



IS/ISO 9001 - 2000

APM INDUSTRIES LIMITED

910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019

Phone : (011) 26441015-17 Fax : (011) 26441018

E-mail : delhi@apmindustries.co.in

CIN No. : **L21015RJ1973PLC015819**

Website : www.apmindustries.co.in

August 29, 2025

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Ref: Scrip Code 523537

Sub: Annual Report along with Notice of 51st Annual General Meeting

Dear Sir/Ma'am,

Pursuant to the provisions of Regulation 30, 34 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we wish to inform the following: -

1. The 51st Annual General Meeting ('AGM') of the members of APM Industries Limited will be held on Wednesday, September 24, 2025 at 12:30 P.M. (IST) through Video Conferencing / Other Audio-Visual Means ('VC/OAVM'), in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India;
2. Pursuant to the said circulars, Annual Report for financial year 2024-25 along with Notice of 51st AGM are being sent through electronic mode to all the Members whose email ids are registered with the Company/Registrar and Transfer Agent ('RTA')/Depository Participant ('DP') and in compliance with Regulation 36(1)(b) of the Listing Regulations, the Company has initiated sending a letter to the Members whose e-mail ids are not registered with the Company/RTA/DP providing the weblink where the Annual Report for financial year 2024-25 along with Notice of 51st AGM can be accessed on the Company's website;
3. The Company has provided the facility to its Members to cast their vote electronically, through the remote e-Voting facility (prior to AGM) and e-Voting facility (during the AGM), on all the resolutions set forth in the AGM Notice, who are holding shares on the Cut-off date i.e. Wednesday, September 17, 2025. The remote e-voting will commence at 09:00 a.m. (IST) on Sunday, September 21, 2025 and end at 05:00 p.m. (IST) on Tuesday, September 23, 2025. Detailed instructions for registering email addresses(s) and voting/ attendance at the AGM are given in the AGM Notice;
4. The Annual Report along with AGM Notice for financial year 2024-25 are enclosed herewith.

This is for your information and records.

Thanking You,

Yours faithfully,

For **APM Industries Limited**

Neha Goel

Company Secretary

Encl:- as above

51st
A
NNUAL
REPORT
2024-2025

APM INDUSTRIES LIMITED

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Shri Rajendra Kumar Rajgarhia
Chairman and Whole time Director

Shri Hari Ram Sharma
Managing Director

Shri Sanjay Rajgarhia
Non-Executive Director

Shri Manish Garg
Independent Director

Smt. Nirmala Bagri
Independent Director

Shri Harpal Singh Chawla
Independent Director

**COMPANY SECRETARY AND
COMPLIANCE OFFICER**

Mrs. Neha Goel

REGISTERED OFFICE & WORKS

SP-147, RIICO Industrial Area, Bhiwadi,
District Khairthal-Tijara, Rajasthan-301019
Tel: 01493-265400

Email: bhiwadi@apmindustries.co.in
Website: www.apmindustries.co.in

CORPORATE OFFICE

910, Chiranjiv Tower, 43,
Nehru Place, New Delhi-110019
Tel: 011-26441015-18

Email: csapmindustriesltd@gmail.com

STATUTORY AUDITORS

Chaturvedi & Partners
Chartered Accountants,
501, Devika Tower 6,
Nehru Place, New Delhi-110019

INTERNAL AUDITORS

M M Sharma & Co.
Chartered Accountants,
1214, Chiranjiv Tower, 43,
Nehru Place, New Delhi-110019

BANKERS

State Bank of India
HDFC Bank

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Pvt Ltd
D-153/A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020
Tel: 011-40450193-97
Email: info@skylinerta.com

CORPORATE IDENTITY NUMBER

L21015RJ1973PLC015819

STOCK EXCHANGE

BSE Limited

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NOTICE

NOTICE is hereby given that the 51st Annual General Meeting of the Members of **APM Industries Limited** will be held on **Wednesday, the 24th day of September, 2025 at 12:30 P.M. (IST)** through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact the following business: -

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajendra Kumar Rajgarhia (DIN: 00141766), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**: -

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 152 (6) and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Articles of Association of the Company, and subject to such approvals as may be necessary, the consent of the members be and is hereby accorded to the continuation of appointment of Shri Rajendra Kumar Rajgarhia (DIN: 00141766), who has attained the age of 86 years, as Whole-Time Director and Chairman of the Company for the remaining term of his appointment i.e., from June 01, 2024 to May 31, 2027, on the terms and conditions including remuneration as already approved by the members by way of special resolution through postal ballot and remote e-voting on February 11, 2024.

RESOLVED FURTHER THAT in accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Shri Rajendra Kumar Rajgarhia retires from office by rotation and being eligible, offers himself for continuation of re-appointment as a Whole-Time Director of the Company.

SPECIAL BUSINESS

3. **To Appoint M/s RSM & Co., Company Secretaries, as the Secretarial Auditors of the Company.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**: -

"RESOLVED THAT pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. RSM & Co., Company Secretaries (Peer Review Certificate No.: 978/2020 and ICSI Firm Registration No.: P1997DE017000), be and are hereby appointed as the Secretarial Auditors of the Company, for a term of five consecutive years from financial year 2025-26 to financial year 2029-30, on such annual remuneration plus applicable taxes and reimbursement of out-of-pocket expenses as shall be fixed by the Board of Directors of the Company in consultation with the Secretarial Auditors, from time to time.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and are hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto."

4. **To Ratify the Cost Auditors' Remuneration for the Financial Year 2025-26.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**: -

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to Shri Naresh Kumar Goel, Cost Accountant (Membership No.: 9876), appointed by the Board of Directors as the Cost Auditor of the Company, based on the recommendation of the Audit Committee, to audit the cost records of the Company for the financial year ending March 31, 2026, amounting to Rs. 60,000/- (Rupees Sixty Thousand only) plus taxes, as applicable and reimbursement of out of pocket expenses incurred in connection with the audit, be and is hereby ratified by the members of the Company."

Registered Office:-

SP-147, RIICO Industrial Area,
Bhiwadi, District Khairthal-Tijara,
Rajasthan - 301019
Tel: (01493)- 265400
e-mail: csapmindustriestd@gmail.com
website: www.apmindustries.co.in

By Order of the Board

For APM Industries Limited

Neha Goel

Company Secretary
M. No.: 48053

Place: New Delhi

Dated: July 31, 2025

NOTES:-

1. In accordance with the provisions of the Companies Act, 2013 ('the Act'), read with the Rules made thereunder and General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs ('MCA'), Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by Securities and Exchange Board of India ('SEBI') and such other applicable circulars issued by MCA and SEBI ('the Circulars'), Companies are allowed to hold Annual General Meeting ('AGM') through video conference or other audio visual means ('VC/OAVM') till September 30, 2025, without the physical presence of members at a common venue. Accordingly, the 51st AGM of the members of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the MCA Circulars, items of special business as mentioned in this Notice are considered unavoidable and forms part of this Notice.
2. An Explanatory Statement pursuant to Section 102 of the Act, in respect of Item nos. 2 to 4 of the Notice set out above, is annexed hereto.

Further, information pursuant to the provisions of Secretarial Standard-2 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

('the Listing Regulations') for item no. 2, is attached as Annexure to this Notice.

3. As the AGM is being conducted through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy by the Members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

However, in pursuance of Section 112 and Section 113 of the Act, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and to vote through electronic means.

4. The Members attending the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
6. Members are requested to note that, dividends if not encashed or remaining unclaimed/unpaid for a period of seven (7) years from the date of transfer to Company's Unpaid Dividend Account, are liable to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government. Further, all shares in respect of which dividend has remained unclaimed for seven (7) consecutive years or more from the date of transfer to unpaid dividend account are also liable to be transferred to IEPF Authority in terms of Section 124 of the Act read with IEPF Rules made thereunder. The Company has been sending reminders to Members having unpaid/ unclaimed dividends before transfer of such dividend or shares to IEPF. Details of the unpaid/ unclaimed dividend are also uploaded on the website of the Company at www.apmindustries.co.in. Accordingly, Members who have not yet claimed the dividend, from the financial year ended March 31, 2018 onwards are requested to write immediately to Company's Registrar and Transfer Agent ('RTA'), Skyline Financial Services Private Limited. Further, Members who have not claimed or encashed their dividend(s) in the last seven (7) consecutive years from 2018-19 are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the corresponding shares to the IEPF Account in accordance with the prescribed procedure under the IEPF Rules. The Members, whose unclaimed dividends and/ or shares have been transferred to IEPF, can claim back from IEPF Authority by submitting an online application in prescribed Form IEPF-5 available on the website i.e. www.iepf.gov.in after following the procedure prescribed therein.
7. SEBI vide Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (Contact Details, Bank Details, and Specimen Signature), and Nomination details.

As per the provision of said Circular, amended from time to time, it is mandatory for the shareholders holding securities in physical form to update their PAN, address, Mobile Number, bank Account details and specimen signature with RTA. In view of the same, it may be noted that any service request can be processed only after the folio is KYC compliant. In the case, wherein any one of the above details are not updated, such shareholders will be able to: -

- lodge any grievance or avail any service only after furnishing all necessary details required above; and
- receive any payments including dividend in respect of such folios only electronically with effect from April 01, 2024, upon registering the required details.

The Company has sent individual letters to all the shareholders holding shares of the Company in physical form for furnishing their PAN, KYC and nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <https://www.apmindustries.co.in/investors/updation-of-kyc-details-compulsory-issue-of-shares-in-dematerialized-form/>.

In accordance with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, all investors are encouraged, in their own interest, to provide their choice of nomination. Investors holding shares in physical form may contact the RTA of the Company, while those holding shares in dematerialised form are advised to approach their respective Depository Participant(s) ('DPs'). Further, all new investors are mandatorily required to provide the choice of nomination at the time of opening demat accounts, except in the case of jointly held demat accounts.

Accordingly, the members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

8. In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, the members are advised to dematerialise their holdings.
 9. SEBI vide Master Circular No. SEBI/HO/MIRSD/ MIRSD-PoD/ P/CIR/2025/91 dated June 23, 2025 has mandated the listed companies to issue securities for the following investor service requests only in dematerialised form: (i) Issue of duplicate securities certificate (ii) claim from unclaimed suspense escrow demat account (iii) renewal/exchange of securities certificate (iv) endorsement (v) sub-division/splitting of securities certificate (vi) consolidation of securities certificates/folios (vii) transmission; and (viii) transposition.
- Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://www.apmindustries.co.in/investors/updation-of-kyc-details-compulsory-issue-of-shares-in-dematerialized-form/>. Members can contact the Company or RTA, for any assistance in this regard. It may be noted that any service request can be processed only after the folio is KYC Compliant.
10. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making a nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a member desires to opt-out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at <https://www.apmindustries.co.in/investors/updation-of-kyc-details-compulsory-issue-of-shares-in-dematerialized-form/>. Members are requested to submit the said details to their Depository

Participant in case the shares are held by them in dematerialized form and to Company's RTA in case the shares are held in physical form.

11. All shares and dividend related correspondence may be sent to RTA of the Company at the following address: -

Skyline Financial Services Private Limited

(Unit: APM Industries Limited)

D-153/A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi-110020

Tel: 011-40450193-97

Email: parveen@skylinerta.com

In all correspondence, please quote your Folio No. / DP ID and Client ID.

12. The relevant documents referred to in the accompanying Notice and the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, shall be available for inspection through electronic mode. Members may write to the Company at csapmindustriestd@gmail.com to request for inspection of the said documents. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by members during the AGM. To access these documents, members are required to follow the steps mentioned in Note No. 17(vii) – 'Step 1: Access to NSDL e-Voting system'. Upon successful login, members will be able to view the documents by clicking on the link available against the EVEN of the Company.

13. In compliance with Circulars, the Annual Report for financial year 2024-25 along with the Notice of the 51st AGM including instructions for e-voting is being sent through electronic mode to those members whose email IDs are registered with the Company/ RTA and Depository Participants. Annual Report for financial year 2024-25 along with Notice of the 51st AGM will also be available on the Company's website at www.apmindustries.co.in, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com.

In case any Member is desirous of obtaining physical copy of the Annual Report for the financial year 2024-25 along with the Notice of the 51st AGM of the Company, may send a request to the Company at csapmindustriestd@gmail.com or Company's RTA at parveen@skylinerta.com mentioning their Folio No. / DP ID and Client ID.

Additionally, as per Regulation 36(1)(b) of the Listing Regulations a letter providing the weblink of the Annual Report for financial year 2024-25, will be sent to those shareholder(s) who have not registered their email address with the Company/ Depositories/RTA.

The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e., date and time of AGM, details for e-voting, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses and other matters as may be required.

14. In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and Regulation 44 of the Listing Regulations, as

amended, read with MCA Circulars, the Members are provided with the facility to cast their vote electronically, through the remote e-Voting facility (prior to AGM) and e-Voting facility (during the AGM), on all the resolutions set forth in this Notice. The facility of casting votes will be provided by NSDL.

15. Shareholders are informed that in terms of the provisions of the Listing Regulations, the Company is required to intimate the Stock Exchange the details of the agreements entered into by the Shareholders, Promoter(s), members of the Promoter(s) group, Related Parties, Directors, Key Managerial Personnel, Employees of the Company or of its Holding, Subsidiary or Associate Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements.

Accordingly, it is hereby advised to the shareholders to inform the Company about any such agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. The Company will inform the details of such agreements to the Stock Exchange on it becoming aware of it within the prescribed timelines.

[Explanation: - For the purpose of this clause, the term "directly or indirectly" includes agreements creating an obligation on the parties to such agreements to ensure that the listed entity shall or shall not act in a particular manner.]

16. The Company has a dedicated E-mail address csapmindustriestd@gmail.com for members to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.

The Company's website www.apmindustries.co.in has a dedicated section on Investors.

17. **Instructions for Members for remote e-Voting and joining the AGM are as follows: -**

- (i) All the shareholders of the Company are encouraged to attend and vote in the AGM to be held through VC/OAVM.
- (ii) The remote e-Voting period commences on **Sunday, September 21, 2025 (09:00 A.M. IST)** and ends on **Tuesday, September 23, 2025 (05:00 P.M. IST)**. During this period, members holding shares either in physical form or in demat form, as on the cut-off date on **Wednesday, September 17, 2025**, may cast their vote electronically. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (iii) The voting rights of member(s) for remote e-Voting and for e-Voting at AGM shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. **Wednesday, September 17, 2025**. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **Wednesday, September 17, 2025** only shall be entitled to vote through remote e-Voting/e-Voting at the AGM. Any person who is not a member as on the cut-off date should treat this notice for information purpose only.

- (iv) Any person, who acquires shares of the Company and becomes a Member of the Company after the Company sends the AGM Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com or admin@skylinerta.com by mentioning their Folio No./DP Id and Client Id for casting their vote. However, if he/she/they are already registered with NSDL for remote e-voting then he/she/they can use his/her/their existing User ID and password for casting the vote.
- (v) The members can opt for only one mode of voting i.e. remote e-Voting or e-Voting during the AGM. In case of voting by both the modes, vote cast through remote e-Voting will be considered final and e-Voting at the AGM will not be considered.
- (vi) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/ OAVM but shall not be entitled to cast their e-vote again.

- (vii) The details of the process and manner for remote e-Voting are explained herein below: -





Step 1:- Access to NSDL e-Voting system

(i) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MRD/MRD-PoD-2/P/CIR/2023/166 dated October 06, 2023), on 'e-voting facility provided by Listed Companies', e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the E-voting Service Provider ('ESP') thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility.

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. NSDL IDeAS facility If you are already registered, follow the below steps: - <ol style="list-style-type: none"> Visit the e-services website of NSDL. Open web browser and type the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile phone. Once the home page of e-services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. A new screen will open. You will need to enter your User ID, Password and Verification Code. After successful authentication, you will be able to see e-voting services under Value added Services. Click on 'Access to e-Voting' appearing on the left-hand side under e-voting services and you will be able to see e-voting page. Click on options available against Company name or ESP-NSDL and you will be redirected to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. <p>If you are not registered, follow the below steps:-</p> <ol style="list-style-type: none"> Option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Please follow steps given above in points 2 (a) to (e). E-voting website of NSDL <ol style="list-style-type: none"> Open web browser and type the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile phone. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. |

| Type of shareholders | Login Method |
|---|---|
| | <p>(c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>(d) After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against Company name or ESP-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile app 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <p>1. CDSL Easi/Easiest facility</p> <p>If you are already registered, follow the below steps: -</p> <p>(a) Users can login through their existing User ID and Password. An option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website at www.cdslindia.com and click on login icon & My Easi New (Token) Tab and then use your existing my easi username & password.</p> <p>(b) After successful login, the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the ESP for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all ESPs, so that the user can visit the ESPs website directly.</p> <p>If you are not registered, follow the below steps: -</p> <p>(a) If the user is not registered for Easi/Easiest, option to register is available at CDSL at website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>2. E-voting website of CDSL</p> <p>(a) Alternatively, the user can directly access e-voting page by providing demat account number and PAN from an e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail address as recorded in the demat Account.</p> <p>(b) After successful authentication, the user will be able to see the e-Voting option where the e-Voting is in progress and also will be able to directly access the system of all ESP's.</p> |
| Individual Shareholders (holding securities in demat mode) login through their DPs | <p>1. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility.</p> <p>2. Once logged-in, you will be able to see e-voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>3. Click on options available against Company name or ESP-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</p> |

Important Note:- Members who are unable to retrieve User ID/ Password are advised to use Forget User details/Password option available at above mentioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|---------------------------|---|
| Securities held with NSDL | Please contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at (022) 48867000 |
| Securities held with CDSL | Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free number 1800225533 |

(II) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the URL:- <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile phone.
2. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under Shareholder/Member section.
3. A new screen will open. You will have to enter your User ID, Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you login to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
5. Your User ID details are given below: -

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is |
|--|--|
| (a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| (b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****. |
| (c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the Company For example, if EVEN is 123456 and folio number is 001*** then User ID is 123456001*** |

6. Password details are given below:-
 - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - (c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your initial password is communicated to you on your email address. Trace the email sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the email and open the attachment i.e.a.pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of Beneficiary ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) In case you have not registered your e-mail address with the Company/Depositories, please follow instructions mentioned in this Notice.
7. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:-
 - (a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - (b) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, PAN, name and registered address.
 - (d) Members can also use the OTP based login for casting the votes on the e-Voting system of NSDL.
8. After entering your password, click on agree to 'Terms and Conditions' by selecting on the check box.
9. Now, you will have to click on 'Login button'.
10. After you click on the 'Login' button, home page of e-Voting will open.

Step 2: - Cast your vote electronically and join meeting on NSDL e-Voting system.**How to cast your vote electronically and join Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the Companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select 'EVEN' of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also Confirm when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number from Depository.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email addresses are not registered with the Depositories/Company for procuring User Id and Password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:-

1. Members whose shares are held in physical mode, are requested to provide Folio No., name, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to evoting@nsdl.com or admin@skylinerta.com.
2. Members whose shares are held in demat mode, are requested to provide DPID Client ID (16 digit DPID + Client ID or 16 digit beneficiary ID for CDSL demat account), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to evoting@nsdl.com or admin@skylinerta.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (I) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

Instructions for Members for attending the AGM through VC / OAVM are as under: -

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above i.e. Access to NSDL e-Voting system. After successful login, you can see link of 'VC/OAVM' link placed under 'Join meeting' tab against the Company name. The link for VC/OAVM will be available in the Shareholder/Member login where the EVEN of Company will be displayed.

2. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
3. Members may note that the VC/OAVM facility allows participation of at least 1,000 members on a first-come-first-served basis and shall open 15 minutes before the time scheduled for the AGM.
4. Members are encouraged to express their views/send their queries in advance mentioning their name, DP ID and Client ID/folio no., email address, and mobile no. at csapmindustriesltd@gmail.com. Questions/queries received by the Company till **Saturday, September 20, 2025**, shall only be considered and responded during the AGM.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker, by sending request from their registered email address mentioning name, DP ID and Client ID/folio no., and mobile no. at csapmindustriesltd@gmail.com upto **05:00 P.M. IST on Wednesday, September 17, 2025**. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
6. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
7. Members who need assistance before or during the AGM, can contact Mr. Sarbesh Singh, Authorised Representative of Skyline Financial Services Private Limited at admin@skylinerta.com or call at 011-40450193-197.

