.g., woven, knitted, non-woven), and end-use applications (e.g., apparel, home textiles, industrial applications). Each segment has specific production techniques and market dynamics.
- **Production and Processing:** The grey cloth production process typically involves weaving or knitting raw fibers into fabric. This stage precedes additional treatments such as dyeing,



printing, and finishing. Key players include textile mills and weaving units that produce grey cloth in large quantities.

- **Supply Chain:** The grey cloth supply chain includes several stages: fiber production, yarn spinning, fabric weaving or knitting, and distribution to dyeing and finishing units. Manufacturers often operate vertically integrated facilities to streamline production processes and improve efficiency.
- **Geographic Distribution:** Grey cloth production is widespread, with significant manufacturing centers in countries like China, India, Bangladesh, and Turkey. Each region's industry structure is influenced by factors such as labor costs, technological capabilities, and proximity to raw materials.

Technological Developments

- **Advanced Weaving and Knitting Technologies:** Innovations in weaving and knitting technologies have led to more efficient production processes and improved fabric quality. Developments such as high-speed looms and computerized knitting machines enhance precision and reduce production time.
- **Automation and Digitalization:** The grey cloth industry is increasingly adopting automation and digital technologies. The use of automated looms, robotic handling systems, and digital quality control measures contributes to higher production efficiency and consistency.
- **Sustainability Innovations:** Technological advancements are also focused on sustainability. Innovations include the development of eco-friendly fibers and processes, such as water-efficient dyeing techniques and the use of recycled materials. These technologies aim to reduce the environmental impact of grey cloth production.

Market Trends

- **Sustainability and Eco-Friendly Practices:** There is a growing emphasis on sustainability within the grey cloth industry. Consumers and businesses are demanding fabrics produced with minimal environmental impact. This trend is driving the adoption of sustainable materials and practices, including organic cotton, recycled fibers, and low-impact finishing processes.
- **Customization and Performance Fabrics:** The demand for customized and high-performance fabrics is rising. Grey cloth manufacturers are responding by producing fabrics with specific properties, such as moisture-wicking, flame resistance, or antimicrobial features. This trend caters to niche markets and specialized applications.



- **Global Trade Dynamics:** The grey cloth industry is influenced by global trade policies, tariffs, and geopolitical factors. Trade agreements and shifts in international relations can affect the cost and availability of raw materials, as well as the flow of finished goods.

• **Challenges and Opportunities**

- **Raw Material Costs:** Fluctuations in the prices of raw materials, such as cotton and synthetic fibers, impact production costs for grey cloth manufacturers. Companies must navigate these fluctuations through effective sourcing strategies and cost management.
- **Regulatory Compliance:** Increasing regulations related to environmental standards and worker safety require manufacturers to invest in compliance measures. This includes adopting cleaner technologies and ensuring fair labor practices, which can be both a challenge and an opportunity for differentiation.
- **Market Competition:** The grey cloth industry is highly competitive, with numerous players operating in both local and global markets. Companies must differentiate themselves through quality, price, and innovation to maintain a competitive edge.

Future Outlook The grey cloth industry is expected to continue evolving with advancements in technology, increasing sustainability demands, and changing market conditions. Key factors influencing the industry's future include:

- **Technological Advancements:** Continued innovation in weaving, knitting, and finishing technologies will drive improvements in fabric quality and production efficiency.
- **Sustainability Focus:** The shift towards sustainable practices will likely intensify, with more emphasis on eco-friendly materials and processes.
- **Market Adaptability:** The ability to adapt to changing consumer preferences and global trade dynamics will be crucial for success. Manufacturers that embrace technological advancements and sustainability will be better positioned to thrive in the evolving market landscape.

Overall, the grey cloth industry's adaptability and responsiveness to these trends and challenges will shape its future trajectory and growth prospects.

D. Finish Cloth



Industry Structure : The finish cloth industry, a critical segment of the textile sector, involves the processing and treatment of grey cloth to produce finished textiles ready for consumer use. This stage includes various finishing processes such as dyeing, printing, and applying special treatments to enhance the fabric's appearance and functionality. The structure of the finish cloth industry is characterized by several key elements:

- **Market Segmentation:** The finish cloth industry is segmented based on the type of finishing treatments applied (e.g., dyeing, printing, coating, embossing) and the end-use of the finished fabrics (e.g., apparel, home textiles, industrial applications). Each segment requires different technologies and processes.
- **Processing Stages:** The finishing process typically involves several stages, including pre-treatment (e.g., scouring, bleaching), dyeing, printing, and post-treatment (e.g., coating, water-proofing). These stages transform grey cloth into high-value, market-ready textiles.
- **Geographic Distribution:** Finishing operations are widespread, with significant centers in countries such as China, India, Bangladesh, Turkey, and Italy. Regional differences in finishing technologies and practices reflect local market demands and regulatory environments.
- **Supply Chain Integration:** Many finishing companies operate as part of vertically integrated textile mills or as standalone finishing units. Integration with upstream grey cloth production and downstream garment manufacturing helps streamline operations and improve supply chain efficiency.

Technological Developments

- **Advanced Finishing Technologies:** Recent advancements include innovations in dyeing and printing technologies. Digital printing, for example, allows for greater design flexibility and reduces water and chemical usage compared to traditional methods. Advances in dyeing technology, such as low-water and low-energy processes, are also becoming more prevalent.
- **Automation and Smart Technologies:** Automation is transforming the finishing industry, with robotic systems and automated machinery enhancing production efficiency and precision. Smart technologies, such as IoT and data analytics, enable real-time monitoring and optimization of finishing processes.
- **Sustainability Innovations:** The industry is increasingly focused on sustainability, with developments in eco-friendly finishing processes and materials. Innovations include waterless dyeing technologies, the use of natural or biodegradable dyes, and advanced waste management systems to minimize environmental impact.



Market Trends

- **Sustainability and Eco-Friendly Practices:** There is a strong and growing emphasis on sustainability in the finish cloth industry. Consumers and regulators are pushing for greener practices, leading to the adoption of eco-friendly dyes, reduced chemical use, and energy-efficient technologies. Companies are also exploring circular economy practices, such as recycling and reusing textiles.
- **Customization and Design Trends:** The demand for customized and high-fashion textiles is increasing. Advances in digital printing and other finishing technologies allow for greater design flexibility, enabling the production of unique and intricate patterns and textures.
- **Technological Integration:** The integration of advanced technologies such as AI, machine learning, and blockchain is enhancing the transparency and efficiency of the finishing process. These technologies help in quality control, inventory management, and supply chain traceability.

Challenges and Opportunities

- **Regulatory Compliance:** Stricter environmental regulations and standards are a significant challenge for the finishing industry. Compliance with regulations regarding chemical use, waste management, and energy consumption requires investment in cleaner technologies and processes.
- **Cost Management:** Managing costs in the face of fluctuating raw material prices and increasing regulatory compliance costs is a challenge. Companies must find ways to optimize production processes and reduce waste to maintain profitability.
- **Innovation and Competitive Edge:** Continuous innovation is crucial for staying competitive. Companies that invest in new technologies, such as sustainable finishing processes and advanced automation, can differentiate themselves and capture market share.

Future Outlook : The finish cloth industry is poised for significant transformation, driven by advancements in technology, increased sustainability demands, and evolving market trends. Key factors shaping the future include:



- **Technological Advancements:** Continued innovation in finishing technologies will enhance fabric quality, reduce environmental impact, and offer new design possibilities. Companies that adopt cutting-edge technologies will be better positioned for growth.
- **Sustainability Focus:** The push towards sustainability will likely intensify, with greater emphasis on eco-friendly processes and materials. Companies that successfully integrate sustainable practices will gain a competitive advantage and meet evolving consumer expectations.
- **Market Adaptability:** The ability to adapt to changing consumer preferences, regulatory requirements, and technological advancements will be crucial for success. Companies that remain agile and responsive to these changes will thrive in the dynamic finish cloth market.