General Guidelines for shareholders: -

1. Institutional shareholders/Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rsmco121@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders can also upload their Board Resolution/Power of Attorney / Authority Letter etc. by clicking on Upload Board Resolution / Authority Letter displayed under e-Voting tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or '[Physical User Reset Password?](#)' option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries for remote e-Voting, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call at (022) 48867000 or send a request at evoting@nsdl.com.

18. Other Instructions: -

- (i) The Board of Directors of the Company has appointed Mr. Ravi Sharma (Membership No.: FCS 4468, C.P. No.: 3666), and/or Ms. Suman Pandey (Membership No.: FCS 7606, C.P. No.: 8404) Partners of M/s. RSM & Co., Practicing Company Secretaries as Scrutinizer to scrutinize the process of remote e-voting and e-voting at the AGM in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the same purpose.
- (ii) The Scrutinizer shall, after the conclusion of e-voting at the AGM, scrutinize the votes cast through e-Voting at the AGM and votes cast through remote e-Voting, make

a consolidated Scrutinizer's Report and submit the same to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same. The voting results shall be declared within stipulated time under applicable laws and the same, along with the consolidated Scrutinizer's Report, shall be placed on the website of the Company at www.apmindustries.co.in, NSDL at www.evoting.nsdl.com and shall be communicated to BSE Limited.

- (iii) Subject to receipt of requisite number of votes, the resolutions forming part of Notice of AGM shall be deemed to be passed on the date of AGM i.e. **Wednesday, September 24, 2025.**

ANNEXURE TO THE NOTICE**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT**

[In pursuance of Secretarial Standard on General Meetings (SS-2) & Regulation 36(3) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

| Particulars | Item No. 2 |
|--|---|
| Name of the Director | Shri Rajendra Kumar Rajgarhia |
| Director Identification Number (DIN) | 00141766 |
| Date of Birth | August 14, 1938 |
| Age | 86 Years |
| Nationality | Indian |
| Date of first Appointment on Board | March 20, 1974 |
| Qualification | B.Com |
| Brief resume including experience, expertise in specific functional areas | <p>He brings with him an extensive experience of over 60 years, including around 44 years specifically in the textile industry. Over the decades, he has gained deep insights and hands-on expertise in various aspects of textile manufacturing, operations and business development, making him a respected personality in the industry.</p> <p>In addition to his domain expertise in textiles, he also holds significant experience in financial planning, capital budgeting and strategic decision-making. His practical understanding of financing activities has played a crucial role in shaping the long-term growth and financial stability of the organization.</p> <p>He has been associated with the Company for several decades and has served as a Director on the Board since 1974. As one of the Promoters, he has played a vital role in its sustained growth and evolution over the years. His vision, leadership, and commitment continue to be invaluable assets to the Company.</p> |
| Terms & Conditions for Re-appointment | As detailed in the respective resolution and explanatory statement. |
| Details of Remuneration /Remuneration last drawn (including sitting fees, if any) | Disclosed in the Corporate Governance Report forming part of Annual Report. |
| Shareholding in APM Industries Limited (No. & %) | 38,73,000 Equity Shares (17.92%) |
| List of Directorships held in other Companies | Nil |
| Members / Chairman of Committees in APM Industries Limited | - Member of Nomination and Remuneration Committee - Chairman of Corporate Social Responsibility Committee |
| Members / Chairman of Committees in other Public Companies | Nil |
| Listed Companies from which Director has resigned in the last three years | - Perfectpac Limited [Resigned on March 28, 2024] |
| Relationship with other Directors and KMP | Shri Rajendra Kumar Rajgarhia being father of Shri Sanjay Rajgarhia, is related to him. He is not related to any other Director and KMP of the Company. |
| Attendance in the Board meetings during the financial year | Five |
| Skills and capabilities required for the role and the manner in which the director meets the requirements | N.A. |

EXPLANATORY STATEMENT**(Pursuant to Section 102 of the Companies Act, 2013)****Item No. 2**

This explanatory statement is in terms of Section 196(3) of the Companies Act, 2013.

Pursuant to the provisions of Section 196(3) read with Schedule V of the Companies Act, 2013, no Company shall appoint or continue the employment of any person as Managing Director, Whole-Time Director or Manager who has attained the age of seventy (70) years. However, such appointment may be made by passing a special resolution and in such a case, the explanatory statement annexed to the Notice for such motion shall indicate the justification for appointing such person.

Shri Rajendra Kumar Rajgarhia (DIN: 00141766), aged 86 years, has been associated with the Company since 1974 and has significantly contributed to its growth and success. He was re-appointed as Whole-Time Director and Chairman of the Company for a period of three years, from June 01, 2024 to May 31, 2027, by way of special resolutions passed by the Members of the Company through postal ballot via remote e-voting on February 11, 2024.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Rajendra Kumar Rajgarhia is liable to retire by rotation. Being eligible, he offers himself for re-appointment. The Board, therefore, recommends his re-appointment as a Director liable to retire by rotation. The other terms and conditions of his appointment, including remuneration, remain the same as approved by the Members of the Company dated February 11, 2024 as mentioned above.

Shri Rajendra Kumar Rajgarhia is a B.Com graduate and possesses more than 60 years of extensive experience, including over 44 years in the textile industry. Under his visionary leadership and guidance, the Company has achieved steady growth. He has been actively involved in strategic planning, capital budgeting, and financial decision-making. Despite having attained the age of 86 years, he continues to be in good health and has the capacity to discharge his responsibilities efficiently. The Board is of the opinion that the Company will benefit from his continued association.

During his tenure, the Company has received several recognitions under his guidance, including: -

- National Energy Conservation Award (2022) - In appreciation of the achievements in Energy Conservation in Textiles Sector, from the Government of India, Ministry of Power, New Delhi.
- Rajasthan Energy Conservation Award (2022) - Third Prize in appreciation of the achievements in Energy Conservation in Textiles Sector, from the Government of Rajasthan.
- National Energy Conservation Award (2013) - First Prize in appreciation of the achievements in Energy Conservation in the Textile Sector, from the Ministry of Power, Government of India.
- Rajasthan Energy Conservation Award (2009-10) - Second Prize in appreciation of the achievements in Energy Conservation in the Textile Sector, from the Department of Energy, Government of Rajasthan.
- Rajasthan Energy Conservation Award (2008-09) - Second Prize in appreciation of the achievements in Energy Conservation in the Textile Sector, from the Department of Energy, Government of Rajasthan.

Shri Rajendra Kumar Rajgarhia devotes full time and attention to the business of the Company and is responsible for the general

conduct and management of the Company's affairs. His vast knowledge and industry experience continue to be of immense value to the Company.

In terms of the applicable provisions of the Act and Listing Regulations, the Company has received requisite declarations/disclosures from Shri Rajendra Kumar Rajgarhia i.e. (i) consent to act as Whole time Director and Chairman in prescribed format Form DIR-2; (ii) declaration in Form DIR-8 to the effect that he is not disqualified to become a Director; (iii) declaration that he is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority; (iv) a notice under Section 160 of the Act proposing his candidature as Director of the Company; and all other necessary information/declarations.

Based on the recommendation of the Nomination and Remuneration Committee, the Board considers the re-appointment of Shri Rajendra Kumar Rajgarhia as Whole-Time Director and Chairman to be in the best interest of the Company, subject to approval of shareholders.

Pursuant to Regulation 36(3) of the Listing Regulations, as amended read with the provisions of the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, brief profile and other details of Shri Rajendra Kumar Rajgarhia are provided in Annexure to this Notice.

Except Shri Rajendra Kumar Rajgarhia, Shri Sanjay Rajgarhia and their relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested (financially or otherwise) in the proposed resolution mentioned at Item No. 2.

The Board of Directors recommends the Special Resolution as set out at Item No. 2 of the Notice of the AGM for approval of the members.

Item No. 3

In terms of the provisions of Section 204 and other applicable provisions, if any, of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, every listed entity is required to undertake Secretarial Audit by a Peer Reviewed Secretarial Auditor who shall be appointed by the Members of the Company, on the recommendation of the Board of Directors, for a period of five consecutive years.

Based on the recommendation of the Audit Committee, the Board, at its Meeting held on July 31, 2025, subject to the approval of the Members of the Company, approved appointment of M/s. RSM & Co., Company Secretaries (Peer Review Certificate No.: 978/2020 and ICSI Firm Registration No.: P1997DE017000), as the Secretarial Auditors of the Company, for a term of five (5) consecutive years, to hold office of the Secretarial Auditors from the Financial Year 2025-26 upto Financial Year 2029-30.

The proposed fees for the financial year 2025-26 will be Rs. 85,000/- (Rupees Eighty-Five Thousand only) per annum, plus applicable taxes and reimbursement of out-of-pocket expenses, in connection with the Secretarial Audit. For the subsequent year(s) of their term, the fee shall be as determined by the Board, based on the recommendation of the Audit Committee and in consultation with the Secretarial Auditors. In addition to the secretarial audit, M/s. RSM & Co. shall provide such other services in the nature of certifications and other professional work.

M/s. RSM & Co. is a firm of Practicing Company Secretaries established in the year 2006. The firm is a well-recognized firm of Practicing Company Secretaries committed to delivering high-quality professional services. Since its inception, the firm has been actively

engaged in providing a comprehensive range of consultancy and compliance-related services in the domain of Corporate Laws, SEBI Regulations, and Foreign Exchange Management provisions.

The firm has developed specialized expertise in conducting Secretarial Audits, Due Diligence Audits, and Compliance Audits for a wide spectrum of clients, including several reputed listed and unlisted companies across various sectors. Its services are designed to ensure adherence to legal and regulatory frameworks, promote sound corporate governance, and support clients in maintaining transparency and accountability.

M/s. RSM & Co. is also Peer Reviewed by the Institute of Company Secretaries of India (ICSI), reflecting the firm's commitment to maintaining the highest standards of professional ethics, quality and integrity in its practice.

M/s. RSM & Co., Practicing Company Secretaries has been conducting the Secretarial Audit of the Company since the financial year 2016-17.

In accordance with the provisions of the Act and the Listing Regulations, M/s. RSM & Co., Practicing Company Secretaries have consented to the said appointment and confirmed their eligibility and that their appointment, if made, would be within the limit specified by the ICSI. They have further confirmed that they are not disqualified to be appointed as the Secretarial Auditors in term of provisions of the Act, the Listing Regulations, the Companies Secretaries Act, 1980 and the SEBI Circular issued in this regard.

The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and Listing Regulations with regard to the number of audits, technical skills and experience of the individuals, capability of audit team, independent assessment, audit experience across large listed entities and also based on the evaluation of the quality of audit work done by them in the past.

None of the Directors, Key Managerial Personnel, or their relatives, are in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolution as set out in Item No. 3 of this Notice.

The Board of Directors considering the experience and expertise, and based on the recommendation of the Audit Committee, propose the appointment of M/s. RSM & Co., Company Secretaries, as the Secretarial Auditors of the Company, for a term of five consecutive years from financial year 2025-26 upto financial year 2029-30 and recommend the Ordinary Resolution as set out in Item No. 3 of the Notice of the AGM for the approval by the members of the Company.

Item No. 4

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) (collectively referred to as 'the Cost Audit Rules'), the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. The Board of Directors of the Company at its meeting held on July 31, 2025, based on the recommendation of the Audit Committee, re-appointed Shri Naresh Kumar Goel, Cost Accountant (Membership No. 9876), as the Cost Auditor of the Company for the audit of the cost records maintained by the Company for the financial year ending March 31, 2026, at a remuneration not exceeding Rs. 60,000/- (Rupees Sixty Thousand only) plus taxes, as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit.

The overall remuneration proposed to be paid to the Cost Auditor for the financial year ending March 31, 2026 is commensurate to the scope of the audit to be carried out by the Cost Auditor.

Shri Naresh Kumar Goel, Cost Accountant, has confirmed that he holds a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959 and are free from any disqualifications specified under the provisions of the Act.

In accordance with the provisions of Section 148(3) of the Act, read with the Cost Audit Rules, the remuneration payable to Cost Auditors is required to be ratified by the shareholders of the Company. Accordingly, the consent of the shareholders is sought for ratification of the remuneration payable to the Cost Auditors.

None of the Directors, Key Managerial Personnel, or their relatives, are in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolution as set out in Item No. 4 of this Notice.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 4 of the Notice of the AGM for approval and ratification by the members of the Company.

Registered Office:-

SP-147, RIICO Industrial Area,
Bhiwadi, District Khairthal-Tijara,
Rajasthan - 301019
Tel: (01493)- 265400
e-mail: csapmindustriesltd@gmail.com
website: www.apmindustries.co.in

By Order of the Board
For APM Industries Limited

Neha Goel
Company Secretary
M. No.: 48053

Place: New Delhi
Dated: July 31, 2025

BOARD'S REPORT**To the Members,**

The Board of Directors are pleased to present the 51st (Fifty-first) Annual Report of the Company, together with the Audited Financial Statements for the financial year ended March 31, 2025.

1. FINANCIAL HIGHLIGHTS

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

(Rs. in lakhs)

| Particulars | Financial year 2024-25 | Financial year 2023-24 |
|---|------------------------|------------------------|
| Revenue from Operations | 29,400 | 29,985 |
| Other Income | 131 | 147 |
| Total Revenue | 29,531 | 30,132 |
| Expenses | | |
| Operating Expenditure | 28,949 | 28,732 |
| Depreciation and amortization expense | 780 | 762 |
| Total Expenses | 29,729 | 29,494 |
| Profit/(Loss) before Finance Costs, Exceptional Items and Tax | (198) | 638 |
| Finance Costs | 166 | 246 |
| Profit/(Loss) before Exceptional Items and Tax | (364) | 392 |
| Profit/(Loss) Before Tax | (364) | 392 |
| Tax Expense (including deferred tax) | (303) | (25) |
| Profit/(Loss) After Tax | (61) | 417 |
| Other Comprehensive Income | 8 | 24 |
| Total Comprehensive Income | (53) | 441 |
| Earning per Share (Rs.) | (0.28) | 1.93 |

2. STATE OF COMPANY AFFAIRS & OPERATIONS

The Company is engaged in the business of manufacturing and selling of manmade fibers yarn in India and operates in one segment only. During the financial year 2024-25: -

- Production of yarn was 194 lakh kilograms, as against 209 lakh kilograms in the previous year, which is a decrease by 7% due to subdued market demand.
- Revenue from operations decreased to Rs. 29,400 lakhs, as against Rs. 29,985 lakhs in the previous year, which is a decrease of 2%.
- Loss before tax was Rs. 364 lakhs, as against a profit of Rs. 392 lakhs in the previous year, which is a decrease of 193%.
- Loss after tax was Rs. 61 lakhs, as against a profit of Rs. 417 lakhs in the previous year, which is a decrease of 115%.
- Basic and diluted EPS decreased to Rs. (0.28) as against, Rs. 1.93 in the previous year.

The primary reason for the decline in profitability was the subdued demand for the Company's products. A significant drop in export demand—driven by geopolitical tensions, economic recession, and a slowdown in key international

markets such as Europe, Turkey, the United States, and the United Kingdom led to a glut in the domestic market and adversely impacted the Company's performance. These factors led to challenges in both demand and pricing, resulting in a decline in overall revenue from operations and pressure on profit margins.

The Company has provided depreciation on property, plant and equipment in accordance with the provisions of Schedule II of the Companies Act, 2013 ('the Act'). The Financial Statements for the financial year 2024-25 have been prepared in compliance with the applicable provisions of Indian Accounting Standards (IND-AS), as prescribed under the Act.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

4. TRANSFER TO RESERVES

The Board of Directors of your Company have not proposed to transfer any amount to the reserves for the financial year under review.

5. DIVIDEND

In view of the loss incurred during the financial year, the Board of Directors has not recommended any dividend for the year under review.

6. EXPORTS

During the financial year 2024-25, the Company did not engage in any export activities, as its strategic focus remained on the domestic market. The Company's products continue to be well-recognized across India and have historically yielded better profitability in the domestic segment as compared to exports.

7. EXPANSION AND MODERNIZATION

In view of the adverse market conditions for the Company's products, the Company has put its expansion and modernization plan on hold for the time being.

The production capacities remain 55296 spindles as at March 31, 2025.

8. CAPITAL STRUCTURE**Authorised Share Capital**

The Authorised Equity Share Capital of the Company as at March 31, 2025, was Rs. 4,50,00,000/- (Rupees Four Crore and Fifty Lakh only), comprising 2,25,00,000 (Two Crore and Twenty-Five Lakh) equity shares of Rs. 2/- (Rupees Two) each. The Authorised Preference Share Capital was Rs. 3,00,00,000/- (Rupees Three Crore only), comprising 3,00,000 (Three Lakh) preference shares of Rs. 100/- (Rupees One Hundred) each. Accordingly, the total authorised share capital of the Company was Rs. 7,50,00,000/- (Rupees Seven Crore and Fifty Lakh only).

Paid up Share Capital

The Paid-up Share Capital of the Company as at March 31, 2025, stood at Rs. 4,32,22,720/- (Rupees Four Crore Thirty-Two Lakh Twenty-Two Thousand Seven Hundred and Twenty only), comprising 2,16,11,360 (Two Crore Sixteen Lakh Eleven Thousand Three Hundred and Sixty) equity shares of Rs. 2/- (Rupees Two) each, fully paid-up.

During the financial year 2024-25, there was no change in the share capital of the Company.

9. **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

10. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Cessation of Directors

During the year, below mentioned are ceased to be Directors of the Company: -

- Smt. Uma Hada (DIN: 06463684) resigned as an Independent Director of the Company, with effect from close of business hours on November 27, 2024. She joined the Board in the year 2015. She was a Member of the Audit Committee and Nomination and Remuneration Committee. The Board places on record its sincere appreciation for her valuable contribution, during her tenure as an Independent Director on the Board of the Company.
- Shri Deepak Vishwanath Harlalka (DIN: 00170335) resigned as Non-Executive Director of the Company, with effect from close of business hours on December 09, 2024. He joined the Board in the year 2023. He was a Member of the Audit Committee. The Board places on record its sincere appreciation for his valuable contribution, during his tenure as Non-Executive, Non-Independent Director on the Board of the Company.

Appointment of Directors

The Board of Directors at their meetings held on October 29, 2024 and December 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, inter alia, approved the following appointments, respectively, to the Board of Directors of the Company, subject to the approval of the shareholders of the Company: -

- Appointment of Shri Harpal Singh Chawla (DIN: 00025492) as an Additional Director in the category of Independent Director of the Company for a period of five consecutive years with effect from October 29, 2024 to October 28, 2029.
- Appointment of Shri Sanjay Rajgarhia (DIN: 00154167) as an Additional Director in the category of Non-Executive, Non-Independent Director of the Company with effect from December 18, 2024 and liable to be retire by rotation.

In terms of Rule 8(5) (iiiia) of the Companies (Accounts) Rules, 2014, in the opinion of the Board, appointment of Independent Director during the financial year was made after due veracity of his experience, integrity, expertise and relevant proficiency which will add tremendous value to the Board in exercising his role effectively.

The requisite declarations and eligibility confirmations under the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') were received from Shri Harpal Singh Chawla and Shri Sanjay Rajgarhia for considering their appointment as Directors.

The brief profiles of Shri Harpal Singh Chawla and Shri Sanjay Rajgarhia are available on the Company's website at <https://www.apmindustries.co.in/investors/board-of-directors/>.

The appointment of Shri Harpal Singh Chawla as an Independent Director was approved by the shareholders of the Company through a special resolution and the appointment of Shri Sanjay Rajgarhia as a Non-Executive, Non-Independent Director was approved through an ordinary resolution. Both resolutions were passed with the requisite majority by way of postal ballot via remote e-voting on January 22, 2025. Further details of the same are provided in the Report on Corporate Governance, forming part of this Annual Report.

Retirement by rotation and subsequent re-appointment

In terms of Articles of Association of the Company and provisions of the Act, Shri Rajendra Kumar Rajgarhia (DIN: 00141766), Whole-time Director of the Company, is liable to be retire by rotation at the ensuing Annual General Meeting ('AGM') and being eligible, offered himself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends his re-appointment for consideration by the shareholders of the Company at the ensuing AGM as Whole-time Director of the Company, liable to be retire by rotation. Brief profile of Shri Rajendra Kumar Rajgarhia with other details as stipulated in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('ICSI'), are provided in the Notice convening the 51st AGM.