Overall, the finish cloth industry's ability to innovate, embrace sustainability, and adapt to market and technological shifts will be key to its future success and growth.

OPPORTUNITIES

Changing consumer preferences and growing Industrial base with ever changing consumer needs and demands, today consumers are looking for a complete package with good quality product and design. With rising income and urbanization, increases consumer's purchasing power.

THREATS

- Competition from local and multinational players
- Execution risk
- Regulatory changes
- Input Cost risk
- Attraction and retention of human capital
- Technological Advancements
- E-commerce as the Company has no recent plans on that.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE.

The Company is operating in three broad segments i.e., Men's wear and Kids Wear and accessories. The Company is into manufacturing of shirts, denims, trousers, business and party wear suits, t-shirts, woollen jackets, pullovers, shorts, and accessories for men sometime.

Name and Description of main products / services	% to total turnover of the Company
Cloth Sales	66.53



Garment Sales	32.61
Others	0.86

OUTLOOK

The Company's current focus is to provide input services to various established brands in fashion and apparels industry and simultaneously developing their own brands. This strategy will keep the Company funded all the time from input service revenue.

RISKS AND CONCERNS

Like every business, the company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives.

A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization.

The Company faces the following Risks and Concerns:

- Credit Risk
- Interest Rate Risk
- Competition Risk
- Input Cost Risk
- Liability Risk

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The Company also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aimed at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial reporting, accounting, information security, project appraisal, and corporate governance. A qualified and independent Audit Committee of the Board of Directors also



reviews the internal control system and its impacts on improvement of overall performance of the Company.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's financial and operational performance is at par with other entities in the segment. The Company is recording significant growth apart from disruption caused by Covid19.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity:

to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. As on March 31, 2025, Company is giving employment to 780 permanent employees. Industrial relations are cordial and satisfactory. Employees are critical to our business. The Company internally assess its employees to periodically identify competency gaps and use development inputs (such as skill up gradation training) to address these gaps. The Company has implemented staff training policies and assessment procedures and intend to continue placing emphasis on attracting and retaining motivated employees. The Company also plans to continue investing in training programmes and other resources that enhance employees' skills and productivity which will continue to help our employees develop understanding of the customer-oriented corporate culture and service quality standards to enable them to continue to meet the customers' changing needs and preferences.

INFORMATION TECHNOLOGY

Our deep understanding of local needs and our ability to adapt quickly to changing consumer preferences has helped our performance driven growth. We are planning to established robust ERP system and robust IT systems have significantly aided this growth by simplifying complex processes throughout our operations. Our IT systems are equipped with an array of data management tools specific to our business needs and support key aspects of our business. IT has enabled our cash management systems, in-store systems, logistics systems, human resources, project management, maintenance and other administrative functions. This implementation has contributed positively towards minimizing product shortage, pilferage, out of stock situations etc. and has increased overall operational efficiency.

DETAILS OF SIGNIFICANT CHANGES

There are significant changes in full financial statements in all respect which is clearly visible in the financial statements as the Company is recovering rapidly after damaged cause by covid 19



outbreak.

KEY FINANCIAL RATIOS

Sr. No.	Particular	Year ended March 31, 2025	Year ended March 31, 2024	% Change
1	Current ratio	1.26	1.28	-2
2	Net debt equity ratio	19.02	16.25	17
3	Debt service coverage ratio	1.83	1.58	15
4	Return on Equity	1.30	0.69	90
5	Inventory turnover ratio	3.57	2.97	20
6	Debtors turnover ratio	3.45	3.96	-13
7	Trade Payables Turnover ratio	8.62	14.98	-42
8	Net Capital Turnover Ratio	9.03	8.57	5
9	Net profit ratio	2.38	1.65	44
10	Return on Capital Employed	17.90	14.50	23
11	Return on investment (%)	20.42	86.71	-76

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

The Company's financial and operational performance is at par with other entities in the segment. The Company is recording significant growth apart from disruption caused by Covid19 since more than last 5 years.

CAUTIONARY STATEMENT

Management Discussion and Analysis detailing the Company's objectives, outlook and expectations have "forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied depending upon global and Indian demand supply conditions, changes in Government regulations, tax regimes and economic developments within India and overseas.



Annexure II

To,

The Members
Veekayem Fashion and Apparels Limited

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

1. Maintenance of secretarial records 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 processes 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 processes 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. Where ever 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 procedures 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 H. Maheshwari & Associates
Practicing Company Secretary**

Sd/-

**Hemant Maheshwari
Proprietor
MEM. NO. : 26145
CP NO.: 10245**

Date: September 06, 2025

Place: Mumbai



Annexure III

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

*[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,
Veekayem Fashion and Apparels Limited
(CIN : U17120MH1985PLC037516)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Veekayem Fashion and Apparels Limited (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2025 (Audit Period), 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025, 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) 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 following 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the audit period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 hereinafter referred as 'SEBI (LODR) Regulations 2015'.
- (vi) As informed and certified by the management, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section/industry.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited (NSE);

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

I 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 seven days in advance, 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 Committees of the Board, as the case may be.

I 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.

I further report that during the audit period, the Company has allotted 1302900 warrants on preferential basis for select list of promoters and non-promoters on 25th July 2024 and complied with all applicable acts and regulations.

For H. Maheshwari & Associates

Practicing Company Secretary

Hemant Maheshwari

Proprietor

ACS. NO. : 26145

CP NO.: 10245

Date: September 06, 2025

Place: Mumbai

UDIN: A026145G001190440

Note : This report is to be read with my letter of even date which is annexed as Annexure- II and forms an integral part of this report

Independent Auditor's Report

To the Members of
Veekayem Fashion and Apparels Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Veekayem Fashion and Apparels Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and its cash flows for the year ended on that date.

Basis for opinion

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

Key audit matters

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information, 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of 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 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 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant 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 March 31, 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 A” Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) 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 Chairman & Managing Director and Executive Directors during the year has not exceeded the limit prescribed under section 197 of the Companies Act, 2013.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations and hence not disclosed in its 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 where were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
 - iv. (a) The management has represented that, to the best of its knowledge have been advanced or loaned or invested (either from borrowed funds or share premium or any other source 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 records in writing or otherwise, that the intermediary shall, whether, directly or Indirectly, lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in rotting 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 considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for Mittal & Associates
Chartered Accountants
Firm Registration number: **106456W**

Hemant R Bohra
Partner
Membership number: 165667
UDIN: 25165667BMMLAM5548
Mumbai
Date: May 29, 2025

Annexure “A”

To the Independent Auditor’s Report of even date on the Financial Statements of Veekayem Fashion and Apparels Limited

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Veekayem Fashion and Apparels Ltd. (“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 Board of Directors of the Company 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. 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 respective 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.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedure selected depend on auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, wheather due to frudad 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 over financial reporting of the Company.

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.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 Mittal & Associates

Chartered Accountants

Firm Registration number: **106456W**

Hemant R Bohra

Partner

Membership number: 165667

UDIN: 25165667BMMLAM5548

Mumbai

Date: May 29, 2025

Annexure “B” to the Independent Auditor’s Report

Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Veekayem Fashion and Apparels Limited on the Financial Statements as of and for the year ended March 31, 2025

In terms of the information and explanation sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The Company does not have any intangible assets.

(b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in note 14 to the financial statements included in property, plant and equipment are held in the name of the Company.

(d) During the year, the Company has not revalued its Property, Plant and Equipment.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1958)) and Rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) As disclosed in note 10 to the financial statements, the Company has been sanctioned working capital limits in excess of five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns filed by the Company with such banks are in agreement with the books of accounts of the Company except as disclosed in note 34(b) to the Financial Statements.
- iii. During the year the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, Firms, limited liability partnerships or any other parties, hence reporting under clauses 3(iii)(a),(b),(c),(d),(e) and (f) of the order are not applicable.