A brief profile of Shri Rajendra Kumar Rajgarhia is available on the Company's website at <https://www.apmindustries.co.in/investors/board-of-directors/>.

Except as stated above, there was no change in the Directors or Key Managerial Personnel of the Company, during the year under review.

Declaration by Independent Directors

All the Independent Directors of the Company have given their declaration to the Company under Section 149(7) of the Act that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations and are not disqualified from continuing as Independent Directors. They have registered themselves as an Independent Director in the data bank maintained with the Indian Institute of Corporate Affairs and have either qualified the online proficiency self-assessment test or are exempted from passing the test as required in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Company has also received declaration from the Independent Directors that they have complied with the code of conduct of Directors and Senior Management. Based on the disclosures received, the Board is of the opinion that, all the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

Annual Performance Evaluation of the Board

The Board adopted a formal mechanism for evaluating its performance as well as of its Committees and individual Directors, including the Chairperson of the Board. The evaluation was carried out through a structured questionnaire covering various aspects of the functioning of Board and its Committees. The detailed process in which annual evaluation of the performance of the Board, its Chairperson, its Committees and of individual Directors is disclosed in the Corporate Governance Report attached to this Report.

Meetings of the Board

During the year, five meetings of the Board of Directors were held. The details of the meetings of the Board of Directors and its Committees are provided in the Corporate Governance Report, attached to this Report.

11. DEPOSITS UNDER CHAPTER V OF THE COMPANIES ACT, 2013

The Company has neither invited nor accepted any deposits covered under Chapter V of the Act. Accordingly, no disclosure or reporting is required in respect of such deposits.

12. AUDITORS AND AUDITOR'S REPORT**Statutory Auditors**

In terms of the provisions of Section 139 of the Act, M/s Chaturvedi & Partners, Chartered Accountants (Firm Registration No.: 307068E), were re-appointed as Company's Statutory Auditors by the shareholders at their 48th AGM held on September 22, 2022, for second term of 5 (Five) consecutive years i.e. till the conclusion of the 53rd AGM of the Company, to be held in year 2027.

The Auditors' Report read together with Annexures referred to in the Auditors' Report for the financial year ended March 31, 2025 does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

In terms of provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company, on the recommendation of Audit Committee, had appointed M/s. RSM & Co. (Peer Review Certificate No.: 978/2020 and ICSI Firm Registration No.: P1997DE017000), Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report is attached as **Annexure-1** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Pursuant to the amended provisions of Regulation 24A of the Listing Regulations and Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company, on recommendation of the Audit Committee, had approved and recommended the re-appointment of M/s. RSM & Co. (Peer Review Certificate No.: 978/2020 and ICSI Firm Registration No.: P1997DE017000), Company Secretaries as the Secretarial Auditors of the Company for initial term of 5 (Five) consecutive years from the financial year 2025-26 upto financial year 2029-30, subject to the approval of the Members at ensuing AGM.

Brief profile and other details of M/s. RSM & Co., Company Secretaries, are disclosed in the AGM Notice approved by the Board. They have given their consent to act as Secretarial Auditors of the Company and have confirmed their eligibility for the appointment.

Cost Auditor

In terms of provisions of Section 148 read with Companies (Audit and Auditors) Rule, 2014, the Board of Directors of the Company, on recommendation of the Audit Committee, had appointed Shri Naresh Kumar Goel, Cost Accountant (Membership No.: 9876), as the Cost Auditor of the Company for the financial year 2024-25 at a remuneration of Rs. 55,000/

- plus applicable taxes and reimbursement of out-of-pocket expenses incurred in this connection.

The Company has maintained cost records for certain products as specified by the Central Government under Section 148(1) of the Act. Shri Naresh Kumar Goel, the Cost Auditor, is in the process of carrying out the cost audit for applicable products during the financial year 2024-25.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, re-appointed Shri Naresh Kumar Goel, Cost Accountant as the Cost Auditor of the Company to conduct the audit of cost records of applicable products for the financial year 2025-26. Shri Naresh Kumar Goel, being eligible, has consented to act as the Cost Auditor of the Company for the financial year 2025-26 and have confirmed that he is not disqualified to be appointed as such. The remuneration proposed to be paid to the Cost Auditor is subject to ratification by the members of the Company at the ensuing AGM.

Internal Auditors

In terms of provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, the Board of Directors of the Company, on the recommendation of the Audit Committee, re-appointed M/s M M Sharma & Co., Chartered Accountants (Firm Registration No.: 001797N), as Internal Auditors of the Company, for the financial year 2024-25. There are no qualifications, reservations or adverse remarks in the Internal Auditor's Reports.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, re-appointed M/s M M Sharma & Co., Chartered Accountants, as the Internal Auditors of the Company for the financial year 2025-26. M/s M M Sharma & Co., being eligible, have consented to act as the Internal Auditors of the Company for the financial year 2025-26.

Reporting of Frauds by Auditors

None of the Auditors of the Company has identified and reported any fraud as specified under the second proviso of Section 143(12) of the Act, therefore no disclosure is required under Section 134(3)(ca) of the Act.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), with respect to Directors' Responsibility Statement, it is hereby confirmed that: -

- in the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable Accounting Standards have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. March 31, 2025 and of the profit/loss of the Company for the financial year ended March 31, 2025;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial control systems commensurate with the size of operations. The policies and procedures adopted by your Company ensures the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, adequacy and completeness of the accounting records, and timely preparation of reliable financial information. The entire system is monitored by Internal Audit team of an external firm of Chartered Accountants.

The Internal Auditors of the Company conduct regular internal audits and the Audit Committee reviews periodically the adequacy and effectiveness of internal control systems and takes steps for corrective measures whenever required.

15. CORPORATE SOCIAL RESPONSIBILITY

The Company has in place a Corporate Social Responsibility Policy ('CSR Policy') which outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards welfare and sustainable development of the community around the area of its operations. The CSR Policy is disclosed on the Company's website at <https://www.apmindustries.co.in/investors/policies-codes/>. In terms of Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, the Annual Report on Corporate Social Responsibility Activities for financial year 2024-25 is attached as **Annexure-2** to this Report. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

16. AUDIT COMMITTEE

As on date, the Audit Committee comprises Shri Manish Garg as Chairman and Shri Sanjay Rajgarhia, Smt. Nirmala Bagri and Shri Harpal Singh Chawla as Members of Committee.

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

Further, details on Audit Committee are provided in the Corporate Governance Report attached to this Report.

17. NOMINATION AND REMUNERATION POLICY

The Company has in place a 'Nomination and Remuneration Policy' for its Directors, Key Managerial Personnel and Senior Management/other employees, which outlines the criteria for determining qualifications, positive attributes, independence of a director and other relevant matters. The Policy is available on the Company's website, web link for the same is <https://www.apmindustries.co.in/investors/policies-codes/>. The salient features of the Policy have been disclosed in the Corporate Governance Report, which forms an integral part of this Board's Report.

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements and transactions entered into by the Company with related parties during the financial year 2024-25 were in the ordinary course of business and on an arm's length basis, and were duly approved by the Audit Committee. The Board of Directors has established criteria for granting omnibus approval by the Audit Committee for transactions that are repetitive in nature, in accordance with the Company's Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions ('RPT Policy'). During the year under review, the Company did not enter into any materially significant related party transactions as defined in the RPT Policy. Accordingly, disclosure of related party transactions under Section 188(1) of the Act in Form AOC-2 is not applicable. Related party disclosures have been provided in Note No. 53 to the Financial Statements, which form part of this Annual Report. The RPT Policy is available on the Company's website, web link for the same is <https://www.apmindustries.co.in/investors/policies-codes/>.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as **Annexure-3** to this Report.

20. RISK MANAGEMENT

The risk management framework is designed to identify, evaluate and assess business risks and their impact on Company's business. The risk assessment and minimization procedures are reviewed by the Board periodically to ensure that executive management controls risk through the mechanism of a properly defined framework. The framework is aimed at creating and protecting stakeholder's value by minimizing threats and losses besides identifying and maximizing opportunities.

21. PARTICULARS OF EMPLOYEES

The disclosure required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-4** to this Report.

As per the provisions of Section 136(1) of the Act, the Annual Report and the Accounts are being sent to all the members of the Company, excluding the information required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office. The said information is also available for inspection at the Registered Office during working hours up to the date of the ensuing AGM.

22. ANNUAL RETURN

In terms of Sections 92(3) and 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014, the Annual Return is available under the 'Investors' section of the Company's website and can be viewed at the following link: <https://www.apmindustries.co.in/investors/reports-returns/annual-returns/>.

23. CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value-driven growth. Aligning itself to this philosophy, the Company has placed Corporate Governance on a high priority.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the Listing Regulations, is attached as **Annexure-5** to this Report. A certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the Listing Regulations, is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the financial year ended March 31, 2025. A certificate from the Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the Managing Director and Chief Financial Officer confirming correctness of the financial statements, adequacy of internal control measures and other related matters, is also attached to the Corporate Governance Report.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report, as stipulated under Listing Regulations, is attached as **Annexure-6** to this Report.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is committed to promoting ethical conduct in all its business activities. The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations.

The details of Vigil Mechanism (Whistle Blower Policy) adopted by the Company have been disclosed in the Corporate Governance Report, which forms an integral part of this Annual Report.

26. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company has complied with all the applicable provisions of the Maternity Benefit Act, 1961. Adequate measures are in place to ensure that female employees are provided with the benefits and protections mandated under the said Act, including maternity leave, nursing breaks, and other entitlements. The Company remains committed to promoting a supportive and inclusive workplace for all employees.

27. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

During the financial year 2024-25, the Company has not given loans, guarantees and investments as per Section 186 of the Act.

28. COMPLIANCE WITH SECRETARIAL STANDARDS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company has complied with the Secretarial Standard-1 on 'Meetings of the Board of Directors' and Secretarial Standard-2 on 'General Meetings' as issued by the ICSI.

29. OTHER STATUTORY DISCLOSURES

During the year under review: -

- The Company has not (i) issued any shares, warrants, debentures, bonds, or any other convertible or non-convertible securities (ii) issued equity shares with differential rights as to dividend, voting or otherwise (iii) issued any sweat equity shares to its Directors or employees (iv) made any change in voting rights (v) reduced its share capital or bought back shares (vi) changed the capital structure resulting from restructuring (vii) failed to implement any corporate action.
- The Company's securities were not suspended for trading during the year.
- The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc. is not applicable to the Company.
- There were no significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its operations in the future;
- There was no instance of any one-time settlement with any Banks or Financial Institutions.
- No application has been made under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) ('the IBC, 2016'), hence, the requirement to disclose the details of application made or any proceeding pending under the IBC, 2016 during the year along with their status as at the end of the financial year is not applicable.
- There have been no material changes and commitment, affecting the financial position of the Company which occurred after the close of the financial year 2025 till the date of this Report, other than those already mentioned in this Report.

30. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has Zero Tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman working in the Company.

Hence, the Company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Further, the Company has also constituted Internal Complaints Committee in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Details of complaints received and disposed of during the financial year are as follows: -

- (a) Number of complaints of sexual harassment received during the year: - Nil
- (b) Number of complaints disposed of during the year: - Nil
- (c) Number of cases pending for more than 90 days: - Nil

31. INVESTOR SERVICES

In its endeavor to improve investor services, your Company has taken the following initiatives: -

- The Investors Section on the website of the Company www.apmindustries.co.in is updated regularly for information of the shareholders.
- There is a dedicated e-mail id csapmindustriesltd@gmail.com for sending communications to the Company Secretary and Compliance Officer.
- Disclosure made to the Stock Exchange are promptly uploaded on the website of the Company, as per requirement of Listing Regulations for information of the Investors.

Members may lodge their requests, complaints and suggestions on this e-mail as well.

32. ACKNOWLEDGEMENTS

The Board of Directors places on record its sincere gratitude and appreciation to all the employees of the Company. The consistent growth and success achieved during the year would not have been possible without their hard work, commitment, cooperation and dedication.

The Board also extends its heartfelt appreciation to the Company's Customers, Shareholders, Suppliers, Vendors, Bankers, Business Associates and the Regulatory and Government Authorities for their continued support and trust.

For and on behalf of the Board

Place: New Delhi
Dated: July 31, 2025

Rajendra Kumar Rajgarhia
Chairman and Whole time Director
DIN: 00141766

Annexure-1

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

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

The Members,
APM Industries Limited
CIN: L21015RJ1973PLC015819
Registered Office: SP-147, RIICO Industrial Area,
Bhiwadi, District Khairthal-Tijara, Rajasthan- 301019

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **APM Industries Limited** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 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: –

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2025 according to the provisions of: –

1. The Companies Act, 2013 ("the Act") and Rules made thereunder as amended/modified;
2. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. 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 to the extent applicable;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,

(Not applicable to the Company during the audit period);

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the audit period);
- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with Client to the extent of securities issued;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (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 ("Listing Regulations") and amendments from time to time.

6. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the laws and Regulations applicable to the Company;

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We have also examined compliance with the applicable clause of the following: -

- i) Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

Annexure-A

Adequate notice is given to all Directors to schedule the Board Meetings, agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

7. We further report that during the audit period, there were no instances of: -

- (i) Public / Rights / Preferential Issue of Shares / Debenture / Sweat Equity;
- (ii) Redemption / Buy-back of Securities;
- (iii) Merger / Amalgamation / Reconstruction etc.;

This report is to be read with our letter of even date which is annexed as "Annexure-A" and form an integral part of this report.

**For RSM & CO.
Company Secretaries**

**SUMAN PANDEY
PARTNER
FCS NO. 7606 | CP NO. 8404
UDIN: F007606G000874252
Peer Review Number: 978/2020**

Dated: July 31, 2025
Place: New Delhi

The Members,
APM Industries Limited
CIN: L21015RJ1973PLC015819
Registered Office: SP-147, RIICO Industrial Area,
Bhiwadi, District Khairthal-Tijara, Rajasthan- 301019

Based on the audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 TO CSAS 4 prescribe by the Institute of Company Secretaries of India. These standards required that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and regulations and maintenance of records.

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 the 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 verifications were done on the 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 and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

**For RSM & CO.
Company Secretaries**

**SUMAN PANDEY
PARTNER
FCS NO. 7606 | CP NO. 8404
UDIN: F007606G000874252
Peer Review Number: 978/2020**

Dated: July 31, 2025
Place: New Delhi

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES
FOR THE FINANCIAL YEAR 2024-25**

1. Brief outline on Corporate Social Responsibility Policy of the Company

Corporate Social Responsibility ('CSR') is the commitment of businesses to contribute to sustainable development. The Company's objective is to undertake socially impactful CSR initiatives that promote the welfare and sustainable development of the communities, particularly around the area where the Company operates.

The vision is to align with the evolving landscape of CSR practices in India, adopting progressive and impactful approaches that are tailored to address the pressing social, environmental, and economic challenges within the country. The Company aspires to implement CSR initiatives to create long-term value for society by uplifting communities and sustainable national development.

The objectives of the CSR Policy laid down by the Company is to ensure that the (a) CSR agenda is integrated with business, (b) focused efforts are made in the identified community development areas to achieve the expected outcomes and (c) support in nation building and bringing inclusive growth through Company's CSR programs.

The Company endeavors to focus its CSR activities in the areas of: -

- Health
- Education
- Animal Welfare
- Conservation of Natural Resources

2. Composition of CSR Committee

| S. No. | Name of the Directors | Designation and Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|-------------------------------------|--|--|--|
| 1. | Shri Rajendra Kumar Rajgarhia | Chairman, Whole time Director | 3 | 3 |
| 2. | Shri Hari Ram Sharma | Member, Managing Director | 3 | 3 |
| 3. | Smt. Nirmla Bagri | Member, Independent Director | 3 | 3 |
| 4. | Shri Sanjay Rajgarhia ^{#1} | Member, Non-Executive Director | 1 [#] | 1 |

Meeting held during his respective tenure.

#1 Appointed as Non-Executive Director of the Company w.e.f. December 18, 2024 and also become member of the Committee w.e.f. December 18, 2024.

3. Web-links where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

The web-links are as follows: -

- Composition of the CSR committee <https://www.apmindustries.co.in/investors/board-committees/>.
- CSR Policy and CSR Projects approved by the Board of Directors <https://www.apmindustries.co.in/investors/policies-codes/>.

4. Executive summary along with web-links of Reports of Impact assessment of CSR projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: - Not Applicable

5. (a) Average Net Profit of the Company as per Section 135 (5) of the Act: - Rs. 2024.10 lakhs
 (b) Two percent of average net profit of the Company as per section 135(5) of the Act: - Rs. 40.48 lakhs
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: - Nil
 (d) Amount required to be set off for the financial year, if any: - Rs. 1.29 lakhs
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: - Rs. 39.20 lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): - Rs. 40.69* lakhs
 (b) Amount spent in Administrative Overheads: - Nil
 (c) Amount spent on Impact Assessment, if applicable: - Not Applicable
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: - Rs. 40.69* lakhs

(e) CSR amount spent or unspent for the financial year: -

| Total Amount Spent for the Financial Year (Rs. in lakhs) | Amount Unspent (Rs. in lakhs) | | | | |
|--|--|------------------|--|-----------------------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act | | |
| | Amount (Rs. in lakhs) | Date of transfer | Name of the Fund | Amount (Rs. in lakhs) | Date of transfer |
| 40.69* | - | - | - | - | - |

* The amount spent on CSR activities for the financial year includes the set-off of the excess amount spent by the Company on CSR activities in the previous financial years, amounting to Rs. 1.29 lakhs.

(f) Excess amount for set off, if any:-

| S. No. | Particular | Amount (Rs. in lakhs) |
|--------|---|-----------------------|
| (i) | Two percent of average net profit of the Company as per section 135(5) of the Act | 40.48 |
| (ii) | Total amount spent for the Financial Year | 40.69* |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 0.21 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.21 |

* The amount spent on CSR activities for the financial year includes the set-off of the excess amount spent by the Company on CSR activities in the previous financial years, amounting to Rs. 1.29 lakhs.

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

| S. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under Section 135 (6) of the Act (Rs. in lakhs) | Balance Amount in Unspent CSR Account under Section 135(6) of the Act (Rs. in lakhs) | Amount spent in the financial year (Rs. in lakhs) | Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5) of the Act, if any | | Amount remaining to be spent in succeeding financial years (Rs. in lakhs) | Deficiency if any |
|----------------|-----------------------------|---|--|---|---|------------------|---|-------------------|
| | | | | | Amount (Rs. in lakhs) | Date of transfer | | |
| Not Applicable | | | | | | | | |

8. Details of capital assets have been created or acquired through CSR amount spent in the financial year: - Yes

The number of Capital assets created/ acquired: - 5

| S. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent (Rs. in lakhs) | Details of entity/ Authority/ beneficiary of the registered owner | | |
|--------|---|--------------------------------------|------------------|---|---|--|---|
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| 1 | Construction of two Anganwadi at Khijuriwas Distt. Khairthal-Tijara, Rajasthan -301019 | 301019 | 23.10.2024 | 11.90 | No | Anganwadi at Village Khijuriwas (Bhiwadi), | Main road, Near Govt. School, Khijuriwas District Khairthal-Tijara Rajasthan-301019 |

| S. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent (Rs. in lakhs) | Details of entity/ Authority/ beneficiary of the registered owner | | |
|--------|---|--------------------------------------|-------------------------|---|---|--|---|
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| 2 | 6 No. Smart Board Provided to Adarsh Vidya Mandir Sector 5, UIT, Bhiwadi - 301019 | 301019 | 13.12.2024 & 27.03.2025 | 6.30 | No | Adarsh Vidya Mandir Sr. Sec. School | Sector 5, UIT, Bhiwadi-301019 |
| 3 | 60 Set Chair & Tables provided for Students at Adarsh Vidya Mandir Tapukara Distt. Khairthal-Tijara, Rajasthan-301707 | 301707 | 07.02.2025 | 1.66 | No | Adarsh Vidya Mandir Higher Sec. School | Mohalla Joshio ka, Tapukara Distt. Khairthal-Tijara, Rajasthan-301707 |
| 4 | One basket ball poll stand provided at Adarsh Vidya Mandir, Sector 5, UIT, Bhiwadi-301019 | 301019 | 30.01.2025 | 1.00 | No | Adarsh Vidya Mandir Secondary School. | Sector 5, UIT, Bhiwadi-Distt. Khairthal-Tijara, Rajasthan-301019 |
| 5 | Construction of one Class Room and Swimming pool & other work at Adarsh Vidya Mandir Sector 5, UIT, Bhiwadi-301019 | 301019 | 29.11.2024 | 5.41 | No | Adarsh Vidya Mandir Secondary School | Sector 5, UIT, Bhiwadi-Distt. Khairthal-Tijara, Rajasthan-301019 |

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

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

For and on behalf of the Board

Place : New Delhi
Date : July 31, 2025

Rajendra Kumar Rajgarhia
Chairman, CSR Committee
DIN: 00141766

Hari Ram Sharma
Managing Director
DIN: 00178632

**DISCLOSURE UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013
READ WITH COMPANIES (ACCOUNTS) RULES, 2014**

A. CONSERVATION OF ENERGY**(i) Energy conservation measures taken in 2024-25:-**

1. Replacement of 3 nos. old transformers (one 7.5 MVA and two 3.5 MVA) with 2 nos. energy efficient transformers (4000 KVA each).
2. Air leakage prevention in all machines on regular basis.

(ii) Energy conservation Plan for 2025-26: -

1. Maintaining load factor above 50% throughout the year on state electricity Board 132 KV line to gain rebate of Rs. 0.97 per KWH pf energy consumption and also gain the rebates on electricity parameters (Power factor and TOD).
2. Air leakage prevention in all machines on regular basis.

(iii) Steps taken for utilizing alternate sources of energy: -

The Company has already installed 2.72 MW ground mounted/ Roof Top Solar Power Plant, which generates 32.49 lakhs KWH Power in the financial year 2025-26, which is approx. 7.53% of total Power Consumption.

(iv) Capital investment on energy conservation equipment's: -

For the financial year 2024-25, the Company has incurred Rs. 111.03 lakhs on replacement of old transformers.

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Efforts made in R & D and Technology Absorption is given in Form B.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned during the year: -

Used : - Nil

Earned : - Nil

FORM 'A'**DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY**

| | Unit | 2024-25 | 2023-24 |
|---|----------------|----------------|---------|
| A. POWER AND FUEL CONSUMPTION | | | |
| 1. Electricity | | | |
| - Purchased unit | Unit in lakhs | 398.58 | 435.69 |
| - Total amount | Rs. in lakhs | 3053.95 | 3260.13 |
| - Rate | Rs./Unit | 7.66 | 7.48 |
| 2. Own Generation | | | |
| (a) - Through Diesel Generator | Unit in lakhs | 0.70 | 1.66 |
| - Unit per Liter of Diesel | Unit | 5.03 | 3.75 |
| - Cost | Rs./Unit | 17.86 | 23.98 |
| (b) - Through Solar Power | Unit in lakhs | 32.49 | 32.61 |
| 3. Diesel | | | |
| - Quantity | Ltrs. in lakhs | 0.14 | 0.44 |
| - Total cost | Rs. in lakhs | 12.36 | 39.46 |
| - Average rate | Rs./Ltr | 88.32 | 89.39 |
| 4. Natural Gas | | | |
| - Quantity | Scm in lakhs | 12.58 | 13.57 |
| - Total Cost | Rs. in lakhs | 463.87 | 568.12 |
| - Average rate | Rs./Scm | 36.87 | 41.88 |
| B. CONSUMPTION PER UNIT OF PRODUCTION* | | | |
| 1 Electricity (In KWH) | | 222.24 | 224.39 |
| 2 Natural Gas (In SCM) | | 6.47 | 6.48 |

* Production unit, per 100 kgs.

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**A. Research & Development****- Specific areas in which R&D carried out by the Company**

The Company has been giving special emphasis on development of new products as per market requirement and cost reduction. The Company has developed new products for exporters of yarn, fabrics, furnishings and readymade garments, keeping in touch with latest trend of fabrics and readymade garment exports.

- Benefits derived as a result of R & D

Improvement in quality of products, enhancement in product range, Induction of new customers, cost reduction and improvement in customer satisfaction.

- Future course of action

To develop new varieties and shades as per market requirements.

- Expenditure on R&D

No specific expenditure exclusively on R&D has been incurred.

B. Technology Absorption, Adaptation and Innovation**- Efforts made**

The Company has replaced 3 Nos. Transformers (one 7.50 MVA and two 3.5 MVA) with 2 Nos. energy efficient transformers (4000 KVA each), resulting which saving in energy cost. The Company is also maintaining new technology adopted in earlier years also, like solar power generation plant of 2.72 MW, energy efficient heat recovery and heating solution for dye house & installation of 132 KV power supply system & taking benefits of the same.

- Benefit derived

Energy cost reduction.

- Particulars of imported technology

No import of technology during the year.

For and on behalf of the Board

Place: New Delhi
Date: July 31, 2025

Rajendra Kumar Rajgarhia
Chairman and Whole time Director
DIN: 00141766

Annexure-4

STATEMENT OF DISCLOSURE OF REMUNERATION

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25: -

| S. No. | Name and Designation of Director/ KMP | Remuneration during the financial year 2024-25 (Rs. in lakhs) | % increase in Remuneration | Ratio of Remuneration of each Director of median Remuneration of employees |
|--------|---|---|----------------------------|--|
| 1. | Shri Rajendra Kumar Rajgarhia Chairman and Whole time Director | 169.21 | 8.76 | 81.88 |
| 2. | Shri Hari Ram Sharma Managing Director | 159.90 | 6.72 | 77.37 |
| 3. | Shri Chandra Shekhar Vijay Chief Financial Officer | 24.43 | 5.81 | N.A. |
| 4. | Mrs. Neha Goel Company Secretary | 8.21 | 8.93 | N.A. |

- Notes: -
1. Remuneration comprises basic salary, allowances, perquisites/ taxable value of perquisites, provident fund contribution, provision for Gratuity and compensated leave i.e. Total Cost to Company.
 2. The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
 3. Sitting Fees paid to the Directors has not been considered as remuneration.

- (ii) The percentage increase in the median remuneration of employees in the Financial Year 2024-25 was 9.04%.
- (iii) Total number of permanent employees on rolls of the Company as on March 31, 2025 was 1742.
- (iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: -
- Average increase in remuneration of employees other than Key Managerial Personnel (KMPs) is 5.60% for those employees who are present throughout last & current financial year.
- Average increase in remuneration of KMPs is 7.65%.
- (v) **Affirmation that the remuneration is as per the remuneration policy of the Company**
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees.

For and on behalf of the Board

Place: New Delhi
Date: July 31, 2025

Rajendra Kumar Rajgarhia
Chairman and Whole time Director
DIN: 00141766

CORPORATE GOVERNANCE REPORT**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Corporate Governance philosophy of the Company is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value-driven growth. The Company remains committed to maintaining the highest standards of corporate governance in line with the requirements of Securities and Exchange Board of India ('SEBI') and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Ethical dealings, transparency, fairness, disclosure and accountability are fundamental canons of the Company. Aligning itself to this philosophy, the Company has placed Corporate Governance on a high priority.

The highlights of the Company's Corporate Governance regime are: -

- The Company has appropriate mix of Executive and Non-Executive Directors on the Board including Woman Director.
- The Company believes that an active, well-informed and independent Board is necessary to ensure high standards of Corporate Governance.
- Constitution of several Committees for focused attention and proactive flow of information.
- There are separate meetings of Independent Directors without presence of Non-Independent Directors or Executive Management.
- Emphasis on ethical business conduct by the Board, Management and Employees.
- There is a confidential Board evaluation process where each Board member evaluates the performance of every other Director, Committees of the Board, the Chairman of the Board and the Board itself.
- Established Code of Conduct for Directors and Senior Management of the Company.
- Code of Conduct for Prevention of Insider Trading.
- Detailed Policy for Disclosure of Material Events and Information.
- Robust Vigil Mechanism Policy.
- Timely, transparent and regular disclosures.
- Timely communication with shareholders, including e-mailing of Annual Reports and other documents etc.
- Endeavour to continuously contribute to social and environmental spheres through various CSR programmes creating shared values.
- Robust and effective framework for online reporting of statutory compliances and review on a periodic basis.

The SEBI regulates Corporate Governance practices and disclosure for the listed companies through the Listing Regulations. The Company is in compliance with the applicable provisions of the Listing Regulations.

2. BOARD OF DIRECTORS**(a) Composition**

As on March 31, 2025, the Board of Directors of the Company comprised of six Directors out of which three are Non-Executive Independent Directors including a Woman Director, one is Promoter & Non-Executive Director, another is Promoter, Whole time Director & Chairman and one Managing Director. The shareholders of the Company periodically approve the appointment/ re-appointment of all the Directors, including the rotational Directors. The composition of the Board of Directors is in conformity with Regulation 17(1) of the Listing Regulations read with Section 149 of the Companies Act, 2013 ('Act'). The profiles of our Directors are available on the website of the Company at <https://www.apmindustries.co.in/investors/board-of-directors/>.

The Company has a professional Board with the right mix of knowledge, skills and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors including Independent Directors and Woman Director. Besides having financial literacy, vast experience, leadership qualities and the ability to think strategically, the Directors are committed to ensure highest standards of corporate governance.

During the financial year 2024-25, based on the recommendation of the Nomination and Remuneration Committee and the Board, the shareholders of the Company approved the appointment of Shri Harpal Singh Chawla (DIN: 00025492) as an Independent Director of the Company, for a term of 5 (five) consecutive years with effect from October 29, 2024 to October 28, 2029 and Shri Sanjay Rajgarhia (DIN: 00154167) as Non-Executive, Non-Independent Director of the Company with effect from December 18, 2024.

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be re-appointed for another term of five consecutive years. The date of appointment/re-appointment and tenure of the existing Independent Directors are given below: -

| S. No. | Name of Independent Director | Date of Appointment/ Re-Appointment | Date of Completion of Tenure |
|--------|------------------------------|--|---------------------------------|
| 1. | Shri Manish Garg | November 21, 2023 (Appointment) | November 20, 2028 |
| 2. | Shri Harpal Singh Chawla | October 29, 2024 (Appointment) | October 28, 2029 |
| 3. | Smt. Nirmala Bagri | January 10, 2024 (Appointment) | January 09, 2029 |
| 4. | Smt. Uma Hada* | September 25, 2020 (Re-appointment) | September 24, 2025 |

* Cessation w.e.f. close of business hours of November 27, 2024 due to resignation.

The letters of appointment/re-appointment have been issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provides effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

(b) Key Functions of the Board

The Board performs various statutory and other functions for managing the affairs of the Company. The key functions include the following: -

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;
- Monitoring the effectiveness of the Company's governance practices and making changes as needed;
- Selecting, compensating, monitoring and, when necessary, replacing Key Managerial Personnel and overseeing succession planning;
- Aligning Key Managerial Personnel and Board remuneration with the long-term interests of the Company and its shareholders;
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- Monitoring and managing potential conflicts of interest of Management, Board members and Shareholders, including misuse of corporate assets and abuse in related party transactions;
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular systems for risk management, financial and operational controls and compliance with the laws and relevant standards in force;
- Overseeing the process of disclosure and communications;
- Monitoring and reviewing Board's Evaluation framework.

(c) Meetings of the Board

During the financial year 2024-25, five (5) Board Meetings were held as per the details mentioned below: -

| S. No. | Date of Board Meeting | Board Strength | No. of Directors Present |
|--------|-----------------------|----------------|--------------------------|
| 1. | May 24, 2024 | 6 | 5 |
| 2. | August 02, 2024 | 6 | 6 |
| 3. | October 29, 2024 | 6 | 5 |
| 4. | December 18, 2024 | 5 | 4 |
| 5. | January 31, 2025 | 6 | 6 |

The Company held minimum one (1) Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed one hundred & twenty (120) days which is in compliance with Listing Regulations, Act and Secretarial Standard-1.

An annual calendar of meetings is prepared and shared with the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of business exigencies or urgency, meetings are convened at a shorter notice with appropriate approvals or resolutions are passed by way of circulation, as permitted by law, which are noted in the subsequent meeting.

Concerned executives of the Company communicate the matters requiring approval of the Board of Directors to the Company Secretary well in advance so that these can be included in the Agenda for the scheduled Board/Committee Meeting.

The Board and its Committees have complete access to all relevant and timely information required for making informed decisions at the meetings. The members are provided with well-structured agenda papers along with explanatory notes and annexures, as applicable, atleast seven days before the meetings except for the meetings called at a shorter notice. In exceptional circumstances, additional or supplementary item(s) are taken up with the permission of the Chairman of the respective meeting and the consent of the majority of Board/Committee members present at the meeting.

Agenda papers are sent electronically to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/Committee in its next Meeting.

The composition of Board of Directors, their attendance at Board Meetings held during the financial year 2024-25, and at the last Annual General Meeting duly held on September 24, 2024 along with details of other Directorship and Committee Membership/ Chairmanship as at March 31, 2025 are as follows: -

| Name, Designation & Category of Director | Number of Board Meetings during financial year 2024-25 | | Attendance at last AGM | Number of Directorships in other Companies as at March 31, 2025* | Number of committees positions held in other public companies as at March 31, 2025** | | Directorship in other Listed Companies along with category |
|---|--|----------|------------------------|--|--|-------------|--|
| | Held during tenure | Attended | | | Member | Chairperson | |
| Shri Rajendra Kumar Rajgarhia [Promoter, Chairman and Whole time Director] | 5 | 5 | Yes | Nil | Nil | Nil | Nil |
| Shri Hari Ram Sharma [Managing Director] | 5 | 5 | Yes | 1 | 1 | Nil | Nil |
| Shri Deepak Vishwanath Harlalka ^{#1} [Non-Executive Director] | 3 | 3 | Yes | NA | NA | NA | NA |
| Shri Manish Garg [Independent Director] | 5 | 5 | Yes | 8 | Nil | 3 | Perfectpac Limited (Independent Director) |
| Smt. Nirmala Bagri [Independent Director] | 5 | 4 | Yes | 2 | 3 | Nil | Godfrey Phillips India Limited (Independent Director) |
| Smt. Uma Hada ^{#2} [Independent Director] | 3 | 1 | Yes | NA | NA | NA | NA |
| Shri Harpal Singh Chawla ^{#3} [Independent Director] | 2 | 2 | NA | 6 | 1 | Nil | Nil |
| Shri Sanjay Rajgarhia ^{#4} [Promoter and Non-Executive Director] | 1 | 1 | NA | 3 | 4 | Nil | Perfectpac Limited (Promoter, Chairman & Managing Director) |

Notes:-

* Excluding Directorship in Section 8 Companies, foreign Companies and APM Industries Limited.

** Includes only Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies including committees of APM Industries Limited.

#1 Cessation w.e.f. close of business hours of December 09, 2024 due to resignation.

#2 Cessation w.e.f. close of business hours of November 27, 2024 due to resignation.

#3 Appointed w.e.f. October 29, 2024.

#4 Appointed w.e.f. December 18, 2024.

No Director on the Board: -

- holds Directorship in more than ten public companies;
- serves as Director or as an Independent Director in more than seven listed entities;
- who is an Executive Director serves as an Independent Director in any listed entity; and
- is a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he/she is a Director.

(d) Inter-se relationship among Directors

Shri Sanjay Rajgarhia is son of Shri Rajendra Kumar Rajgarhia, Chairman and Whole time Director of the Board and Promoter of the Company. Apart from them, no other Directors are related to each other as on March 31, 2025.

(e) Information given to the Board

The Board and its Committees have complete access to all relevant information. Such information is submitted as part of the agenda papers of the meetings in advance and other discussion material during the meetings. Such information, inter-alia, includes the following: -

- Annual operating plans, budgets and any updates thereon;
- Capital budgets and any updates thereon;
- Annual and Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Issue which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business, if any;
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc;
- Quarterly statement showing status of investors complaints;
- Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any;
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer etc.;
- Quarterly Compliance Report on Corporate Governance including details of Cyber Security incidence (if any);
- Quarterly Shareholding Pattern and
- Reconciliation of Share Capital Audit Report.

(f) Independent Directors' Meeting

Independent Directors Meeting held on May 24, 2024 and May 07, 2025, without the attendance of Non- Independent Directors and members of the management of the Company. The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors, the Chairperson of the Company and the Board of Directors as a whole for the financial year 2024-25. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(g) Familiarisation Programme for Independent Directors

The Company conducts Familiarisation Programme for its Independent Directors to familiarise them with regard to their roles, rights, responsibilities in the Company, the nature of the industry in which the Company operates, Company's strategy, Organization Structure, business model, performance updates of the Company, risk management, code of conduct and policies of the Company etc. The Familiarisation Programme has been disclosed on the website of the Company at <https://www.apmindustries.co.in/investors/familiarization-programm/>.

(h) Core skills/expertise/competencies of the Board of Directors

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

In terms of the requirement of Listing Regulations, the Board has identified the following core skills/expertise/ competencies of the Directors for the effective functioning of the Company in the context of the Company's business. However, the absence of

a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill: -

| Area of Core Skills/Expertise/Competencies | Shri Rajendra Kumar Rajgarhia | Shri Hari Ram Sharma | Shri Sanjay Rajgarhia | Shri Manish Garg | Shri Harpal Singh Chawla | Smt. Nirmala Bagri |
|---|-------------------------------|----------------------|-----------------------|------------------|--------------------------|--------------------|
| Understanding of Company's Business, strategy and structure | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Knowledge in Accounting and Auditing Standards and tax matters | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Financial acumen | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Knowledge of the Act, applicable SEBI and Listing Regulations | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Entrepreneurial skills to evaluate risk and rewards and perform advisory role | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Focus on compliance | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Understanding of the processes and systems for defining high corporate governance standards | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Understanding rights of Shareholders and obligations of the Management | ✓ | ✓ | ✓ | ✓ | - | ✓ |

(i) Confirmation of Independence

The Independent Directors of your Company have confirmed that (a) they meet the criteria of Independence as prescribed under Section 149 read with relevant rules of the Act and Regulation 16 of the Listing Regulations, (b) they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs and (c) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Act, Listing Regulations and are Independent of the Management of the Company.

(j) Disclosure of resignation of Independent Director during the financial year 2024-25

Smt. Uma Hada, Non- Executive Independent Director of the Company resigned from the Directorship of Company w.e.f. close of business hours on November 27, 2024 due to indifferent health. A confirmation was also received from her under Clause 7B of Part A of Schedule III of Listing Regulations confirming that there are no other material reasons other than those provided for her resignation as an Independent Director. In this regard necessary disclosure has already been given to Stock Exchange as required pursuant to relevant provisions of Listing Regulations.

(k) Number of shares held by Board of Directors as on March 31, 2025

Details of the shareholding held by Board of Directors as on March 31, 2025 are given in the table below: -

| Name of Directors | Number of Shares | % of shareholding |
|-------------------------------|------------------|-------------------|
| Shri Rajendra Kumar Rajgarhia | 3873000 | 17.92 |
| Shri Hari Ram Sharma | 1045 | 0.00 |
| Shri Sanjay Rajgarhia | 688500 | 3.19 |
| Shri Manish Garg | Nil | Nil |
| Shri Harpal Singh Chawla | Nil | Nil |
| Smt. Nirmala Bagri | Nil | Nil |

3. COMMITTEES OF THE BOARD

The Board has constituted several Committees of Directors with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters. Each Committee has specific terms of reference setting forth the purpose, role and responsibilities of the Committee. Committee members are appointed by the Board of Directors as and when required with the consent of individual Directors. The Committees meet as often as required or as statutorily required. Board Committees and its Composition has been disclosed on the website of the Company at <https://www.apmindustries.co.in/investors/board-committees/>.

The minutes of meetings of all Committees of the Board are circulated to the Board for noting.