- iv. In our opinion, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security by it, as applicable.
- v. The company has complied with the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder in respect of deposits except for deposit accepted from M/s Heera Textile amounting to Rs.536.73 Lakhs as on 31.03.2025.

According to the information and explanations given to us, 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 on the company in respect of the aforesaid deposits.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.
- vii. (a) In our opinion, The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no statutory dues of professional tax, provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of dues to banks financial institutions and government. The Company does not have any dues to debenture holders during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, we report that the

Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- x. (a) During the year the Company has not raised money by way of initial public offer or further public offer.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under Clause 3(x) (b) of the Order is not applicable to the Company.

- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and as represented by the management, the Company has not received any whistle-blower complaints during the year. Accordingly, the reporting under Clause 3(xi)(c) of the Order is not applicable to the Company.

- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3 (xii) of the Order are not applicable to the Company.

- xiii. in our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable 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 for the period under audit have been considered by us.

- xv. In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the reporting on compliance with provisions of section 192 of the Act under clause 3 (xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) Based on the information and explanation provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- xvii. The company has not incurred any cash losses in the financial year and the immediately preceding financial year;
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 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. In our opinion and according to the information and explanations given to us, the provisions of Section 135 towards corporate social responsibility are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Mittal & Associates

Chartered Accountants

Firm Registration number: **106456W**

Hemant R Bohra

Partner

Membership number: 165667

UDIN: 25165667BMMLAM5548

Mumbai

Date: May 29, 2025

Veekayem Fashion And Apparels Limited 113, Udyog Bhawan, Sharma Indl. Estate, Goregaon East, Mumbai-400063 CIN : U17120MH1985PLC037516 Balance Sheet as at 31st March 2025			
(₹ In Lakhs)			
Particulars	Not	As at March 31, 2025	As at March 31, 2024
EQUITY AND LIABILITIES			
Shareholders' fund			
Share capital	3	587.57	587.57
Reserves and surplus	4	4,301.98	3,537.63
Money received against share warrant	5	718.36	-
		5,607.91	4,125.20
Non-current liabilities			
Long-Term Borrowings	6	848.71	872.32
Deferred Tax Liabilities (Net)	7	177.98	213.50
Long-term provisions	8	59.00	48.75
Other Long-term Liabilities	9	30.00	55.00
		1,115.70	1,189.56
Current liabilities			
Short-term borrowings	10	10,359.23	8,692.27
Trade payables	11		
Due to Micro and Small Enterprises		1,037.20	540.91
Others		2,150.75	759.15
Other current liabilities	12	223.20	180.99
Short-term provisions	13	135.94	56.28
		13,906.33	10,229.60
Total		20,629.91	15,544.35
ASSETS			
Non-current assets			
Property, plant and equipment and Intangible assets	14		
Property, plant and equipment	14a	3,047.88	2,445.18
Capital Work-in-progress	14b	90.80	-
Non-current Investments	15	25.00	25.00
		3,163.68	2,470.18
Current assets			
Inventories	16	7,692.42	6,521.79
Trade receivables	17	9,314.62	6,155.78
Cash and cash Equivalents	18	30.28	16.64
Short-term loans and advances	19	428.90	379.10
Other current assets	20	-	0.84
		17,466.22	13,074.16
Total		20,629.91	15,544.35
The accompanying notes form an integral part of these financial statements.			
As per our report of even date attached			
For Mittal & Associates		For and on behalf of Board of Directors	
Chartered Accountants		Veekayem Fashion and Apparels Limited	
Firm Registration No. : 106456W			
Hemant Bohra		Krishankant Gupta	Vijaykumar Gupta
Partner		Director	Director
Membership No.: 165667		DIN: 01741133	DIN: 01781934
Place : Mumbai			
Date : 29th May, 2025			
		Hemant Kumar Gupta	Gopika Singh
		Chief Financial Officer	Company Secretary
		PAN: AAFPG6294F	PAN: FZJPS8342N

Veekayem Fashion And Apparels Limited
113, Udyog Bhawan, Sharma Indl. Estate, Goregaon East, Mumbai-400063
CIN : U17120MH1985PLC037516

Statement of Profit & Loss for the year ended March 31, 2025

(₹ In Lakhs)

Sr. No.	Particulars	Notes	For the Year ended	
			March 31, 2025	March 31, 2024
I	Revenue from Operations	21	32,129.46	24,382.14
II	Other Income	22	34.74	49.91
III	Total revenue (I+II)		32,164.21	24,432.05
IV	Expenses			
	(a) Cost of Materials Consumed	23	27,466.82	19,350.79
	(b) Purchase of stock in trade		-	-
	(c) Changes in Inventories of Finish Goods,WIP and Stock in Trade	24	(1143.98)	(52.52)
	(d) Employee Benefit Expenses	25	1,604.21	1,558.03
	(e) Finance Expenses	26	1,178.96	960.18
	(f) Depreciation and Amortization Expense	14	222.96	149.44
	(g) Other Expenses	27	1,871.31	1,923.49
	Total expenses (IV)		31,200.28	23,889.42
V	Profit/(loss) before exceptional item and tax (III-IV)		963.93	542.63
VI	Exceptional items		-	-
VII	Profit Before Tax (V-VI)		963.93	542.63
VIII	Tax expense :			
	(a) Current Tax		235.10	131.02
	(b) Deferred tax		-35.52	9.06
IX	Profit/(loss) for year (VII-VIII)		764.35	402.55
X	Paid up equity share capital (Face value per share Rs.10)		587.57	587.57
X	Earning Per Share (of Rs.10/- each) (not annualised for quarter)	28		
	Basic		13.01	6.85
	Diluted		12.44	6.85

The accompanying notes form an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date.

For Mittal & Associates
Chartered Accountants
Firm Registration No. : 106456W

For and on behalf of Board of Directors
Veekayem Fashion and Apparels Limited

Hemant Bohra
Partner
Membership No.: 165667

Krishankant Gupta
Director
DIN: 01741133

Vijaykumar Gupta
Director
DIN: 01781934

Place : Mumbai
Date : 29th May, 2025

Hemant Kumar Gupta
Chief Financial Officer
PAN: AAFPG6294F

Gopika Singh
Company Secretary
PAN: FZJPS8342N

Veekayem Fashion And Apparels Limited 113, Udyog Bhawan, Sharma Indl. Estate, Goregaon East, Mumbai-400063 CIN : U17120MH1985PLC037516 Audited Cash Flow Statement for the year ended 31-3-2025 (₹ In Lakhs)		
Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
(A) Cash Flow from operating activities		
Profit & Loss before tax	963.93	542.63
Adjustments for :		
Depreciation and amortization expense	222.96	149.44
Interest Expense	1,097.55	898.68
Interest Income	(6.22)	(26.89)
Operating profit before working capital changes	2,278.23	1,563.87
Adjustments for changes in working capital:		
(Increase)/ decrease in trade receivables	(3,158.84)	(1,316.35)
Increase/ (decrease) in trade payables	1,887.90	5.07
(Increase)/ decrease in short-term loans and advances	(49.79)	467.53
(Increase)/decrease in other current assets	0.84	3.64
Increase/ (decrease) in other current liabilities & provisions	121.87	28.66
Increase/ (decrease) in non current liabilities & provisions	10.25	1.08
(Increase)/decrease in Inventory	(1,170.63)	183.02
Other long term liabilities	(25.00)	25.00
Cash generated from operations	(105.18)	595.47
Income taxes (paid)/refunds received - net	(235.10)	(131.02)
Net Cash generated from operating activities	(340.28)	464.45
(B) Cash flow from investing activities		
Additions to property, plant and equipment (Tangible assets)	(916.46)	(294.44)
Purchase of shares	-	(2.63)
Proceeds from sale of fixed assets	-	-
Interest income	6.22	26.89
Net Cash used in investing activities	(910.24)	(270.18)
(C) Cash flow from financing activities		
Proceeds of long term borrowing	-	-
Proceeds from issue of shares/share warrants	718.36	-
Repayment of long term borrowing	(23.61)	(83.55)
Proceeds of short term borrowing	1,666.96	783.81
Interest expense	(1,097.55)	(898.68)
Net Cash (used in)/ generated from financing activities	1,264.16	(198.42)
Net (decrease)/ increase in Cash and Cash Equivalents (A+B+C)	13.64	(4.16)
Cash and Cash Equivalents at the beginning of the period	16.64	11.20
Cash and Cash Equivalents at the end of the period	30.28	16.64
This is the Statement of Cash Flow referred to in our report of even date For Mittal & Associates Chartered Accountants Firm Registration No. : 106456W Hemant Bohra Partner Membership No.: 165667 Place : Mumbai Date : 29th May, 2025 For and on behalf of Board of Directors Veekayem Fashion and Apparels Limited Krishankant Gupta Director DIN: 01741133 Vijaykumar Gupta Director DIN: 01781934 Hemant Kumar Gupta Chief Financial Officer PAN: AAFPG6294F Gopika Singh Company Secretary PAN: FZJPS8342N		