The Committees are: -

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

All recommendations made by these Committees have been accepted by the Board. The Company Secretary of the Company acts as Secretary to all Committees. Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of these committees are as under: -

Audit Committee

(i) Terms of reference

The terms of reference of the Audit Committee have been defined by the Board of Directors in accordance with Regulation 18 and Part C of Schedule II of the Listing Regulations and applicable provisions of the Act. This Committee, inter-alia, includes the following:-

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval for payment to statutory auditors for any other permitted services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to: -
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Draft Auditors' report including qualifications, if any.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take steps in this matter.
7. Reviewing and monitoring with the Management, independence and performance of Statutory and Internal Auditors, adequacy of the internal control systems, and effectiveness of the audit processes.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management system.
12. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Discussion with Internal Auditors on any significant findings and follow up there-on.
14. Reviewing the findings of any internal investigations by Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
15. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors.
17. To review the functioning of the Whistle Blower Policy (Vigil Mechanism).
18. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.

19. Review of Management discussion and analysis of financial condition and results of operations.
20. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors.
21. Review of Internal audit reports relating to internal control weaknesses.
22. Review of Financial statement, in particular, investments made by the subsidiary Company (ies), if any.
23. Recommend appointment and remuneration of Cost Auditors.
24. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operating effectively.
25. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

The Audit Committee, presently, comprises of Shri Manish Garg, Chairman, Shri Sanjay Rajgarhia, Shri Harpal Singh Chawla and Smt. Nirmala Bagri, members. The members of the Committee, except Shri Sanjay Rajgarhia, are Independent Directors. All members of the Committee possess requisite accounting and financial knowledge. The Chairman of the Committee has accounting and financial management expertise. Mrs. Neha Goel, Company Secretary of the Company acts as the Secretary to this Committee. Representatives of Internal and Statutory Auditors are invited to the Committee meetings as and when required. Shri Hari Ram Sharma, Managing Director of the Company is permanent invitee to the Committee Meetings. The composition of the Committee is in line with the applicable provisions of the Listing Regulations and the Act.

During the financial year 2024-25, the Committee was reconstituted w.e.f. May 24, 2024, October 29, 2024 and December 18, 2024.

(iii) Meetings, Quorum and Attendance

The Audit Committee meets at least four times in a financial year with a gap of not more than one hundred and twenty days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater with at least two Independent Directors.

During the financial year 2024-25, the Committee met four times i.e. on May 24, 2024; August 02, 2024; October 29, 2024 and January 31, 2025.

The details of the attendance of members at the meetings are mentioned below: -

| Name of the Committee Member | Category | Designation | Meetings Held During Tenure | Meetings Attended |
|---|------------------------|-------------|-----------------------------|-------------------|
| Shri Manish Garg ^{#1} | Independent Director | Chairman | 4 | 4 |
| Shri Deepak Vishwanath Harlalka ^{#2} | Non-Executive Director | Member | 3 | 3 |
| Smt. Nirmala Bagri | Independent Director | Member | 4 | 4 |
| Smt. Uma Hada ^{#3} | Independent Director | Member | 3 | 1 |
| Shri Sanjay Rajgarhia ^{#4} | Non-Executive Director | Member | 1 | 1 |
| Shri Harpal Singh Chawla ^{#5} | Independent Director | Member | 1 | 1 |

^{#1} Appointed as Chairman of the Committee w.e.f. May 24, 2024. He is also member of the Committee from November 21, 2023.

^{#2} Cessation w.e.f. close of business hours of December 09, 2024 due to resignation.

^{#3} Cessation w.e.f. close of business hours of November 27, 2024 due to resignation.

^{#4} Appointed as member of the Committee w.e.f. December 18, 2024.

^{#5} Appointed as member of the Committee w.e.f. October 29, 2024.

All related party transactions were approved by the Independent Directors of the Committee in terms of the Listing Regulations. The Chairman of the Committee was also present at the last AGM held on September 24, 2024 as per Listing Regulations.

Nomination and Remuneration Committee

(i) Terms of Reference

The scope, including terms of reference of the Nomination and Remuneration Committee, has been defined by the Board of Directors in accordance with Regulation 19 and Part D of Schedule II to the Listing Regulations and applicable provisions of the Act. This Committee, inter-alia, includes the following: -

1. To identify persons who are qualified to become Director in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment / removal.
3. Specify manner for effective evaluation of performance of Board, Directors and its Committees and review its implementation and compliance.

4. For appointment of an Independent Director on the Board, to 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 to be appointed.
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 agency, if required
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
5. Extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. To formulate the criteria for determining qualifications, positive attributes and independence of Directors;
7. Devising a policy on Board Diversity;
8. To formulate and recommend to the Board policies relating to the remuneration for: -
 - a. Directors;
 - b. Key Managerial Personnel; and
 - c. Other Employees of the Company;
9. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
10. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated to the Committee by the Board, from time to time.

(ii) Composition

The Nomination and Remuneration Committee, presently, comprises of Shri Manish Garg, Chairman, Shri Rajendra Kumar Rajgarhia and Smt. Nirmala Bagri, members. The members of the Committee, except Shri Rajendra Kumar Rajgarhia, are Independent Directors. Mrs. Neha Goel, Company Secretary of the Company acts as the Secretary to this Committee. The composition of the Committee is in line with the applicable provisions of the Listing Regulations and the Act.

During the financial year 2024-25, the Committee was reconstituted w.e.f. May 24, 2024, October 29, 2024 and December 18, 2024.

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a financial year. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater with at least one Independent Director.

During the financial year 2024-25, the Committee met four times i.e. on May 24, 2024; August 02, 2024; October 29, 2024 and December 18, 2024.

The details of the attendance of members at the meetings are mentioned below: -

| Name of the Committee Member | Category | Designation | Meetings Held During Tenure | Meetings Attended |
|--|----------------------|-------------|-----------------------------|-------------------|
| Shri Manish Garg ^{#1} | Independent Director | Chairman | 4 | 4 |
| Shri Rajendra Kumar Rajgarhia | Executive Director | Member | 4 | 4 |
| Smt. Nirmala Bagri | Independent Director | Member | 4 | 3 |
| Smt. Uma Hada ^{#2} | Independent Director | Member | 3 | 1 |
| Shri Harpal Singh Chawla ^{#3} | Independent Director | Member | 1 | 1 |

^{#1} Appointed as Chairman of the Committee w.e.f. May 24, 2024. He is also member of the Committee from November 21, 2023.

^{#2} Cessation w.e.f. close of business hours of November 27, 2024 due to resignation.

^{#3} Appointed as member of the Committee w.e.f. October 29, 2024 and also ceased to be member of the Committee w.e.f. December 18, 2024 due to reconstitution of the Committee.

Stakeholders Relationship Committee

(i) Terms of Reference

The scope, including terms of reference of the Stakeholders Relationship Committee, has been defined by the Board of Directors in accordance with the provisions of Regulation 20 read with Part D of Schedule II to the Listing Regulations and applicable provisions of the Act. This Committee, inter-alia, includes the following: -

1. Resolving grievances of the security holders of the Company 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.

2. Review of measures taken for effective exercise of voting rights by Shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notices by the Shareholders of the Company;
5. Transfer of shares held by the Shareholder(s) to Investor Education & Protection Fund (IEPF) in respect of which dividend has not been claimed for 7 consecutive years or more; and
6. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

The Stakeholders Relationship Committee, presently, comprises of Shri Manish Garg, Chairman, Shri Hari Ram Sharma and Shri Sanjay Rajgarhia, members. The Chairman of the Committee is an Independent Director. Mrs. Neha Goel, Company Secretary of the Company acts as the Secretary to this Committee. The composition of the Committee is in line with the applicable provisions of the Listing Regulations and the Act.

During the financial year 2024-25, the Committee was reconstituted w.e.f. May 24, 2024 and December 18, 2024.

Compliance Officer

As on date, Mrs. Neha Goel, Company Secretary of the Company is the Compliance Officer in accordance with Regulation 6 of the Listing Regulations.

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a financial year. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater.

During the financial year 2024-25, the Committee met two times i.e. on May 24, 2024 and October 29, 2024.

The details of the attendance of members at the meetings are mentioned below: -

| Name of the Committee Member | Category | Designation | Meetings Held During Tenure | Meetings Attended |
|-------------------------------------|------------------------|-------------|-----------------------------|-------------------|
| Shri Manish Garg ^{#1} | Independent Director | Chairman | 2 | 2 |
| Shri Hari Ram Sharma | Executive Director | Member | 2 | 2 |
| Smt. Nirmala Bagri ^{#2} | Independent Director | Member | 2 | 2 |
| Shri Sanjay Rajgarhia ^{#3} | Non-Executive Director | Member | NA | NA |

^{#1} Appointed as Chairman of the Committee w.e.f. May 24, 2024. He is also member of the Committee from November 21, 2023.

^{#2} Ceased to be member of the Committee w.e.f. December 18, 2024 due to reconstitution of the Committee.

^{#3} Appointed as member of the Committee w.e.f. December 18, 2024.

(iv) Investors' Grievances/Complaints

During the financial year 2024-25, the Company received two complaints, which was duly resolved.

(v) Transfers, Transmissions etc. approved

During the financial year 2024-25, the Company received 21 cases (involving 8,815 equity shares) of share transmission and all the shares were duly transmitted and no case was rejected for technical reasons. The Company didn't receive any request for transfer of shares.

The Company had 9,983 shareholders as on March 31, 2025.

Corporate Social Responsibility Committee

(i) Terms of Reference

The CSR Committee is, inter alia, entrusted with the following key responsibilities by the Board of Directors of the Company: -

1. To formulate and recommend to the Board, the CSR Policy in compliance with the Act and the Rules specified therein from time to time, projects, programs and activities (either new or ongoing) of the Company and to implement and review the same periodically;
2. To recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy and review the same;
3. To monitor the CSR Policy including CSR projects/programmes; and
4. Any other role as may be prescribed by law or as may be delegated to the Committee by the Board, from time to time.

(ii) Composition

The Corporate Social Responsibility Committee, presently, comprises of Shri Rajendra Kumar Rajgarhia, Chairman, Shri Hari

Ram Sharma, Shri Sanjay Rajgarhia and Smt. Nirmala Bagri, members. Mrs. Neha Goel, Company Secretary of the Company acts as the Secretary to this Committee. The composition of the Committee is in line with the applicable provisions of the Act. During the financial year 2024-25, the Committee was reconstituted w.e.f. December 18, 2024.

(iii) Meetings, Quorum and Attendance

During the financial year 2024-25, the Committee met three times i.e. on May 24, 2024, August 02, 2024 and January 31, 2025. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater.

The details of the attendance of members at the meetings are mentioned below: -

| Name of the Committee Member | Category | Designation | Meetings Held During Tenure | Meetings Attended |
|-------------------------------------|------------------------|-------------|-----------------------------|-------------------|
| Shri Rajendra Kumar Rajgarhia | Executive Director | Chairman | 3 | 3 |
| Shri Hari Ram Sharma | Executive Director | Member | 3 | 3 |
| Shri Sanjay Rajgarhia ^{#1} | Non-Executive Director | Member | 1 | 1 |
| Smt. Nirmala Bagri | Independent Director | Member | 3 | 3 |

^{#1} Appointed as member of the Committee w.e.f. December 18, 2024.

4. PERFORMANCE EVALUATION AND ITS CRITERIA

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out annual evaluation of its performance, its Committees, Chairperson and Directors through structured questionnaires.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective Committee members on the parameters such as its role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of Committee composition, timely receipt of information by the Committee, effectiveness of communication by the Committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors after taking into account the views of Executive and Non-executive Directors, on the parameters such as demonstration of effective leadership, contribution to the Board's work, relationship and communications with the Board and shareholders, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/ her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence and their independence from the Management. The performance evaluation of the Non - Independent Directors was also carried out by the Independent Directors.

The results of the evaluation were shared with the Board, Chairperson of respective Committees and Individual Directors. The Directors expressed their satisfaction with the entire evaluation process. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors.

5. REMUNERATION OF DIRECTORS

(a) Remuneration to Executive Directors

The details of the remuneration paid to Executive Directors of the Company during financial year 2024-25 are mentioned below:-

(Rs. in lakhs)

| Name of Director | Basic Salary | Benefits/Allowances/Perquisites | Pension;/ PF | Commission | Total* |
|---|--------------|---------------------------------|--------------|------------|--------|
| Shri Rajendra Kumar Rajgarhia Chairman & Whole time Director | 89.00 | 80.21 | - | - | 169.21 |
| Shri Hari Ram Sharma Managing Director | 83.00 | 76.68 | 0.22 | - | 159.90 |

* Total Salary includes provisions for Gratuity and Compensated Leave.

No performance linked incentive has been paid to any Executive Directors during the financial year 2024-25.

Service Contracts, Notice Period and Severance Fees

Appointment of Whole time Director and Managing Director are contractual and approved by the Board of Directors and the Shareholders of the Company in compliance with Section 196, 197 read with schedule V of the Companies Act, 2013. Whole time Director and Managing Director may resign or be terminated from the services of the Company by giving 3 months' notice. No severance fee is payable.

(b) Remuneration to Non-Executive Directors

Non-Executive Directors ('NEDs') are remunerated by way of Sitting Fees for attending the meetings. Details of Sitting Fees to NEDs during financial year 2024-25 are mentioned below: -

(Rs. in lakhs)

| Name of Directors | Board Meetings | Committee Meetings | Total |
|---|----------------|--------------------|-------|
| Shri Deepak Vishwanath Harlalka ^{#1} | 0.60 | 0.60 | 1.20 |
| Shri Manish Garg | 1.00 | 1.85 | 2.85 |
| Smt. Nirmala Bagri | 0.80 | 1.70 | 2.50 |
| Smt. Uma Hada ^{#2} | 0.20 | 0.35 | 0.55 |
| Shri Harpal Singh Chawla ^{#3} | 0.40 | 0.35 | 0.75 |
| Shri Sanjay Rajgarhia ^{#4} | 0.20 | 0.20 | 0.40 |

^{#1} Cessation w.e.f. close of business hours of December 09, 2024 due to resignation.

^{#2} Cessation w.e.f. close of business hours of November 27, 2024 due to resignation.

^{#3} Appointed w.e.f. October 29, 2024.

^{#4} Appointed w.e.f. December 18, 2024.

Other than holding shares, sitting fees as indicated above and reimbursement of expenses incurred for attending the meetings of the Company, the NEDs did not have any pecuniary relationship or transactions with the Company during the year.

(c) Criteria for making payment to Non-Executive Directors

The Company pays its Non-Executive Directors sitting fees for attending the meetings of the Board and Committees of the Board except Corporate Social Responsibility Committee and separate meeting of Independent Directors, in addition to the reimbursement/provision of travelling expenses as per rules of the Company. The Company has not paid any remuneration to its Non-Executive/ Independent Directors during financial year 2024-25. The criteria have been defined in the Nomination and Remuneration Policy of the Company. The criteria are also displayed on Company's website www.apmindustries.co.in.

The Company has not issued any Stock options to any of the Directors.

6. SENIOR MANAGEMENT PERSONNEL

The particulars of Senior Management as per Regulation 16(1)(d) of the Listing Regulations during the financial year 2024-25 are as follows: -

| S. No. | Name of Senior Management Personnel | Designation |
|--------|-------------------------------------|---|
| 1. | Shri Ajay Rajgarhia | Vice President (Business Development) |
| 2. | Shri Arun Kumar Sharma | Vice President (Personnel & Administration) |
| 3. | Shri Ravi Dutt Sharma | Vice President (Engineering) |
| 4. | Shri Chandra Shekhar Vijay | Chief Financial Officer/Vice President (Commercial) |
| 5. | Mrs. Neha Goel | Company Secretary |
| 6. | Shri. D.C. Jain | General Manager (Production) |
| 7. | Shri M.K. Sharma | General Manager (Finishing) |
| 8. | Shri Deepak Saxena | General Manager (Dyeing & Development) |
| 9. | Shri Vinod Kumar Singhal | Deputy General Manager (Commercial) |
| 10. | Shri Pawan Kumar Sharma | Deputy General Manager (Budget & Planning) |
| 11. | Shri Mukesh Sharma | Deputy General Manager (Maintenance) |
| 12. | Shri Ashok Kumar Jain | Assistant General Manager (Purchase) |
| 13. | Shri R.N. Sharma | Technical Advisor |

During the financial year 2024-25, Shri S.K. Gupta, Vice President (Technical) resigned with effect from December 31, 2024.

7. GENERAL BODY MEETINGS**(a) The details of last three Annual General Meetings (AGMs) of the Company are as follows: -**

| Financial Year | Date | Time | Location |
|-------------------------------------|--------------------|----------|---|
| 2023-2024 (50 th AGM) | September 24, 2024 | 12:30 PM | Meeting conducted through Video conferencing / Other Audio-Visual Means. Deemed location is the Registered office of the Company at SP-147, RIICO Industrial Area, Bhiwadi, District Khairthal-Tijara, Rajasthan-301019 through Video Conferencing. |
| 2022-2023 (49 th AGM) | September 25, 2023 | 12:30 PM | Meeting conducted through Video conferencing / Other Audio-Visual Means. Deemed location is the Registered office of the Company at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar, Rajasthan-301019 through Video Conferencing. |
| 2021-2022 (48 th AGM) | September 22, 2022 | 12:30 PM | Meeting conducted through Video conferencing / Other Audio-Visual Means. Deemed location is the Registered office of the Company at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar, Rajasthan-301019 through Video Conferencing. |

(b) Special resolution passed during last three AGMs: -

The details of the Special Resolution passed during last three AGMs are mentioned below: -

| AGMs | Subject Matter of Special Resolutions Passed |
|------------------|---|
| 50 th | No Special Resolution was passed. |
| 49 th | To appoint a Director in place of Shri Shri Gopal Rajgarhia (DIN: 00002245), who retires by rotation and, being eligible, offers himself for re-appointment. |
| 48 th | To Continue Directorship of Smt. Uma Hada (DIN: 06463684) as 'Non-Executive, Independent Director' on the Board of the Company after attaining the age of 75 (Seventy-five) years on July 14, 2023. |

(c) Whether any Resolution(s) passed through Postal Ballot during financial year 2024-25

During the financial year 2024-25, Company approached the members for passing of resolutions through Postal Ballot. The details including voting results of the said Postal Ballot are mentioned below: -

| | |
|--------------------------------------|---------------------------------------|
| Date of Postal Ballot Notice | December 18, 2024 |
| Voting period | December 24, 2024 to January 22, 2025 |
| Effective date of approval | January 22, 2025 |
| Date of declaration of result | January 23, 2025 |

| Particulars | Type of Resolution | Votes Polled | Votes in Favour (no. & %) | Votes Against (no. & %) |
|--|---------------------|--------------|---------------------------|-------------------------|
| To Appoint Shri Harpal Singh Chawla (DIN: 00025492) as an Independent Director on the Board of the Company. | Special Resolution | 1,39,67,010 | 1,39,63,270 (99.97%) | 3,740 (0.03%) |
| To Appoint Shri Sanjay Rajgarhia (DIN: 00154167) as Non-Executive, Non-Independent Director on the Board of the Company. | Ordinary Resolution | 1,39,67,010 | 1,39,63,270 (99.97%) | 3,740 (0.03%) |

Mr. Ravi Sharma (Membership No.: 4468, COP: 3666), partner of RSM & Co., Company Secretaries in whole- time practice, were appointed as the Scrutinizer for carrying out the aforesaid Postal Ballot voting process through electronic means in a fair and transparent manner.

(d) Whether any Special Resolution is proposed to be passed through Postal Ballot: None**(e) Procedure adopted for Postal Ballot**

- In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs ('MCA'), the Company provided electronic voting facility to all its members.
- The Company had engaged the services of National Securities Depository Limited ('NSDL') for the purpose of providing electronic voting facility to all its members.

- The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories/ Skyline Financial Services Private Limited, the Company's Registrar and Share Transfer Agent. The Company also published the notice in the newspapers declaring the details of completion of dispatch, e-voting details, and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by ICSI. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date. The notice of aforesaid Postal Ballot is available on the Company's website at <https://www.apmindustries.co.in/investors/postal-ballot/>.
- The Scrutinizer submitted his report to the Chairman of the Company, after the completion of scrutiny and the consolidated results of the voting by Postal Ballot were announced by the Company Secretary.
- The result of the Postal Ballot along with the Scrutinizer's report was placed on the website of the Company at www.apmindustries.co.in, NSDL at www.evoting.nsdl.com and was also communicated to the Stock Exchange.

8. MEANS OF COMMUNICATION

- Financial Results:** - In accordance with the Listing Regulations, the quarterly, half-yearly and annual financial results are regularly uploaded on BSE Listing Centre for dissemination on its website.
- Newspaper Advertisement:** - The quarterly, half-yearly and annual financial results are published in leading newspaper, namely, Business Standard (English) & regional newspaper namely, Business Remedies (Hindi) in compliance with Listing Regulations and simultaneously posted on the Company's website at www.apmindustries.co.in.
- Company's Website:** - In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Reports, financial results, shareholding pattern along with the applicable policies of the Company etc.
- Emails/ Letters to Shareholder:-** Individual emails/ letters are sent to Shareholders for making various communications such as Annual Reports, dividend declaration, dividend credit intimations, important SEBI Circulars regarding updating of PAN/ Emails/ Mobiles number/ Bank Account details/ Nomination details etc; and requirement for dematerialization of share for undertaking transfer of shares.
- Exclusive e-mail ID for investors:** - The Company has a designated email id i.e. csapmindustriesltd@gmail.com exclusively for investor services, and the same is prominently displayed on the Company's website.
- BSE Listing Centre:** - BSE Listing is web-based application designed by BSE for corporates to make submissions. All periodical compliance filings, inter alia, shareholding pattern, compliance report on corporate governance, corporate announcements, amongst others, are filed electronically in accordance with the Listing Regulations.

9. CODES AND POLICIES

(a) Code of Conduct for Directors and Senior Management

The Company has adopted and implemented a Code of Conduct for all Directors and Senior Management Personnel of the Company. The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website at www.apmindustries.co.in.

All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel for the financial year 2024-25. The declaration to this effect signed by Shri Hari Ram Sharma, Managing Director of the Company is attached as **Annexure-A**.

(b) Code of Conduct for prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading to regulate, monitor and report trading in the securities of the Company by the Designated Persons & their immediate relatives. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the said Code of Conduct. Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Insider Trading Regulations'), the Company has established a Structured Digital Database with adequate internal controls and checks such as time stamp and audit trails.

The Company has also implemented Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information, pursuant to the Insider Trading Regulations. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. The compliances with the Insider Regulations for the financial year ended March 31, 2025 were independently reviewed by the Secretarial Auditors of the Company.

(c) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information with a view to facilitate prompt, uniform and universal dissemination of UPSI. Pursuant to the Insider Trading Regulations the Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website at www.apmindustries.co.in.

(d) Policy for Determining Materiality of Events and Information

The Company has adopted a Policy for Determining Materiality of Events and Information ('Policy') for the purpose of making disclosure to the Stock Exchange. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchange. The Policy is displayed on Company's website www.apmindustries.co.in. During financial year 2024-25, the Board amended the Policy to align with the amendment in Listing Regulations.

(e) Policy for Preservation of Documents

The Company has in place a policy for preservation of documents ('Policy') in compliance with Regulation 9 of the Listing Regulations. This Policy provides framework for preservation of documents in compliance with the applicable statutory and regulatory provisions. During financial year 2024-25, the Board amended the Policy.

(f) Archival Policy

The Company has adopted an Archival Policy in compliance with the Regulation 30(8) of the Listing Regulations. This Policy provides the process and manner of archiving various disclosures made to the Stock Exchange under the Listing Regulations which are hosted on the website of the Company. The Policy is disclosed on the website of the Company's website at www.apmindustries.co.in. During financial year 2024-25, the Board amended the Archival Policy.

(g) Policy for Determining Material Subsidiaries

As on March 31, 2025, the Company does not have any material subsidiary Company. Accordingly, no further disclosures are required in this regard.

The Company has in place a Policy for Determining Material Subsidiaries. During the year, the Company amended its Policy on Material Subsidiaries to incorporate the revised definition pursuant to recent amendments to the Listing Regulations. The Policy is disclosed on the Company's website at <https://www.apmindustries.co.in/investors/policies-codes/>.

(h) Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions

The Company has in place a policy on materiality of Related Party Transactions and dealing with Related Party Transactions. This Policy aims to determine the materiality of related party transactions ('RPTs') and to deal with RPTs of the Company. The Policy is disclosed on Company's website at <https://www.apmindustries.co.in/investors/policies-codes/>. During financial year 2024-25, the Board amended the Policy to align with the amendment in Listing Regulations.

(i) Whistle Blower Policy

The Company has in place a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and Employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behavior. The Whistle Blower Policy provides a neutral and unbiased forum for any Director or Employees of the Company to voice concerns in a responsible and effective manner, if they discover information, which they believe shows malpractice, impropriety, abuse or violation of code of conduct, without fear of retaliation.

The Whistle Blower Policy has been posted on the Company's website at www.apmindustries.co.in. The Audit Committee periodically reviews the functioning of the Policy. During the year, no Director or full-time employee was denied access to the Audit Committee.

(j) Corporate Social Responsibility Policy

The Company has a Policy on Corporate Social Responsibility ('CSR') which outlines the Company's Philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful activities or programs, if any, towards welfare of the community around the area of its operations. The Policy strives towards welfare of the different segments of the community, specifically the deprived and underprivileged segment. The Policy is disclosed on the Company's website at www.apmindustries.co.in.

(k) Nomination and Remuneration Policy

The Company has a Policy on appointment and remuneration of Directors, Key Managerial Personnel ('KMP') and Senior Management / Other Employees ('Employees') of the Company. The Policy aims to ensure that the persons appointed as Directors, KMP and Employees possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration. The Policy is displayed on the Company's website at <https://www.apmindustries.co.in/investors/policies-codes/>.

(l) The Company also has in place other Policies such as: -

- Policy for prevention of Sexual Harassment.
- Risk Management Policy.
- Performance Evaluation Policy

10. DISCLOSURES

- (a)** There are no materially significant transactions of the Company with the related parties viz. Promoters, Directors or the Management, their relatives, etc. that may have a potential conflict with the interests of the Company at large. Related party transactions are given at Note No. 53 of Notes to the Financial Statements in the Annual Report.
- (b)** During last three years, there were no strictures or penalties imposed on the Company either by the Stock Exchange or SEBI or any other statutory authority for non-compliance of any matter related to capital markets. Further, there has been no instance of non-compliance of any requirement of corporate governance under Listing Regulations by the Company.

(c) Commodity Price Risks and Commodity Hedging Activities: -

The Company does not deal in commodity activities. Accordingly, the disclosures required to be made in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018, pertaining to commodity price risks and commodity hedging activities are not applicable to the Company.

(d) Details of total fees paid to Statutory Auditors are provided in Note No. 37.1 to the Financial Statements forming part of Annual Report.**(e) During the year, the Company has not raised any fund through preferential allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of Listing Regulations.****(f) Details of complaints received and disposed of during the financial year in relation to Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013 are as follows: -**

(a) Number of complaints of sexual harassment received during the year: - Nil

(b) Number of complaints disposed of during the year: - Nil

(c) Number of cases pending for more than 90 days: - Nil

(g) During the year, there were no such recommendations of the Committees, which the Board had not accepted.**(h) No Loans or advances in the nature of loans were provided to firms or Companies in which Directors of the Company are interested during financial year 2024-25.****(i) The Company has not been informed of any agreement under Regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations. Accordingly, there was no requirement for disclosing the same.****11. GENERAL SHAREHOLDERS' INFORMATION****(a) Day, Date, Time and Venue of 51st AGM of the Company is as under: -**

| | |
|-------|---|
| Day | Wednesday |
| Date | September 24, 2025 |
| Time | 12:30 P.M. (IST) |
| Venue | AGM would be held through video conference/other audio-visual means [Deemed venue for meeting - Registered Office of the Company – SP-147, RICCO Industrial Area, Bhiwadi, Dist. Khairthal-Tijara, Rajasthan-301019] |

(b) Financial year and Financial Calendar

The Company follows April 01 to March 31 as its Financial year. The Financial Calendar for year 2025-26 is as follows: -

| Item | Tentative Dates* |
|--|-------------------|
| First Quarter Results | August 06, 2025 |
| Second Quarter & Half yearly Results | November 07, 2025 |
| Third Quarter & Nine months Results | February 04, 2026 |
| Fourth Quarter & Audited Annual Results for the year | May 11, 2026 |

* As approved by the Board of Directors. However, these dates are subject to change.

(c) Dividend Payment Dates

Due to the losses incurred, no dividend has been recommended by the Board of Directors for the financial year 2024-25.

(d) Listing Details

The Equity Shares of the Company are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. The Company has paid the Annual listing fees for financial year 2025-26 to BSE Limited.

(e) Compliance Officer

Mrs. Neha Goel, Company Secretary, is the Compliance Officer appointed by the Board of Directors. She can be contacted for any investor related matter relating to the Company. The contact no. is 011-26441018 and e-mail id is 'csapmindustriesltd@gmail.com'.

(f) Registrar and Share Transfer Agent

Investors and shareholders can correspond with the office of the Registrar and Share Transfer Agent of the Company at the following addresses: -

Skyline Financial Services Private Limited,
D-153A , 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110020
Tel: +011-40450193-97, E-mail: admin@skylinerta.com, info@skylinerta.com

(g) Share Transfer System

The Company's shares are traded in the Stock Exchange compulsorily in dematerialised mode. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL, within the statutory time limit from the date of receipt of share certificates/ letter of confirmation after due verification. The Company has appointed Skyline Financial Services Private Limited as Registrar and Share Transfer Agent.

(h) Information for Physical/Demat Shareholders

SEBI vide Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07 2024, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (Contact Details, Bank Details and Specimen Signature) and Nomination details.

As per the provision of said Circular, amended from time to time, it is mandatory for the shareholders holding securities in physical form to update their PAN, address, Mobile Number, Bank Account details and specimen signature with RTA. In view of the same, it may be noted that any service request can be processed only after the folio is KYC compliant. In the case, wherein any one of the above details are not updated, such shareholders will be able to: -

- lodge any grievance or avail any service only after furnishing all necessary details required above; and
- receive any payments including dividend in respect of such folios only electronically with effect from April 01, 2024, upon registering the required details.

The Company has sent individual letters to all the shareholders holding shares of the Company in physical form for furnishing their PAN, KYC and nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <https://www.apmindustries.co.in/investors/updation-of-kyc-details-compulsory-issue-of-shares-in-dematerialized-form/>.

In accordance with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, all investors are encouraged, in their own interest, to provide their choice of nomination. Investors holding shares in physical form may contact the RTA of the Company, while those holding shares in dematerialised form are advised to approach their respective Depository Participant(s) (DPs). Further, all new investors are mandatorily required to provide the choice of nomination at the time of opening demat accounts, except in the case of jointly held demat accounts.

Accordingly, the members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

Following are the standardised and simplified forms for availing various service requests with the Company/RTA: -

| Type of share holder | Process to be followed | |
|----------------------|---|--|
| Physical | For availing the following investor services, send a written request in the prescribed forms to RTA either by an email at admin@skylinerta.com , info@skylinerta.com or by post at D-153A , 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110020. | |
| | Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof | Form ISR-1 |
| | Form for registration/updation of signature | Form ISR-1, Form ISR-2 (as applicable) |
| | Form for nomination | Form SH-13 |
| | Declaration to opt out of nomination | Form ISR-3 |
| | Cancellation of nomination/change of nominee | Form SH-14 |
| | Form for requesting issue of duplicate certificate and other service requests for shares, etc. | Form ISR-4 |
| | Request form for transmission of shares by nominee or legal heir | Form ISR-5 |
| Demat | The forms for above-mentioned service request are available on the website of the Company at https://www.apmindustries.co.in/investors/updation-of-kyc-details-compulsory-issue-of-shares-in-dematerialized-form/ and RTA at https://www.skylinerta.com/investor-charter.php | |
| | Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your respective DP. | |

(i) Credit rating(s) and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilisation of funds, whether in India or abroad

The Company has not issued any debt instruments and did not have any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad during the financial year ended March 31, 2025.

(j) Distribution of shareholding as on March 31, 2025

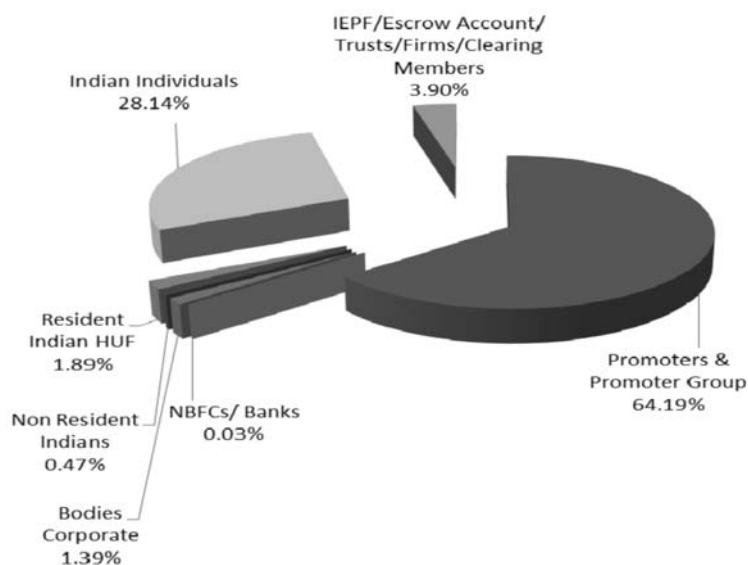
(i) Value wise

| Range of Shares | Shareholders | | Shareholding | |
|-----------------|--------------|------------|-----------------|------------|
| | Number | % of Total | Number | % of Total |
| Upto 500 | 8372 | 83.86 | 1368400 | 6.33 |
| 501 to 1000 | 806 | 8.07 | 654078 | 3.03 |
| 1001 to 2000 | 380 | 3.81 | 580536 | 2.69 |
| 2001 to 3000 | 153 | 1.53 | 390262 | 1.81 |
| 3001 to 4000 | 57 | 0.57 | 203440 | 0.94 |
| 4001 to 5000 | 51 | 0.51 | 240961 | 1.11 |
| 5001 to 10000 | 88 | 0.88 | 643331 | 2.98 |
| 10001 and above | 76 | 0.76 | 17530352 | 81.12 |
| Total | 9983 | 100 | 21611360 | 100 |

(ii) Category wise

| S. No. | Category | No. of Shares | Shareholding as a percentage of total number of shares |
|--------------|--|-----------------|--|
| A | Promoter & Promoter Group | 13871320 | 64.19 |
| B | Public Shareholding | | |
| 1 | NBFCs/ Banks | 7250 | 0.03 |
| 2 | Bodies Corporate | 299443 | 1.39 |
| 3 | Non-Resident Indians | 100794 | 0.47 |
| 4 | Resident Indian HUF | 409497 | 1.89 |
| 5 | Indian Individuals | 6080898 | 28.14 |
| 6 | IEPF/Escrow Account/Trusts/Firms/ Clearing Members | 842158 | 3.90 |
| Total | | 21611360 | 100 |

Graphical Presentation of Shareholding



(k) Unclaimed Dividends

In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) ('IEPF Rules'), Dividend, if not claimed or paid for a period of seven years from the date of transfer to Unclaimed Dividend Account of the Company, is liable to be transferred to the IEPF Authority.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

During the year under review, the Company had sent individual notices and issued advertisements in the newspapers, requesting the shareholders to claim their dividends in order to avoid transfer of shares/dividends to the IEPF. Details of the unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the Company's website at <https://www.apmindustries.co.in/investors/unclaimed-dividend/>.

The details of the unclaimed dividends and shares transferred to IEPF during the financial year 2024-25 are as follows: -

| Financial Year | Type of Dividend | Amount of unclaimed dividend (in Rs.) | No. of Equity Shares Transferred |
|----------------|------------------|---------------------------------------|----------------------------------|
| 2016-17 | Final Dividend | 5,53,352 | 50955 |

The dividend amount and the shares may be claimed from IEPF Authority (www.iepf.gov.in) by following the prescribed procedure. No claims shall lie against the Company in respect of the dividend/ shares transferred to the demat account of IEPF Authority.

Details of date of declaration and due date for transfer to IEPF: -

| Financial year | Type of Dividend | Date of Declaration of Dividend | Due date to be transfer to IEPF |
|----------------|------------------|---------------------------------|---------------------------------|
| 2017-18 | Final Dividend | September 22, 2018 | October 29, 2025 |
| 2018-19 | Final Dividend | September 28, 2019 | November 04, 2026 |
| 2021-22 | Final Dividend | September 22, 2022 | October 29, 2029 |
| 2022-23 | Final Dividend | September 25, 2023 | November 01, 2030 |
| 2023-24 | Final Dividend | September 25, 2024 | October 31, 2031 |

Process for claiming shares and dividend from IEPF

The claimants are advised to first approach the Company for entitlement letter along with all the required documents before filing of claim application with the IEPF Authority.

Accordingly, once the Company has received and verified all the requisite documents, it will then issue an entitlement letter duly signed by the Nodal Officer/ Deputy Nodal Officer of the Company along with all the required details to file web form IEPF-5 within a period of 30 days. The claimants shall thereafter file web form IEPF-5 with the IEPF Authority along with entitlement letter and other supporting documents.

The claimants shall then submit the self-attested copy of form IEPF-5, its acknowledgment and duly executed Indemnity Bond in an envelope marked as "Claim for refund from IEPF Authority" at the corporate office address of the Company in the name of the "Nodal Officer of the Company", to enable the Company to file the e-verification report of the claim within the prescribed timeline of 30 days.

This process will reduce the instance of claim applications being rejected by the Company/IEPF Authority on account of incomplete and/or non-receipt of required documents.

Nodal and Deputy Nodal Officer

In accordance with the IEPF Rules, the Board of Directors of the Company have appointed Mrs. Neha Goel, Company Secretary and Compliance Officer as the Nodal Officer and Shri Vinod Kumar Singhal, Deputy General Manager (Comm.) as the Deputy Nodal officer. Contact information of the Nodal Officer and Deputy Nodal officer for the purpose of co-ordination with the IEPF Authority are available on the website of the Company at www.apmindustries.co.in.

(l) Suspense Escrow Demat Account

In accordance with the circulars/guidelines issued by SEBI, from time to time, a Letter of Confirmation (LOC) in lieu of physical share certificate is issued by the RTA to the shareholders after processing of any investor service request for effecting the transaction in dematerialised form.

The validity of such LOC is 120 days from the date of its issuance. Further, the shareholders are required to submit the same with their Depository Participant ('DP') to effect dematerialisation of shares. In case of non-receipt of LOC, reminder is sent on completion of 45 days and 90 days to lodge the same with their concerned DP.

In case wherein the request for dematerialisation of shares is not submitted within the aforesaid timeline of 120 days, such shares are required to be transferred to Suspense Escrow Demat Account of the Company opened for the said purpose.

However, the shareholders/claimants can claim back their shares from Suspense Escrow Demat Account by submitting the required documents to RTA as per SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024.

During the year under review, 500 shares pertaining to 2 shareholders were lying in the Suspense Escrow Demat Account of the Company. Further, no request was received for release of shares from the said Suspense Escrow Demat Account of the Company.

Any corporate benefits in terms of securities accruing on the securities transferred to Suspense Escrow Demat Account viz. bonus, split, etc., shall be credited to such Suspense Escrow Demat Account. Also, the concerned holders shall be entitled to vote, to receive dividend and notices of meetings, annual reports on the securities lying in Suspense Escrow Demat Account.

(m) Information pursuant to Regulation 36(3) of the Listing Regulations

Information pertaining to particulars of Director to be re-appointed at the forthcoming AGM has been included in the Notice convening the 51st AGM.

(n) Certification of Non-Disqualification of Directors from Practicing Company Secretary

The Company has obtained a certificate from a Practicing Company Secretary, Ms. Suman Pandey, Partner of M/s. RSM & Co., Company Secretary in Practice, as per the provisions of Schedule V(C) of the Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as **Annexure-B**.

(o) Compliance Certificate from the Practicing Company Secretary

The Company has obtained a Certificate from Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated in Schedule V (E) of the Listing Regulations. The Certificate is attached as **Annexure-C**.