1 Corporate Information

Veekayem Fashion And Apparels Ltd.(the Company) was incorporated on 17th September 1985 Under companies act 1956.

The company is engaged in the manufacturing of processing,manufacturing, dyeing ,printing,finishing, weaving,twisting, texturising, dobling,s elling buying exporting and otherwise dealing in as wholeseller,retailers, principiases, broker and commission agent in all types of wearable and non wearable textiles,synthetic texties and goods,cloth fabric,yarn,cotton silk,rayon,nylon, polyster yarn man made synthetic filamets and fibres , wool linen. Terelene and tere cotton.

2 Summary of Significant Accounting Policies

(a) Basis of Accounting

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principle ("GAAP") in conformity with the provisions of the Companies Act, 2013 and Accounting Standards issued by the Institute of Chartered Accountants of India.

The preparation of Financial Statements in conformity with GAAP required that the management of the company makes estimates & assumption that affect the reported amounts of Income & Expenses of the year, the reported balances of Assets & Liabilities and the disclosers relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible & intangible fixed assets, provision for doubtful debts/advances etc. Actual result could differ from these estimates and would be recognized in the period in which the results are known.

(b) Revenue Recognition

(a) Fee collection from the users of facility is accounted for as and when the amount is due and recovery is certain.

(b) Interest income is accrued at applicable rates

(c) Other items of income are accounted for as and when the right to receive arises.

(c) Inventories

Inventories of Raw Materials,Packing Material, Stores and Spares are valued 'at cost'. Finished Good and Work in Progress are stated 'at cost or net realisable value, whichever is lower'. Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

(d) Fixed Assets

Tangible

Tangible Fixed Assets are stated at the cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, insurance, duties, levies and all incidentals attributable to bringing the assets to its working condition.

(e) Depreciation & Amortization

Depreciation on tangible fixed assets has been provided on the SLM as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, wherein the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on additions/ deductions is calculated pro-rata basis.

(f) Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such asset, till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(g) Impairment of Assets

As at each Balance Sheet date, the carrying amount of assets are assessed for any indication of impairment so as to determine

- The provision for impairment loss, if any, required or
- The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of individual assets, at the higher of the net selling price and the value in use;
- In the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use;

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset from its disposal at the end of its useful life)

(h) Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax computed in accordance with the provisions of the Income tax is determined in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assessment/appeals.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period if they are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(i) Provision, Contingent Liabilities and Contingent Assets

Provision are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- The company has a present obligation as a result of a past event
- A Probable Outflow of resources Expected to Settle the Obligation and
- The amount of the obligation can be reliably estimated

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received Contingent Liability is disclosed in the case of - A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.

A possible obligation, unless the probability of outflow of resources is remote

Contingent Assets are neither recognized nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

(j) Foreign Currency Transaction

a) The reporting currency of the company is the Indian Rupee.

b) Foreign currency transactions are recorded on initial recognition in the foreign currency, using the exchange rate on the date of the transaction.

c) At each Balance Sheet date, foreign currency monetary items are reported using the closing rate.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of monetary items at the closing rate are adjusted in pre-operative expenses.

Note 3: Share Capital

Particulars	As at 31st March, 2025	As at 31st March, 2024
Authorised:		
Equity shares		
1,10,00,000 (PY: 1,10,00,000) Equity	1,100.00	1,100.00
Shares of Rs 10/- each		
	1,100.00	1,100.00
Issued, Subscribed and Fully Paid-Up		
Equity shares		
5875730 (PY:5875730) equity shares of Rs.10 each	587.57	587.57
	587.57	587.57

(a) Reconciliation of Share Capital

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balance at the beginning of the year	58,75,730	58,75,730
Add : Issued during the year	-	-
Balance at the end of the year	58,75,730	58,75,730

(b) Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	As at 31st March, 2024		As at 31st March, 2024	
	No. of share	% of Holding	No. of share	% of Holding
Mr. Madanlal Gupta	4,59,406	10.70%	4,59,406	10.70%
Mr. Maheshkant Gupta	4,45,307	10.38%	4,45,307	10.38%
Mr. Amit J. Gupta	4,12,005	9.60%	4,12,005	9.60%
Mr. Hemant S. Gupta	4,06,856	9.48%	4,06,856	9.48%
Mr. Krishankant Gupta	4,05,307	9.44%	4,05,307	9.44%
Mr. Surendrat. Gupta	4,05,307	9.44%	4,05,307	9.44%
Mr. Vijaykumar Gupta	3,97,318	9.26%	3,97,318	9.26%
Mr Arun Gupta	3,67,116	8.55%	3,67,116	8.55%
Mr. Kaushik Gupta	3,61,644	8.43%	3,61,644	8.43%
	36,60,266	85.29%	36,60,266	85.29%

(d) The company has not issued any bonus shares nor has there been any buy back of shares during five years immediately preceeding 31.03.2025.

Veekayem Fashion And Apparels Limited

CIN : U17120MH1985PLC037516

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

Note 3: Share Capital

(e) Shareholding of Promoters (Shares held by promoters at the end of the year)

Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
a) PRAMOTORS						
MR. MADANLAL GUPTA	4,59,406.00	10.70%	-	4,59,406	10.70%	
MR. KRISHANKANT GUPTA	4,05,307.00	9.44%	-	4,05,307	9.44%	
MR. VIJAYKUMAR GUPTA	3,97,318.00	9.26%	-	3,97,318	9.26%	
	12,62,031.00	29.41%		12,62,031	29.41%	
b) NON INSTITUTIONS (Bodies Corporations)						
M/S KAMDHENU ENTERPRISES	2.00	0.00%	-	2	0.00%	
M/S PRAMOD AGENCY	10.00	0.00%	-	10	0.00%	
M/S RMK ENTERPRISE	10.00	0.00%	-	10	0.00%	
	22.00	0.00%		22	0.00%	
b) NON INSTITUTIONS (Individuals)						
MR ARUN GUPTA	3,67,116.00	8.55%	-	3,67,116	8.55%	
MR. AJAY J. GUPTA	43,850.00	1.02%	-	43,850	1.02%	
MR. AMIT J. GUPTA	4,12,005.00	9.60%	-	4,12,005	9.60%	
MRS. BIMLADEVI R. GUPTA	14,300.00	0.33%	-	14,300	0.33%	
MR. HEMANT S. GUPTA	4,06,856.00	9.48%	-	4,06,856	9.48%	
MR. KAUSHIK GUPTA	3,61,644.00	8.43%	-	3,61,644	8.43%	
MR. KRISHNA KUMAR GUPTA	37,100.00	0.86%	-	37,100	0.86%	
MR. MAHESHKANT GUPTA	4,45,307.00	10.38%	-	4,45,307	10.38%	
MR. NARENDRA R. GUPTA	77,988.00	1.82%	-	77,988	1.82%	
MR. SACHIN GUPTA	48,550.00	1.13%	-	48,550	1.13%	
MR. SATISH KUMAR GUPTA	35,160.00	0.82%	-	35,160	0.82%	
MR. SHYAMSUNDER GUPTA	49,600.00	1.16%	-	49,600	1.16%	
MR. SURENDRAT. GUPTA	4,05,307.00	9.44%	-	4,05,307	9.44%	
MRS. MAYADEVI S. GUPTA	55,500.00	1.29%	-	55,500	1.29%	
MRS. MITHILESH DEVI GUPTA	31,000.00	0.72%	-	31,000	0.72%	
MRS. NEELAM A. GUPTA	20,600.00	0.48%	-	20,600	0.48%	
MRS. RATNESH DEVI S. GUPTA	25,500.00	0.59%	-	25,500	0.59%	
MRS. SAPNA H. GUPTA	20,800.00	0.48%	-	20,800	0.48%	
MRS. SAROJ DEVI GUPTA	52,350.00	1.22%	-	52,350	1.22%	
MRS. SEEMADEVI M. GUPTA	15,500.00	0.36%	-	15,500	0.36%	
MRS. SHASHIDEVI GUPTA	55,500.00	1.29%	-	55,500	1.29%	
MRS.SHAKUNTALADEVIT. GUPTA	48,144.00	1.12%	-	48,144	1.12%	
	30,29,677.00	70.59%		30,29,677	70.59%	
Outstanding at the end of the year	42,91,730.00	100.00%	-	42,91,730	100.00%	-

Note:- The number of shares held and percentage of holding represents the shares held in the individual capacity

Promoter here means promoter as defined in the Companies Act, 2013, as ammended

4 Reserves and surplus

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium		
Balance at the beginning of the year	1,421.00	1,421.00
add : Issued during the Year	-	-
Balance at the end of the year	1,421.00	1,421.00
Surplus / (deficit) in the Statement of Profit and Loss		
Balance at the beginning of the year	2,116.63	1,714.08
Add: Profit for the year	764.35	402.55
Add - Change in Investments	-	-
Balance at the end of the year	2,880.98	2,116.63
Total	4,301.98	3,537.63

5 Money received against Share Warrant

Particulars	As at March 31, 2025	As at March 31, 2024
Money received against Share Warrant	718.36	-
Total	718.36	-

Money received against share warrants represents amounts received from warrant holders, giving them the right to apply for equity shares of the company at a later date. Pending such conversion into equity shares, the amount has been disclosed separately under “Shareholders’ Funds” as per Schedule III requirements.

6 Long Term Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured:		
- From Banks (Term Loan) *	848.71	872.32
Total	848.71	872.32

* Please refer below table for further terms of loans.

Terms of Loan

Nature of security:	Terms of repayment
i Term loan of Rs. 412.28 Lakhs (425 Lakhs) as on 31.03.2025 as secured by factory land and building situated at 2305-2307 and plot no. 277 GIDC with all plant & machinery covered under this term loan at Umbergoan Gujarat	Repayable in 30 monthly instalments. Last Installment due on September, 2027 Rate of Interest: 8.50% to 9.10%
ii Term loan of Rs. 112.75 Lakhs (155.03 Lakhs) as on 31.03.2025 as secured by Directors Flat No. 401,402, 701, 702, 1101, 1102 at Shriniketam, Shree Saibaba Nagar, Evershine Nagar, Malad (W), Mumbai-400064	Repayable in 40 monthly instalments. Last Installment due on July, 2028 Rate of Interest: 9.25%
iii Term loan of Rs. 235.02 Lakhs (272.51 Lakhs) as on 31.03.2025 as secured by Directors Flat No. 401,402, 701, 702, 1101, 1102 at Shriniketam, Shree Saibaba Nagar, Evershine Nagar, Malad (W), Mumbai-400064	Repayable in 93 monthly instalments. Last Installment due on December, 2032 Rate of Interest: 9.25%
iv Term loan of Rs. 65.34 Lakhs (106.91 Lakhs) as on 31.03.2025 as secured by Directors Flat No. 401,402, 701, 702, 1101, 1102 at Shriniketam, Shree Saibaba Nagar, Evershine Nagar, Malad (W), Mumbai-400064	Repayable in 23 monthly instalments. Last Installment due on February, 2027 Rate of Interest: 9.25%
v Term loan of Rs. 331.40 Lakhs (350.00 Lakhs) as on 31.03.2025 as secured by Directors Flat No. 401,402, 701, 702, 1101, 1102 at Shriniketam, Shree Saibaba Nagar, Evershine Nagar, Malad (W), Mumbai-400064	Repayable in 24 monthly instalments. Last Installment due on March, 2027 Rate of Interest: 9.25%
vi Axis Bank Ltd. (Innova Car)	Repayable in 72 monthly installments. Last installment due Aug-2028 Rate of Int @ 10.50%
vii HDFC Bank Ltd. (Nexon Car)	Repayable in 48 monthly installments. Last installment due Dec-2026 Rate of Int @ 10.50%
viii State Bank of India (Volkswagen Virtus Car)	Repayable in 48 monthly installments. Last installment due Dec-2028 Rate of Int @ 10.50%

Veekayem Fashion And Apparels Limited**CIN : U17120MH1985PLC037516****Notes to Financial Statements for the year ended 31st March, 2025**

(All amounts are ₹ in Lakhs, unless otherwise stated)

7 Deferred Tax Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liability - Related to Fixed Assets	202.03	234.20
Gratuity provision	(24.05)	(20.70)
Total	177.98	213.50

8 Long-term provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity (Refer note 30)	59.00	48.75
Total	59.00	48.75

9 Other Long-term Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good Security Deposit	30.00	55.00
Total	30.00	55.00

10 Short-term borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Loans repayable on demand		
(i) From Banks (Secured)	8,528.78	7,051.62
(ii) From Others		
-Loans from Others (NBFC)	330.89	
-Loans from Share Holders	625.14	735.26
-Loans and advances from related parties (Un-secured)	536.73	668.92
(b) Current Maturities of long term borrowings	337.69	236.48
Total	10,359.23	8,692.27

Note: Short term loan from SBI (6601.72) is bearing 9.40% rate of interest and hypothicated by factory premises at 2305/2306 GIDC and plot no 277 GIDC and against stock and debtors.

Short term loan from ICICI (1927.06) is bearing 9.25% rate of interest and as secured by Directors Flat No. 401,402, 701, 702, 1101, 1102 at Shriniketam, Shree Saibaba Nagar, Evershine Nagar, Malad (W), Mumbai 400064 and against stock and debtors.

Interest rate in NBFC will be charged @ 10% And from share holders @ 15%.