(p) Dematerialisation of Shares and liquidity

The Company has provided to the shareholders the facility to hold shares in dematerialized form with National Securities Depository Limited (NSDL) as well as Central Depository Services (India) Limited (CDSL). 20953297 equity shares constituting 96.96% of total Paid up share capital of the Company were in dematerialized form as on March 31, 2025. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE170D01025. The Equity Shares of the Company are traded on the BSE Limited.

(q) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments in the past and hence, as on March 31, 2025, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(r) Registered Office and Location of Plant

SP-147, RIICO Industrial Area, Bhiwadi, District Khairthal-Tijara, Rajasthan-301019

(s) Address for Correspondence

APM Industries Limited
910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019
Tel: 011-26441018-22
E-mail: - csapmindustriesltd@gmail.com
Website: - www.apmindustries.co.in

(t) Corporate Identification Number (CIN)

L21015RJ1973PLC015819

12. COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE LISTING REGULATIONS

(a) Mandatory Requirements

The Company is in compliance with applicable mandatory corporate governance requirements of the Listing Regulations. Specifically, Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the Listing Regulations.

(b) Extent to which Discretionary Requirements have been adopted

The Company has partly adopted non-mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations.

CEO/CFO Certification

In compliance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, a declaration by Managing Director and Chief Financial Officer is enclosed as **Annexure-D**.

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman and Whole time Director
DIN: 00141766

Place: New Delhi
Dated: July 31, 2025

Annexure-A

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the year ended March 31, 2025.

For and on behalf of the Board

Place: New Delhi
Date: May 07, 2025

Hari Ram Sharma
Managing Director

Annexure-B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
APM Industries Limited
CIN: L21015RJ1973PLC015819
Registered Office: SP-147, RIICO Industrial Area,
Bhiwadi, District Khairthal-Tijara, Rajasthan- 301019

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **APM Industries Limited** having CIN: L21015RJ1973PLC015819 and having Registered Office at SP-147, RIICO Industrial Area, Bhiwadi, District Khairthal-Tijara, Rajasthan-301019 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

For RSM & CO.
Company Secretaries

SUMAN PANDEY
PARTNER
FCS NO. 7606 | C.P. NO. 8404
UDIN: F007606G000874307
Peer Review no.: 978/2020

Dated : July 31, 2025
Place : New Delhi

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Members,
APM Industries Limited
CIN: L21015RJ1973PLC015819
Registered Office: SP-147, RIICO Industrial Area,
Bhiwadi, District Khairthal-Tijara, Rajasthan- 301019

We have examined the compliance of conditions of Corporate Governance by APM Industries Limited ("the Company") for the year ended 31st March, 2025, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance under the Listing Regulations. The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.
2. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM &Co.
Company Secretaries

SUMAN PANDEY
Partner M. No F7606 I CP 8404
UDIN: F007606G000874331
Peer Review No.: 978/2020

Place: New Delhi
Date: July 31, 2025

Annexure-D

CERTIFICATE OF CEO & CFO

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This is to certify that: -

- (a) We have reviewed financial statements and the cash flow statement for the year 2024-25 and that to the best of our knowledge and belief that: -
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended March 31, 2025 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee: -
- i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Place : New Delhi
Date : May 07, 2025

Chandra Shekhar Vijay
Chief Financial Officer

Hari Ram Sharma
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

[Schedule V-Regulation 34(3) of SEBI (LODR) Regulations, 2015]

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

India's textile sector is one of the oldest and most significant industries in the country's economy, with a history spanning several centuries. It plays a crucial role in both domestic economic development and international trade. The industry encompasses a broad spectrum of activities, ranging from traditional handloom weaving to state-of-the-art textile manufacturing units.

India has established itself as a prominent global manufacturing hub for textiles and apparel, owing to its rich textile heritage, skilled workforce, and competitive labour costs. The country ranks as the sixth-largest exporter of textiles, covering a wide range of segments including apparel, home textiles, and technical textiles.

India is recognized as the second-largest producer of man-made fibre (MMF) globally, after China. It is also among the world's largest producers and exporters of cotton and jute. Major export destinations include the United States, European Union, United Kingdom, and the Middle East, which together account for nearly half of India's total textile and apparel exports.

Furthermore, the sector is a major employment generator, being the second-largest employer in the country. It provides direct employment to around 45 million people and indirect employment to an additional 100 million in allied sectors such as agriculture, transportation, and retail.

With growing global demand, increased penetration of organized retail, rising disposable incomes, and government initiatives such as the Production Linked Incentive ('PLI') scheme, PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks, and the National Technical Textiles Mission ('NTTM'), the Indian textile sector is well-positioned to scale new heights in the years ahead.

2. OPPORTUNITIES & THREATS

The Indian economy continues to show resilience amid global uncertainties. Despite significant challenges in the global environment, India remained one of the fastest-growing economies in the world. The overall economic growth remained robust, estimated at 6.5% for the financial year 2024-25. For financial year 2025-26, India's GDP is projected to grow between 6.3% and 6.8%. India is poised to become the fourth-largest global economy in 2025, driven by progressive domestic reforms, industrial modernization, and enhanced global positioning under the vision of Aatma Nirbhar Bharat.

The Indian textile and apparel industry stand to benefit significantly from these positive macroeconomic trends. Several growth opportunities exist in both domestic and international markets. Rising global demand for Indian textiles, especially from developed economies such as the United States, European Union, and the United Kingdom, presents a promising outlook for exports. India's reputation for quality, skilled craftsmanship, and competitive labour costs continues to strengthen its position as a global sourcing hub.

Government initiatives such as the PLI Scheme, the establishment of PM MITRA Parks, and the NTTM are expected to boost investment, innovation, and capacity building across the textile value chain. Additionally, the growing demand for technical textiles across industries such as healthcare, automotive, defense, and agriculture is opening up high-margin, value-added opportunities. The expansion of the domestic market, supported by increasing disposable incomes, rapid urbanization, and changing fashion preferences, further adds to the sector's long-term potential. The rise of e-commerce and digital retailing is also providing new avenues for textile manufacturers and brands to directly reach consumers.

However, the industry faces several threats that could impact its performance. Volatility in the prices of raw materials such as cotton, polyester, and dyes poses a challenge to cost management and profitability. Global economic slowdowns, trade policy shifts, and geopolitical tensions could dampen export momentum. The sector also faces stiff competition from low-cost manufacturing countries like Bangladesh, Vietnam, and Turkey, which are aggressively expanding their global footprint. Furthermore, meeting the increasingly stringent environmental, social, and governance (ESG) standards of international buyers requires significant compliance infrastructure, especially for smaller players. Labour shortages, skill mismatches, and infrastructure bottlenecks continue to be areas of concern that may limit operational efficiency. Geopolitical tension and on-going conflicts are disrupting the export markets and affecting the overall demand for textile products.

Overall, while the Indian textile industry is well-positioned to leverage domestic and global growth opportunities, it must remain agile, innovative, and compliant to effectively navigate the challenges ahead.

3. SEGMENT-WISE PERFORMANCE

The Company currently operates in a single business segment, namely the manufacturing of synthetic blended yarn. Accordingly, segment-wise or product-wise performance is not applicable. Further, the Company does not have any operations outside India. Hence, no geographical segment has been identified.

4. OUTLOOK

The outlook for the Indian textile industry remains positive and promising, supported by favorable domestic and global economic indicators. India's strategic position as a major player in the global textile value chain, along with robust domestic demand, provides a solid foundation for long-term growth. Increasing globalization and the strengthening of cross-border trade partnerships, including Free Trade Agreements (FTAs) with key markets such as the European Union, Australia, and the United Arab Emirates, are expected to enhance market access and export competitiveness.

Rising per capita incomes, both in India and globally, are contributing to sustained demand for textiles and apparel. This is further bolstered by shifting consumer preferences towards fast fashion, affordable luxury, and sustainable clothing, creating new growth avenues for Indian manufacturers. Indian textile companies are well-positioned to respond to these trends by leveraging traditional craftsmanship, expanding eco-friendly product lines, and adopting sustainable production practices.

Specifically, the Indian yarn market is projected to grow at a CAGR of 3-4% between financial year 2024 and financial year 2028, driven by steady domestic demand, improving discretionary spending, and the anticipated revival of textile imports in developed markets.

While external challenges such as geopolitical tensions, raw material price volatility, and global inflationary pressures persist, the Indian textile industry is expected to remain resilient. With strategic focus on innovation, value addition, sustainability, and market diversification, the industry is well-equipped to navigate uncertainties and capitalize on emerging opportunities in the years ahead.

5. **RISKS & CONCERNS**

While the Company remains optimistic about future growth, it continues to face certain risks and challenges that could impact its operations and financial performance. Volatility in raw material prices, particularly synthetic fibres linked to crude oil, remains a key concern. Regulatory changes, compliance obligations, and evolving environmental norms may affect operations and costs. Export-related risks, including geopolitical tensions and currency fluctuations, could influence international demand. Intense competition from low-cost producing countries also poses a threat to market share. Additionally, as a labour-intensive industry, challenges in workforce availability and operational efficiency may arise. The Company remains vigilant and is taking proactive steps to mitigate these risks through improved cost management, compliance monitoring, and operational safeguards.

6. **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place an adequate internal control system, supported by a well-defined organizational structure and clearly laid-out policies and procedures to ensure efficient conduct of its business operations. These internal controls are designed to provide reasonable assurance regarding the reliability of financial reporting, compliance with applicable laws and regulations, and safeguarding of assets from unauthorized use or loss.

The Company regularly monitors and evaluates the effectiveness of these internal controls through periodic reviews and audits. The management conducts periodic reviews of actual performance against approved budgets to ensure proper allocation and utilization of resources. All transactions are duly authorized, accurately recorded, and appropriately reported, ensuring transparency and accountability.

An Audit Committee, comprising independent directors, has been constituted by the Board. The composition and responsibilities of the Audit Committee are detailed in the Corporate Governance Report forming part of the Annual Report. The Company also engages independent Statutory Auditors and Internal Auditors, who carry out periodic audits and submit their findings and recommendations to the management and the Audit Committee. All significant observations and suggestions made by the auditors are duly reviewed, and appropriate corrective actions are implemented to enhance the internal control framework.

7. **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial performance for the year 2024-25 remained under pressure due to elevated global inflation, tightening of interest rates, and withdrawal of excess liquidity, which collectively impacted overall demand and market sentiment.

(Rs. in Lakhs)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--------------------------|------------------------------|------------------------------|
| Revenue from Operations | 29,400 | 29,985 |
| Total Revenue | 29,531 | 30,132 |
| Profit/(Loss) Before Tax | (364) | 392 |
| Profit/(Loss) After Tax | (61) | 417 |

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. There has been no change in the accounting treatment followed by the Company during the year.

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

The Company strongly believes that its human resources are a key driver of organizational growth and long-term sustainability. It is committed to nurturing talent, fostering a culture of trust, inclusivity, and continuous learning. The Company recognizes that a motivated and engaged workforce is essential to achieving operational excellence and strategic goals. In line with this, initiatives are undertaken to promote professional development, leadership building, and skills enhancement across all levels of the organization.

Employees are regarded as the most valuable asset of the Company, and every effort is made to provide a safe, healthy, and conducive working environment. The well-being of employees, including their physical and mental health, is a top priority. Work-life balance, safety protocols, and employee welfare measures are consistently monitored and strengthened.

Industrial relations during the year remained cordial and stable. There were no instances of industrial disputes, and the Company maintained constructive relationships with its employees and workforce. Management continues to engage in regular dialogue with

employees to address concerns and ensure a collaborative working environment. The Company does not foresee any material issues on the industrial relations front in the foreseeable future.

As on March 31, 2025, the total number of employees stood at 1,742.

9. LONG TERM AND SHORT TERM STRATEGY OF COMPANY

Water Conservation

The Company has consistently prioritized water conservation as part of its long-term sustainability strategy. In alignment with the 'Jal Swavlamban Abhiyan' of the Government of Rajasthan, the Company has implemented rainwater harvesting systems to preserve water and improve the groundwater table in and around its manufacturing facilities. Specifically, six mini ponds have been constructed outside the mill area for effective rainwater collection.

In addition, during the financial year 2020-21, the Company developed eight new groundwater recharge wells across four ponds in two villages of Tehsil Tijara (District Khairthal-Tijara), Rajasthan, to support local water recharge initiatives and enhance long-term water availability in the region.

Waste Water Utilization

The Company is committed to the efficient and responsible use of water resources. All effluents discharged from the dyeing operations are treated through an advanced effluent treatment plant (ETP), including condensate from the Multi-Effect Evaporator (MEE), and are subsequently reused in the process. Furthermore, 100% of the treated water from the Sewage Treatment Plant (STP) is also recycled and utilized in operations.

To enhance energy and water efficiency, an innovative Plate Heat Exchanger has been installed to recover heat from treated effluent water. This has resulted in significant savings in steam consumption, thereby reducing overall fuel usage and boiler feed water requirements. The STP was also upgraded in financial year 2021-22 to increase treated water recovery for reuse.

Renewable Energy

We believe that investment in renewal energy moderates the carbon footprint, reduces energy costs, enhances power security and provides a long term insurance against an increase in power cost. The Company had invested Rs. 415 lakhs to commission roof top solar energy panels of 1.0 MW in 2017-18 with a payback period of around 5 years. The Company had also invested Rs. 616 lakhs to commission ground mounted/ rooftop solar energy panels of 1.722 MW in 2019-20 with a payback period of around 4 years.

The proactive investments moderated the Company's carbon foot print and power cost.

These activities towards energy conservation reduced energy consumption by 32.49 lakhs units in the financial year 2024-25.

10. KEY FINANCIAL RATIOS

The mentioned below are the key financial ratios of the Company with reasons for significant changes in the financial ratios which are 25% or more as compared to the previous year: -

| Financial Ratios | FY 2024-25 | FY 2023-24 | Change in % | Reason for Change |
|-----------------------------|------------|------------|-------------|--|
| Debtors Turnover Ratio | 32.53 | 25.65 | 26.82 | Due to decrease in Trade receivables |
| Inventory Turnover Ratio | 6.27 | 5.48 | 14.42 | - |
| Interest Coverage Ratio | (1.49) | 2.74 | (154.38) | Due to decrease in profit before interest during the year. |
| Current Ratio | 2.08 | 1.90 | 9.47 | - |
| Debt Equity Ratio | 0.04 | 0.17 | (76.47) | Due to decrease in Debt. |
| Operation Profit Margin (%) | (1.19) | 1.57 | (175.80) | Due to decrease in operating profit. |
| Net Profit Margin (%) | (0.21) | 1.39 | (115.11) | Due to decrease in gross profit margin during the year. |
| Return on Net Worth (%) | (0.31) | 2.58 | (112.02) | Due to decrease in profit. |

11. CAUTIONARY STATEMENT

The Management Discussion and Analysis Report containing your Company's objectives, projections, estimates and expectations, which are forward looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis Report could differ materially from those expressed or implied elsewhere. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in governmental regulations, tax regimes, economic developments within India and other incidental factors.

For and on behalf of the Board

Place: New Delhi
Date: July 31, 2025

Rajendra Kumar Rajgarhia
Chairman and Whole time Director
DIN: 00141766

INDEPENDENT AUDITOR'S REPORT

To The Members of APM Industries Limited

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its loss, total comprehensive income, cash flows and the changes in equity 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 (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our 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 for the year ended March 31, 2025. 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.

On the facts and circumstances of the Company and the audit, we determine that there are no key audit matters to communicate in our report.

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

The Company's Management and Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's Report.

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.

When we read the Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's Responsibilities Relating to Other Information' and take necessary actions, as applicable under the relevant laws and regulations.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Management and Board of Directors are 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and the accounting principles generally accepted in India. These responsibilities also include 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, the Company's Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of

the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 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 except for the matter stated in the paragraph (h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, as applicable to the Company;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in the Annexure "B" to this report;
 - g) with respect to the other matters to be included in the Auditor's Report under Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position as at March 31, 2025 in its financial statements – Refer Note 38 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025.
 - iii. There has been no delay in transferring the amount, 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 of the Company has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from the borrowed funds or share premium or any other sources

or kind of funds) by the Company to or in any other persons or entities including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management of the Company has represented that, to the best of their knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us on the Company, nothing has come to our notice that has caused us to believe that the representations under sub-Clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The dividend paid by the Company during the year is in compliance with Section 123 of the Act, as applicable. As stated in Note 57 to the financial statements, the Board of Directors of the Company have not proposed any dividend for the year ended March 31, 2025.
- vi. As per the information and explanations provided to us and based on our examination which included test checks, the Company has used ERP software for maintaining its books of account 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 accounting software. However, the audit trail feature is not enabled when using administrative access right to the ERP application for direct data changes which is restricted to limited set of users who necessarily require this access for maintenance and administration of the database. Further, we did not come across any instance of audit trail feature being tempered with during our course of audit in respect of accounting software for which the audit trail feature was operating and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

LAXMI NARAIN JAIN
Partner
Membership No. 072579
UDIN – 25072579BMJIVS3612

New Delhi
May 07, 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the members of **APM Industries Limited** on the Financial Statements for the year ended March 31, 2025)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use assets. The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of the records examined by us, the Property, Plant and Equipment (including Right of Use assets) have been physically verified by the management during the year pursuant to a regular programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of the records examined by us, the Company holds a leasehold land on which factory building has been constructed by the Company. The lease deed of the land has been mortgaged with bank as security for the borrowing raised by the Company. A copy of the lease deed of the land is available on the record of the Company. The lease agreements of the land and buildings where the Company is the lessee, are duly executed in favour of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of the records examined by us, no proceedings have been initiated or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988), as amended and rules made thereunder.
- (ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion and according to the information and explanations given to us, the frequency of such physical verification is reasonable and the coverage and procedure of verification of inventory as followed by the Management was appropriate having regard to the size of the Company and the nature of its operations. The discrepancies noticed on verification between physical stocks and book records were not 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate by two banks during the year on the basis of security of current assets. Pursuant to the terms of the sanction of the loan facilities, the Company has to file monthly returns/statements with such banks. Based on the records examined by us in the normal course of audit, in our opinion, the monthly returns/statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective month.
- (iii) According to the information and explanations given to us, the Company has not made any investment in, provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties during the year. Accordingly, the clauses (iii) (a), (b), (c), (d), (e) and (f) of paragraph 3 of the Order are not applicable.
- (iv) According to the information and explanations given to us and on the basis of the records examined by us, the Company has not made any investment, granted any loan or provided any guarantee or security as specified under Section 185 and 186 of the Act.
- (v) According to the information and explanations given to us and on the basis of the records examined by us, the Company has not accepted any deposits or amounts, during the year, which are deemed to be deposits from the public on which the directives issued by the Reserve Bank of India or the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules made thereunder are applicable.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have not, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and on the basis of the records examined by us:
- (a) The Company has been regular in depositing undisputed statutory dues including Goods and service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Custom, Duty of Excise, Value added tax, Cess and other statutory dues, as applicable to the Company, with the appropriate authorities. There were no undisputed amounts payable in respect of statutory dues outstanding as at March 31, 2025 for a period of more than six months from the date they became payable.
- (b) Details of the statutory dues referred to in sub-clause (a) above outstanding as at March 31, 2025 which have not been deposited by the Company on account of disputes, are given below:

| Name of the Statute | Nature of Dues | Amount (Rs. in lakhs) | Period to which amount relates | Forum where dispute is pending |
|--|---|-----------------------|----------------------------------|-------------------------------------|
| The Central Excise Act, 1944 | Excise Duty | 3# | Financial Year 2017-18 | Commissioner (Appeal) |
| The Income Tax Act, 1961 | Penalty | 7* | Assessment Year 2018-19 | Commissioner (Appeal) |
| The Rajasthan Electricity (Duty) Act, 1962 | Duty, cess and late payment surcharge demanded by the Electricity Board on supply of power from captive power plant | 1201 | Financial Year 2013-14 & 2014-15 | High Court, Rajasthan |
| Tamilnadu Goods & Services Tax Act, 2017 | Penalty | 3** | Financial Year 2024-25 | Deputy Commissioner (ST) GST Appeal |

excluding interest/penalty as determined/levied on the Company on conclusion of matter

* this has been adjusted by the department from the amount of refund due to the Company