Interest rate for related parties will be charged @ 12%

Veekayem Fashion And Apparels Limited

CIN : U17120MH1985PLC037516

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

(₹ In Lakhs)

11 Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Due to Micro and Small Enterprises	1,037.20	540.91
Others	2,150.75	759.15
Total	3,187.95	1,300.05

Trade Payables Ageing as on 31st March, 2025

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i) MSME	897.58	112.09	27.53	-	-	1,037.20
(ii) Others	2,062.54	71.56	12.50	3.05	1.10	2,150.75
(iii) Disputed dues - MSME						
(iv) Disputed dues - Others						
Total	2,960.12	183.65	40.03	3.05	1.10	3,187.95

Trade Payables Ageing as on 31st March, 2024

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i) MSME	540.91	-	-	-	-	540.91
(ii) Others	733.14	18.22	5.93	0.46	1.39	759.14
(iii) Disputed dues - MSME						
(iv) Disputed dues - Others						
Total	1,274.05	18.22	5.93	0.46	1.39	1,300.05

Note : The information regarding dues to Micro Small and Medium Enterprises have been determined on the basis of information available with the company.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount remaining unpaid to any supplier as at the end of accounting year;	3,187.95	1,300.05
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier		-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	17.68	-
The amount of further interest due and payable even in the succeeding year, 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.	-	-

12 Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits payable	159.22	117.13
Statutory dues	27.39	24.97
Advance Received from Customers	36.59	38.88
Total	223.20	180.99

13 Short-term provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity (Refer Note No 30)	36.55	33.49
Provision for Income Tax (net off advance tax & TDS)	99.39	22.79
Total	135.94	56.28

Veekayem Fashion And Apparels Limited

CIN : U17120MH1985PLC037516

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

14a. Property, Plant and equipment

(₹ In Lakhs)

Particulars	Land	Building	Plant and Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Solar Equipments	Total
Gross Block								
As at 01/04/2024	194.09	1,572.89	3,009.11	166.04	169.75	344.72	-	5,456.60
Additions	-	35.60	357.40	80.03	-	110.55	242.09	825.67
Deductions / Adjust.	-	-	-	-	-	-	-	-
As at 31/03/2025	194.09	1,608.49	3,366.51	246.07	169.75	455.27	242.09	6,282.27
Depreciation								
Up to 01/04/2024	-	406.21	2,214.38	57.28	113.74	219.81	-	3,011.42
For the year	-	23.51	108.78	16.89	9.99	47.37	16.42	222.96
Deductions / Adjust.	-	-	-	-	-	-	-	-
As at 31/03/2025	-	429.72	2,323.16	74.17	123.73	267.18	16.42	3,234.38
Net Block								
31/03/2024	194.09	1,166.68	794.73	108.76	56.01	124.90	-	2,445.18
31/03/2025	194.09	1,178.77	1,043.35	171.90	46.02	188.08	225.67	3,047.88

14b. Capital Work-in-progress

(₹ In Lakhs)

Particulars	Amount
Balance as at 01/04/2024	-
Additions during the year	332.89
Transferred to Property, Plant & Equip.	242.09
Adjustments / Write-off	-
Balance as at 31/03/2025	90.80

15 Non-Current Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in unquoted Equity		
22,375 Equity Shares of The Cosmos Co-op. Bank Ltd	25.00	25.00
Total	25.00	25.00

16 Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
Finished Goods	5,277.53	4,133.55
Raw Mateial	2,414.90	2,388.24
Total	7,692.42	6,521.79

Veekayem Fashion And Apparels Limited

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

17 Trade Receivable

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good	9,314.62	6,155.78
Total	9,314.62	6,155.78

17.10 Ageing of trade receivables and credit risk arising there from is as below:**Ageing of Trade Receivables as at 31st March, 2025**

Outstanding for following period from due date of payment						
Particulars	less than 6 months	6 months - 1year	1-2 years	2-3 years	more than 3 years	Total
(i) Undisputed Trade receivables – considered good	9,263.96	31.11	12.35	2.83	4.09	9,314.34
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Total	9,263.96	31.11	12.35	2.83	4.09	9,314.34

Ageing of Trade Receivables as at 31st March, 2024

Outstanding for following period from due date of payment						
Particulars	less than 6 months	6months - 1year	1-2 years	2-3 years	more than 3 years	Total
(i) Undisputed Trade receivables – considered good	6,129.94	18.92	2.83	1.86	2.23	6,155.78
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Total	6,129.94	18.92	2.83	1.86	2.23	6,155.78

18 Cash and bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and Cash Equivalents		
Cash on hand	3.88	1.95
Bank balances		
- In current accounts	1.57	5.10
- In Deposit accounts	24.82	9.60
Total	30.28	16.64

19 Short-term loans and advances

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit		
Deposits	65.13	56.18
Other Loans and Advances		
Advance to suppliers	72.21	136.53
Prepaid expenses	1.99	2.15
Balances with Government Authorities	285.55	170.83
Advances to employees	4.01	13.42
Total	428.90	379.10

20 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Income Tax & TDS (net off provision for tax)	-	0.84
Total	-	0.84

21 Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Sales of Goods *	32,043.06	24,290.15
Other		
Export Incentives	86.40	91.98
Total	32,129.46	24,382.14

*** Details of Product Sold**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<u>Finished Goods</u>		
Cloth Sales	21,319.84	18,077.87
Garment Sales	10,448.46	5,281.47
Other Sales	274.76	930.81
Total	32,043.06	24,290.15

22 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent Income	23.46	22.13
Interest Income	6.22	26.89
Profit on sale of Investment	5.07	0.90
Dividend	-	-
Total	34.74	49.91

Veekayem Fashion And Apparels Limited

CIN : U17120MH1985PLC037516

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

(All amounts are ₹ in Lakhs, unless otherwise stated)

23 Cost of Material Consumed

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock	2,388.24	2,257.74
Add : Purchases	27,493.47	19,481.29
Less : Closing stock	2,414.90	2,388.24
Total	27,466.82	19,350.79

24 Change in inventory of Finished Goods, WIP and Stock in Trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventory at the End of the Year		
Finished Goods	5,277.53	4,133.55
Inventory at the Beginning of the Year		
Finished Goods	4,133.55	4,081.04
Total	(1,143.98)	(52.52)

25 Employee Benefit Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Wages and Bonus	1,535.21	1,498.02
Contribution to Provident and Other Funds	18.98	26.69
Gratuity [Refer Note 30]	28.82	13.86
Staff Welfare Expenses	21.20	19.46
Total	1,604.21	1,558.03

26 Finance Costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest Expense	1,097.55	898.68
Bank Charges	81.41	61.50
Total	1,178.96	960.18

27 Other Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement	2.69	-
Audit Fees	3.00	3.95
Commission and Brokerage	99.81	105.59
Donation	-	5.02
Vehicle Expenses	5.09	5.30
Insurance Expenses	40.52	46.43
Job charges	1,103.05	1,208.31
Freight & Cartage	6.04	4.24
Power & Fuel	199.34	230.44
Repair & Maintenance	22.95	25.73
Telephone Expenses	1.61	2.24
Transportation charges	146.05	108.83
Water Charges	2.66	4.73
Postage & Courier Charges	3.02	3.05
Professional & Legal Expenses	47.89	24.89
Rent, Rates & Taxes	72.03	33.74
Printing & Stationary	14.70	14.57
Travelling & Conveyance	22.36	31.37
Security Charges	22.08	22.08
Sales Pramotion	34.28	1.57
Miscellaneous Expenses	22.14	41.40
Total	1,871.31	1,923.49

Veekayem Fashion And Apparels Limited**CIN : U17120MH1985PLC037516****Notes to Financial Statements for the year ended 31st March, 2025**

(All amounts are ₹ in Lakhs, unless otherwise stated)

28 Related party transactions**(a) Names of related parties and nature of relationship:**

Names of related parties	Description of Relationship	
(i) Key Management Personnel/Parties where control exists		
Heera Textile	Significant influence	Significant influence
Amit Kumar Gupta	Director	-
Arun Kumar Gupta	Director	-
Hemant Kumar Gupta	Director	-
Krishnakant Gupta	Director	Director
Madanlal Gupta	Director	Director
Maheshkant Gupta	Director	Director
Surendra Kumar Gupta	Director	Director
Vijay Kumar Gupta	Director	Director
(ii) Relatives of the Key Management Personnel		
Dhananjay Surendra Gupta	Relatives of Director	Relatives of Director
Harshawardhan Maheshkant Gupta	Relatives of Director	Relatives of Director
Heera Textile	Relatives of Director	Relatives of Director
Hemanshu Gupta	Relatives of Director	Relatives of Director
Kalpesh Jagdish Gupta	Relatives of Director	Relatives of Director
Kashyap Gupta	Relatives of Director	Relatives of Director
Mukesh Gupta	Relatives of Director	Relatives of Director
Narendra Gupta	Relatives of Director	Relatives of Director
Sachin Gupta	Relatives of Director	Relatives of Director

(b) Disclosure in respect of transactions:

(₹ In Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Loan Received during the year		
Heera Textile	596.47	170.16
(ii) Loan Repayment during the year		
Heera Textile	168.38	420.16
(iii) Interest Expenses		
Heera Textile	38.87	56.17
(iv) Key Management Personnel remuneration		
Amit Kumar Gupta	21.57	19.29
Arun Kumar Gupta	20.92	18.09
Dhananjay Surendra Gupta	11.85	10.05
Harshvardhan Maheshkant Gupta	9.84	9.84
Hemanshu Gupta	11.99	10.20
Hemant Kumar Gupta	18.13	13.16
Kalpesh Kumar Gupta	8.10	7.20
Kashyap Gupta	7.34	6.49
Kaushik Gupta	9.12	12.05
Krishnakant Gupta	17.67	12.00
Madanlal Gupta	13.55	11.77
Maheshkant Gupta	18.07	18.97
Mukesh Kumar Gupta	6.60	6.36
Narendra Kumar Gupta	2.64	2.64
Radheshyam Gupta	12.04	12.04
Sachin Kumar Gupta	14.33	11.92
Surendra Kumar Gupta	19.75	27.65
Vijay Kumar Gupta	12.00	12.69

(c) Disclosure in respect of balances:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Year End Balance:		
Heera Textile	668.92	235.55

Veekayem Fashion And Apparels Limited**CIN : U17120MH1985PLC037516****Notes to Financial Statements for the year ended 31st March, 2025**

(All amounts are ₹ in Lakhs, unless otherwise stated)

29 Earnings Per Equity Share

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Net Profit attributable to equity shareholders	Rupees	764.35	402.55
Equity Shares outstanding	Numbers	58,75,730	58,75,730
Nominal Value of Equity Share	Rupees	10	10
Basic Earnings per Share	Rupees	13.01	6.85
Diluted Earnings per Share	Rupees	12.44	6.85

30 Disclosure as per AS 15 "Employee Benefits" :

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan), to its employees. The Gratuity Plan provided a lump sum payment to vested employees at retirement or termination of employment, an amount based on the respective employee's last drawn salary and years of employment with the Company. The plan is unfunded.

The principal assumptions used in the actuarial valuation of gratuity are as follows:-

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.55%	5.15%
Expected rate of withdrawals	50.00%	50.00%
Expected rate of future salary increase	7.00%	7.00%

Changes in present value of obligations :

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation as at the beginning of the year	82.24	80.40
Interest cost	4.71	4.61
Current service cost	14.72	14.59
Past service cost	-	-
Benefits paid	(15.49)	(12.03)
Actuarial (gain) / loss on obligations	9.38	(5.33)
Present value of obligation as at the end of the year	95.56	82.24

Liability recognized in the Balance Sheet :

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation as at the end of the year	95.56	82.24
Fair Value of plan assets as at the end of the year	-	-
Unfunded status	95.56	82.24
Unrecognized actuarial (gain) / loss	-	-
Net (assets) / liability recognized in the balance sheet	95.56	82.24
Non current liability / (asset)	59.00	48.75
Current liability / (asset)	36.55	33.49

Expenses recognized in the Statement of Profit and Loss :

Particulars	As at March 31, 2025	As at March 31, 2024
Current service cost	14.72	14.59
Past service cost	-	-
Interest cost	4.71	4.61
Actuarial (gain) / loss on obligations	9.38	(5.33)
Actuarial (gain) / loss on plan assets	-	-
Total expenses recognised in statement of profit & loss	28.81	13.87

31 Payments to Auditors

Particulars	31-03-2025	31-03-2024
As Auditors:		
Audit fees	2.50	3.45
Tax audit	0.50	0.50
Total	3.00	3.95

32 The Company valued Raw Material & Work in Progress are being valued at cost and Finished Goods are Being valued at Direct Cost or Market Value whichever is Lower as per the provision of AS-2 relating to Valuation of Inventories applies.

33 The current assets, loans & advances are stated at the value which in the opinion of the management are realisable in the ordinary course of business. Current liabilities and provisions are stated at the value payable in the ordinary course of business.

34 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

35 (a) Financial Ratios: The ratios as per the latest amendment to Schedule III are as below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	% Change	Reason for Change	Basis Of Ratios
(1) Current ratio	1.26	1.28	-2%		Total Current Assets/ Total Current Liabilities
(2) Net debt equity ratio	19.02	16.25	17%	There has been an increase in share capital during the year and thus change in average equity.	Net debt/Average equity
(3) Debt service coverage ratio#	1.83	1.58	15%		(EBIT/(Net finance charges + Interest income from group companies + Scheduled principal repayments of noncurrent borrowings and lease obligations (excluding prepayments) during the period))
(4) Return on Equity (%)	1.30	0.69	90%	There is increase in turnover of the company resulting in increase in profitability hence favourable change in this ratio.	Profit after tax (PAT)/Average Equity
(5) Inventory turnover ratio	3.57	2.97	20%	There is increase in business of the company accordingly increase in cost of Goods sold hence change in this ratio.	Cost of Goods Sold/Average Inventory
(6) Debtors turnover ratio	3.45	3.96	-13%	There is increase in turnover of the company hence change in this ratio.	Net Credit Sales/Average Account Receivable
(7) Trade payables turnover ratio	8.62	14.98	-42%	There is increase in business of the company accordingly increase in Purchase hence change in this ratio.	Net Credit Purchase/Average Trade Payable
(8) Net capital turnover ratio	9.03	8.57	5%		Turnover/Average Working Capital
(9) Net profit ratio (%)	2.38%	1.65%	44%		Net profit after tax/Turnover
(10) Return on Capital Employed (%)#	17.90%	14.50%	23%	There is increase in turnover of the company resulting in increase in profitability hence favourable change in this ratio.	EBIT/Average capital employed
(11) Return on investment (%)	20.42%	86.71%	-76%	There is increase in other Income hence change in this ratio.	Other Income/Average of Investment & Cash & Cash Equivalents

(b) Reconciliation of Quarterly Returns submitted to Banks:

The Company has filed all returns regularly to the banks. There has been no material differences and the amount as per books of account are in agreement with amount as reported in quarterly returns except as mentioned herein below :

(i) For the year ended 31st March, 2025 :

Quarter ended	Particulars of account balances	Amount as per books of account	Amount as reported in the quarterly return/statements	Amount of Difference	Reason for Material Differences
June, 2024	Trade Receivables	6,585.43	6,571.61	13.83	
	Trade Payables	1,838.55	1,806.52	32.04	
	Inventories	7,093.42	7,093.42	-0.00	
September, 2024	Trade Receivables	7,976.59	7,886.53	90.05	
	Trade Payables	2,896.56	2,822.63	73.94	
	Inventories	7,623.92	7,623.92	-	
December, 2024	Trade Receivables	9,281.60	9,271.70	9.90	
	Trade Payables	3,730.78	3,716.08	14.71	
	Inventories	7,507.11	7,507.11	-	
March, 2025	Trade Receivables	9,340.14	9,315.28	24.85	
	Trade Payables	2,971.99	2,923.80	48.18	
	Inventories	7,692.42	7,690.75	1.68	

(i) For the year ended 31st March, 2024:

Quarter ended	Particulars of account balances	Amount as per books of account	Amount as reported in the quarterly return/statements	Amount of Difference	Reason for Material Differences
June, 2023	Trade Receivables	3,788.57	3,726.42	62.15	
	Trade Payables	836.02	791.58	44.43	
	Inventories	7,020.09	7,020.09	-	
September, 2023	Trade Receivables	4,980.64	4,961.29	19.35	
	Trade Payables	1,245.22	1,228.66	16.56	
	Inventories	7,159.83	7,159.83	-	
December, 2023	Trade Receivables	5,563.51	5,479.21	84.30	
	Trade Payables	1,144.24	1,138.62	5.63	
	Inventories	6,681.33	6,681.33	-	
March, 2024	Trade Receivables	6,177.02	6,153.72	23.31	
	Trade Payables	1,360.05	1,374.60	-14.54	
	Inventories	6,521.79	6,495.17	26.62	

36 Additional Regulatory Information**(a) Details of Benami Property held**

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(b) Details of Loans and advances

The company has not granted any loans and advances to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

(c) Wilful Defaulter

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

(d) Relationship with Struck off Companies

The Company do not have any transactions with companies struck off.

(e) Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

(f) Compliance with number of layers of companies

The company has complied with the provision of 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.

(g) Compliance with approved Scheme(s) of Arrangements

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(h) Discrepancy in utilization of borrowings

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.

(i) Utilisation of Borrowed funds and share premium:

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(is), including foreign entities (Intermediaries).

(B) the company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party).

The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

37 Additional Regulatory Information

Undisclosed income

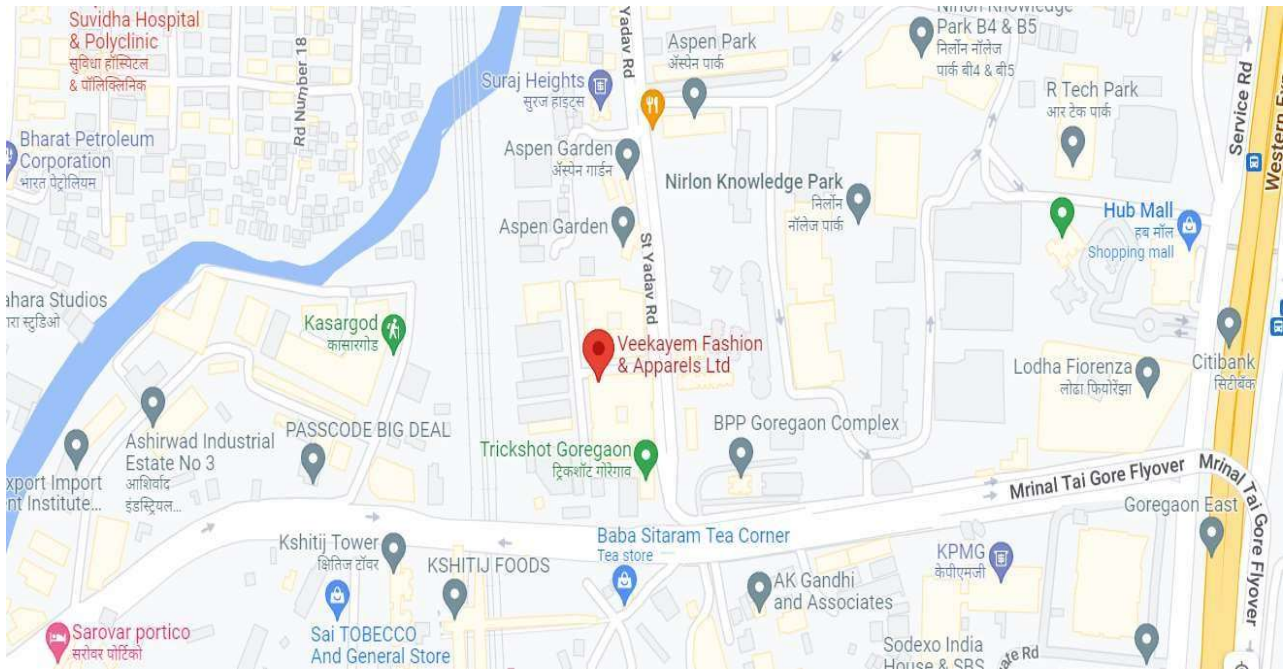
The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency.



ROUTE MAP FOR VENUE OF THE AGM



VENUE OF AGM

113, UDYOG BHAVAN, SHARMA IND. ESTATE, WALBHAT ROAD, GOREGAON EAST,
MUMBAI 400063 MH IN



VEEKAYEM FASHION AND APPARELS LIMITED

REGD. OFF. : - 113, UDYOG BHAVAN, SHARMA IND. ESTATE, WALBHAT ROAD, GOREGAON EAST, MUMBAI - 400063

Email: admin_mumbai@vkmgroups.biz

Website: www.vkmgroups.com

Telephone No. 022- 40351414, 40351481

CIN: U17120MH1985PLC037516

ATTENDANCE SLIP

(Full name of the members attending _____)

(In block capitals)

Ledger Folio No./Client ID No. No. _____ of shares held:

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 40th Annual General Meeting of the VEEKAYEM FASHION AND APPARELS LIMITED 113, Udyog Bhavan, Sharma Ind. Estate, Walbhat Road, Goregaon East, Mumbai – 400063 on Tuesday, 30th September 2025 at 04:30 P.M.

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 3) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

**Form No. MGT-11,
Proxy Form**
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies
(Management and Administration) Rules, 2014]

Name of the Member(s)		
Registered Address		
E-mail Id:	Folio No /Client ID:	DP ID:

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40th Annual General Meeting of the company, to be held on at 113, Udyog Bhavan, Sharma Ind. Estate, Walghat Road, Goregaon East, Mumbai MH 400063 IN, on Tuesday 30th September 2025 at 04:30 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(S)	I /we Assent to the Resolution (FOR)	I /we dissent to the Resolution (AGAINST)
1.	To receive, consider and adopt the Audited Balance Sheet of the Company as on 31 st March, 2025 and the Profit and Loss Account for the year ended on that date and Reports of Auditors and Directors thereon		
2.	To appoint a Director in place of Mr. Vijay Kumar Gupta, Whole-time Director (DIN: 01781934) who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Appointment of H. Maheshwari & Associates, Company Secretaries as Secretarial Auditor of the company for term of five (5) consecutive years and fixation of remuneration thereof.		

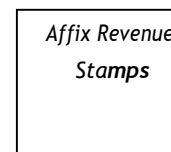
***Applicable for investors holding shares in Electronic form.**

Signed this____day of __2025

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder Across Revenue Stamp



Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company.



VEEKAYEM FASHION AND APPARELS LIMITED

REGD. OFF. : - 113, UDYOG BHAVAN, SHARMA IND. ESTATE, WALBHAT ROAD, GOREGAON EAST, MUMBAI - 400063

Email: admin_mumbai@vkmgroups.biz

Website: www.vkmgroups.com

Telephone No. 022- 40351414, 40351481

CIN: U17120MH1985PLC037516

POLLING PAPER (FORM NO.MGT-12)

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: VEEKAYEM FASHION AND APPARELS LIMITED		
Registered Office: 113, UDYOG BHAVAN, SHARMA IND. ESTATE, WALBHAT ROAD, GOREGAON EAST, MUMBAI - 400063		
CIN: U17120MH1985PLC037516		
BALLOT PAPER		
S. No.	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

S. No.	Item No.	Type of Resolution	No. of Shares held by me	I assent to the Resolution	I dissent from resolution
1.	To receive, consider and adopt the Audited Balance Sheet of the Company as on 31 st March, 2025 and the Profit and Loss Account for the year ended on that date and Reports of Auditors and Directors thereon				
2	To appoint a Director in place of Mr. Vijay Kumar Gupta, Whole-time Director (DIN: 01781934) who retires by rotation and being eligible, offers himself for re-appointment.				
3.	Appointment of H. Maheshwari & Associates, Company Secretaries as Secretarial Auditor of the company for term of five (5) consecutive years and fixation of remuneration thereof.				

Place: Mumbai

Date:

(Signature of the shareholder)