** this has been paid by the Company under protest

- (viii) According to the information and explanations given to us and on the basis of the records examined by us, the Company does not have any transactions not recorded in the books of account but surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- (ix) According to the information and explanations given to us and on the basis of the records examined by us,
- the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
 - the Company has not been declared willful defaulter by any bank or financial institution or other lender;
 - the term loan has been applied by the Company during the year for the purpose for which the loan was obtained;
 - there are no transactions of funds raised by the Company on short term basis and utilized, prima facie, for long term purposes during the year;
 - the Company does not have any subsidiary or associate or joint venture during the year. Accordingly, the clause 3(ix)(e) of the Order is not applicable;
 - the Company does not have any subsidiary or joint venture or associate company during the year. Accordingly, the clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) during the year. Accordingly, the clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us and on the basis of the records examined by us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under Section 143(12) of the Act in form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed with the Central Government.
- (c) According to the information and explanations given to us, no whistleblower complaint has been received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) During the course of our audit, we have considered the reports of the Internal Auditor issued till date for the period under audit.
- (xv) According to the information and explanations given to us and on the basis of the records examined by us, the Company has not entered into any non-cash transactions with any of its directors or persons connected with them during the year.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, there is no Core Investment Company as a part of the Group. Accordingly, the clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of examination of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and Management 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within the period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has spent during the year the amount towards Corporate Social Responsibility (CSR) as required under section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the order is not applicable.
- (xxi) Reporting under clause 3(xxi) of the Order is not applicable in respect of audit of the standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

LAXMI NARAIN JAIN
Partner

Membership No. 072579
UDIN – 25072579BMJVS3612

New Delhi
May 07, 2025

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the members of **APM Industries Limited** on the Financial Statements for the year ended March 31, 2025)

Report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub- Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the financial statements of **APM Industries Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Responsibilities of Management and Board of Directors for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With reference to the financial statements

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

Inherent Limitations of Internal Financial Controls with reference to the financial statements

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

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 with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial controls with reference to the financial statements, established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

LAXMI NARAIN JAIN
Partner

New Delhi
May 07, 2025

Membership No. 072579
UDIN – 25072579BMJIVS3612

BALANCE SHEET

AS AT MARCH 31, 2025

(Rs. in lakhs)

| Particulars | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|--|----------|-------------------------|-------------------------|
| I. Assets | | | |
| 1 Non-Current Assets | | | |
| (A) Property, Plant and Equipment | 4A | 10,956 | 11,639 |
| (B) Capital Work in Progress | 4B | - | - |
| (C) Right of Use Assets | 4A | 5,565 | 5,627 |
| (D) Intangible Assets | 4A | 3 | 3 |
| (E) Financial Assets | | | |
| (i) Investments | 5 | 0 | 0 |
| (ii) Loans | 6 | - | 6 |
| (iii) Other Financial Assets | 7 | 355 | 345 |
| (F) Non-Current Tax Assets(Net) | 8 | 33 | 29 |
| (G) Other Non-Current Assets | 9 | 425 | 463 |
| Total Non-Current Assets | | 17,337 | 18,112 |
| 2 Current Assets | | | |
| (A) Inventories | 10 | 3,877 | 5,357 |
| (B) Financial Assets | | | |
| (i) Trade Receivables | 11 | 791 | 1,001 |
| (ii) Cash and Cash Equivalents | 12 | 2 | 19 |
| (iii) Bank Balance other than (ii) above | 13 | 30 | 32 |
| (iv) Loans | 14 | 7 | 11 |
| (v) Other Financial Assets | 15 | 18 | 33 |
| (C) Current Tax Assets (Net) | 16 | 14 | 14 |
| (D) Other Current Assets | 17 | 277 | 563 |
| Total Current Assets | | 5,016 | 7,030 |
| TOTAL ASSETS | | 22,353 | 25,142 |
| II. EQUITY AND LIABILITIES | | | |
| 1 EQUITY | | | |
| (A) Equity Share Capital | 18 | 432 | 432 |
| (B) Other Equity | 19 | 16,499 | 16,660 |
| Total Equity | | 16,931 | 17,092 |
| 2 LIABILITIES | | | |
| Non-Current Liabilities | | | |
| (A) Financial Liabilities | | | |
| (i) Borrowings | 20 | - | 1,064 |
| (ii) Lease Liabilities | 21 | 44 | - |
| (B) Deferred Tax Liabilities (Net) | 22 | 2,971 | 3,282 |
| Total Non-Current Liabilities | | 3,015 | 4,346 |
| Current Liabilities | | | |
| (A) Financial Liabilities | | | |
| (i) Borrowings | 23 | 638 | 1,796 |
| (ii) Lease Liabilities | 24 | 20 | 28 |
| (iii) Trade Payables | 25 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | 24 | 26 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,021 | 1,138 |
| (iv) Other Financial Liabilities | 26 | 556 | 580 |
| (B) Other Current Liabilities | 27 | 101 | 81 |
| (C) Provisions | 28 | 47 | 55 |
| (D) Current Tax Liabilities (Net) | 29 | - | - |
| Total Current Liabilities | | 2,407 | 3,704 |
| Total Liabilities | | 5,422 | 8,050 |
| TOTAL EQUITY AND LIABILITIES | | 22,353 | 25,142 |

Notes forming part of the Financial Statements

1-60

As per our report of even date
For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No.307068E

FOR AND ON BEHALF OF THE BOARD

LAXMI NARAIN JAIN
Partner
Membership No.072579

RAJENDRA KUMAR RAJGARHIA
Chairman and Whole Time Director
DIN-00141766

HARI RAM SHARMA
Managing Director
DIN-00178632

Place : New Delhi
Date : May 07, 2025

CHANDRA SHEKHAR VIJAY
Chief Financial Officer

NEHA GOEL
Company Secretary
Membership No. 48053

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in lakhs)

| Particulars | Note No. | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|----------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| 1 Revenue from Operations | 30 | 29,400 | 29,985 |
| 2 Other Income | 31 | 131 | 147 |
| 3 Total Income (1+2) | | 29,531 | 30,132 |
| 4 EXPENSES | | | |
| Cost of Materials Consumed | 32 | 16,652 | 17,654 |
| Changes in Inventories of Finished Goods and Work-in-Progress | 33 | 1,593 | (533) |
| Employee Benefits Expenses | 34 | 5,192 | 5,469 |
| Finance Costs | 35 | 166 | 246 |
| Depreciation and Amortization Expense | 36 | 780 | 762 |
| Other Expenses | 37 | 5,512 | 6,142 |
| Total Expenses | | 29,895 | 29,740 |
| 5 Profit/(Loss) before Exceptional Items and Tax (3-4) | | (364) | 392 |
| 6 Exceptional Items | | - | - |
| 7 Profit/(Loss) before Tax (5-6) | | (364) | 392 |
| 8 Tax Expense | 48 | | |
| Current Tax | | - | 60 |
| MAT Credit Entitlement | | - | (44) |
| Deferred Tax | | (302) | (39) |
| Tax related to earlier years | | (1) | (2) |
| 9 Profit/(Loss) for the year (7-8) | | (61) | 417 |
| 10 Other Comprehensive Income | | | |
| (i) a. Items that will not be reclassified to profit or loss | | | |
| - Remeasurement of defined benefit plans | 44 | 11 | 33 |
| b. Income Tax relating to items that will not be reclassified to profit or loss | | | |
| - Remeasurement of defined benefit plans | 48 | (3) | (9) |
| (ii) a. Items that will be reclassified to profit or loss | | - | - |
| b. Income tax relating to items that will be reclassified to profit or loss | | - | - |
| 11 Total Comprehensive Income for the year (9+10) | | (53) | 441 |
| 12 Earning per share (Face value Rs. 2) | | | |
| Basic (Rs.) | 58 | (0.28) | 1.93 |
| Diluted (Rs.) | 58 | (0.28) | 1.93 |
| Notes forming part of the Financial Statements | 1-60 | | |

As per our report of even date

For CHATURVEDI & PARTNERS

Chartered Accountants

Firm Registration No.307068E

FOR AND ON BEHALF OF THE BOARD**LAXMI NARAIN JAIN**

Partner

Membership No.072579

RAJENDRA KUMAR RAJGARHIA

Chairman and Whole Time Director

DIN-00141766

HARI RAM SHARMA

Managing Director

DIN-00178632

CHANDRA SHEKHAR VIJAY

Chief Financial Officer

NEHA GOEL

Company Secretary

Membership No. 48053

Place : New Delhi**Date : May 07, 2025**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in lakhs)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| I. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) for the year before tax | (364) | 392 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 780 | 762 |
| Excess provisions/Liabilities written back | (45) | (101) |
| Loss/(Gain) on sale of Property, Plant and Equipment | 6 | 6 |
| Bad debts | 0* | - |
| Gain on modification/cancellation of leases | (0)* | - |
| Allowances for doubtful trade receivables and advances | (26) | 1 |
| Fair valuation of Financial Assets | (3) | 0* |
| Finance Costs | 166 | 246 |
| Operating profit before working capital changes | 514 | 1,306 |
| Changes in working capital | | |
| (Increase)/Decrease in Inventories | 1,480 | (274) |
| (Increase)/Decrease in Trade Receivables | 235 | 378 |
| (Increase)/Decrease in Bank Balances other than Cash and Cash Equivalents | 2 | 27 |
| (Increase)/Decrease in Other Current/Non-current assets | 294 | (454) |
| (Increase)/Decrease in Loans | 12 | (5) |
| (Increase)/Decrease in Financial assets | 11 | 14 |
| Increase/(Decrease) in Trade payables and Other financial liabilities | (84) | (88) |
| Increase/(Decrease) in Other current/Non-current Liabilities and Provisions | 23 | (37) |
| Cash generated from operating activities | 2,487 | 867 |
| Direct Taxes paid (Net) | (15) | (67) |
| Net cash generated from operating activities | 2,472 | 800 |
| II. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of Property, Plant and Equipment | (153) | (915) |
| Proceeds from sale of Property, Plant and Equipment | 202 | 156 |
| Net cash generated/(used in) investing activities | 49 | (759) |
| III. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from Long term borrowings | 34 | 610 |
| Repayments of Long term borrowings | (1,591) | 0* |
| Decrease in Working Capital Loans (Net) | (669) | (60) |
| Payment of Dividend | (110) | (373) |
| Payment of Lease Liabilities | (30) | (31) |
| Finance costs paid | (172) | (234) |
| Net cash (used in) financing activities | (2,538) | (88) |
| IV. NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS | (17) | (47) |
| Cash and cash equivalents at the beginning of the year | 19 | 66 |
| Cash and cash equivalents at the end of the year | 2 | 19 |
| Notes | | |
| 1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7- Statement of Cash Flow. | | |
| 2. Cash and Cash Equivalents include: | | |
| Cash on Hand | 2 | 1 |
| Balances with Banks | | |
| - on Current/Cash Credit Accounts | 0* | 18 |
| | 2 | 19 |

*Amount less than Rs. 1 lakh

Notes forming part of the Financial Statements

1-60

As per our report of even date
For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No.307068E

FOR AND ON BEHALF OF THE BOARD

LAXMI NARAIN JAIN
Partner
Membership No.072579

RAJENDRA KUMAR RAJGARHIA
Chairman and Whole Time Director
DIN-00141766

HARI RAM SHARMA
Managing Director
DIN-00178632

Place : New Delhi
Date : May 07, 2025

CHANDRA SHEKHAR VIJAY
Chief Financial Officer

NEHA GOEL
Company Secretary
Membership No. 48053

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**A. EQUITY SHARE CAPITAL**

Equity shares of Rs. 2 each - Issued, subscribed and fully paid up

(Rs. in lakhs)

| Particulars | Number of Shares | Amount |
|---------------------------------|--------------------|------------|
| As at April 01, 2023 | 2,16,11,360 | 432 |
| Changes in equity share capital | - | - |
| As at March 31, 2024 | 2,16,11,360 | 432 |
| Changes in equity share capital | - | - |
| As at March 31, 2025 | 2,16,11,360 | 432 |

B. OTHER EQUITY

(Rs. in lakhs)

| Particulars | Reserves and Surplus | | | Other Items of Other Comprehensive Income | Total |
|--|----------------------|-----------------|--------------------|---|---------------|
| | Retained Earnings | General Reserve | Securities Premium | | |
| Balance as at April 01, 2023 | 11,373 | 5,000 | 243 | (51) | 16,565 |
| Profit for the year | 417 | - | - | - | 417 |
| Dividend | (346) | | | | (346) |
| Remeasurement of the defined benefits plan (net) | | | | 24 | 24 |
| Balance as at March 31, 2024 | 11,444 | 5,000 | 243 | (27) | 16,660 |
| Loss for the year | (61) | - | - | - | (61) |
| Dividend | (108) | - | - | - | (108) |
| Remeasurement of the defined benefits plan (net) | - | - | - | 8 | 8 |
| Balance as at March 31, 2025 | 11,275 | 5,000 | 243 | (19) | 16,499 |

Notes forming part of the Financial Statements

1-60

As per our report of even date

For CHATURVEDI & PARTNERS

Chartered Accountants

Firm Registration No.307068E

FOR AND ON BEHALF OF THE BOARD**LAXMI NARAIN JAIN**

Partner

Membership No.072579

RAJENDRA KUMAR RAJGARHIA

Chairman and Whole Time Director

DIN-00141766

HARI RAM SHARMA

Managing Director

DIN-00178632

CHANDRA SHEKHAR VIJAY

Chief Financial Officer

NEHA GOEL

Company Secretary

Membership No. 48053

Place : New Delhi**Date : May 07, 2025**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**1. Company Overview**

APM INDUSTRIES LIMITED (the Company) having its registered office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Khairthal-Tijara-301019, Rajasthan India, is a Public Limited Company domiciled in India and is incorporated in India under the provisions of Companies Act, 1956. The company is engaged in the business of manufacturing and selling of Man-made Fibre's Spun Yarn. The corporate office of the Company is located at 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019, India.

2. Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3. Material Accounting policies**3.1 Statement of Compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, the relevant provisions of Companies Act, 2013 and guidelines issued by the Security and Exchange Board of India (SEBI), as applicable.

3.2 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the year presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based upon the management's best knowledge of current events, actual results may differ from these estimates under different assumptions and conditions.

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

Critical Judgements In the process of applying the Company's accounting policies, management has made the following Judgements, which have the most significant effect on the amounts recognized in the financial statements:

Discount rate used to determine the carrying amount of the Company's defined benefit obligation: The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Contingencies and commitments: In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, the company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the company do not expect them to have a materially adverse impact on the financial position or profitability.

Key sources of estimation uncertainty

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

Income Tax: The Company's tax jurisdiction is India. Significant Judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Useful lives of Property, Plant and Equipment: As described in Note 3.7, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there are no changes to the useful lives and residual values of the property, plant and equipment.

Allowances for Doubtful Debts: The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables and advances. The identification of doubtful debts requires use of judgment and estimates.

Inventory Written Down: The Company evaluate nature of inventory, ageing, liquidation and plan of disposal to ascertain realizable value and devaluation allowance thereon.

Rebates, Incentives and Discount to Customers: The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

3.3 Operating Cycle and Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it (a) Expected to be realized or intended to be sold or consumed in normal operating cycle; (b) Held primarily for the purpose of trading; or (c) Expected to be realized within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

3.4 Revenue Recognition

The Company derives revenues primarily from sale of Man-made Fibre's Spun Yarn.

The Company is recognizing the revenue in the manner provided in Ind AS 115 "Revenue from Contracts with Customers" on the basis of five step application approach as given below:

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer which is usually on dispatch/delivery as per contract.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Cost to obtain a contract

The Company pays sales commission to its selling agents for contracts that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in selling and distribution expense under other expenses).

Costs to fulfill a contract i.e., freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognized.

Other Revenues

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend Income

Dividend income from investments is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.5 Segment Reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation. Operating Segment are reported in a manner consistent with the internal reporting provided to accounting policies are in line with the internal reporting provided to the Chief Operating Decision maker.

3.6 Foreign Currencies

Functional and presentation Currencies: The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and translations: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit/(loss) in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gain or loss realized upon settlement of foreign currency transaction is included in determining net profit or loss for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

3.7 Property, Plant and Equipment

The Company had applied for one time transition exemption of considering their carrying cost on the transition date i.e., April 01, 2016 as the deemed cost under Ind AS, regarded thereafter as historical cost.

Property, plant and equipment (PPE) are initially recognized at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

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

Depreciation is recognized so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM") in the manner prescribed in schedule II to the Act. Management believes based on a technical evaluation (which is 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.) that the useful lives of the assets as considered by the company reflect the periods over which these assets are expected to be used. Such classes of assets and their estimated useful lives are as under:

| S. No. | Category of Assets | Useful life |
|--------|------------------------|-------------|
| 1 | Building | 30-60 years |
| 2 | Plant and Equipment | 25 years |
| 3 | Electrical Equipment | 10 years |
| 4 | Power Generation Unit | 40 years |
| 5 | Furniture and Fixtures | 10 years |
| 6 | Office Equipment | 5 years |
| 7 | Vehicles | 8-10 years |

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss. Fully depreciated assets still in use are retained in financial statements.

3.8 Capital Work-in-Progress and Intangible Assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

3.9 Intangible Assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The Company amortizes intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life considered for the intangible asset is given below:

| S. No. | Category of Asset | Useful life |
|--------|-------------------|-------------|
| 1 | Computer Software | 6 years |

The estimated useful life is reviewed annually by the management.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

3.10 Impairment of Property, Plant and Equipment and Intangible Assets

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

3.11 Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Tax: Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set the recognized amounts and there is an intention to settle the asset and the liability on net basis.

Deferred Tax: Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax (MAT) credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.12 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Company's lease assets primarily consist of leases for land and buildings.

The Company as a Lessee

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

3.13 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.14 Inventories

Inventories of raw materials and stores and spare parts are valued at lower of cost on Weighted Average Cost and Net Realizable Value. Cost of raw materials and stores and spares is determined on weighted average cost method. Cost comprises all cost of purchase, taxes and other cost incurred in bringing the inventories to their present location and condition. Devaluation allowance is estimated and made for old, defective and obsolete items, wherever necessary.

Work in progress and finished goods are valued at lower of cost on Weighted Average Cost and net realizable value. Cost includes direct material, labor, cost of conversion and other overheads incurred in bringing the inventory to their present location and condition.

Saleable scrap, whose cost is not identifiable, is valued at net realizable value.

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

3.15 Non-derivative Financial Instruments

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

a. Investments and Other Financial Assets

Cash and cash equivalents: The Company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, cash-in-hand and term deposits having original maturity of three months which are unrestricted for withdrawal and usage.

Trade Receivables: Trade receivables are initially recognized at fair value. Subsequently, these assets are held at amortized cost, net of any expected credit losses.

Debt Instruments: Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Equity Instruments: All investments in equity instruments other than in subsidiary classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

b. Investments and Other Financial Assets – Subsequent Measurement

Financial assets at amortized cost: Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL): Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit and loss.

c. Financial Liabilities

All financial liabilities are initially recognized at fair value. The financial liabilities include trade and other payables, other financial liabilities, loans and borrowings.

d. Financial Liabilities - Subsequent Measurement

Financial liabilities are measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, carrying amounts approximate the fair value due to the short maturity of these instruments.

e. Derecognition of Financial Instrument

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liabilities) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

f. Offsetting of Financial Instruments

Financial assets and financial liabilities are set off and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

g. Impairment of Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the equity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3.16 Impairment of Non-Financial Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of such reporting period.

3.17 Exceptional Items

Items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company are disclosed as Exceptional items in the Statement of Profit and Loss.

3.18 Borrowing Costs

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are charged to statement of profit and loss.

3.19 Employee Benefits

Employee benefits consist of short-term obligations, contribution to employee's state insurance, provident fund, gratuity fund and compensated absences.

A. Short Term Obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

B. Compensated Absences

The employees are entitled to accumulate leave up to 30 days either to avail or to encash in future as per the policy of the Company. The liability towards such unutilized leave as at the year-end is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss. The classification of the Company net obligation into current and non-current is as per the actuarial valuation report.

The Company contributes all liabilities demanded by Life Insurance Corporation of India under Employee's Group Leave Encashment cum Life Assurance (Cash Accumulation) policy taken by the Company to meet its liabilities to the employees for encashment of leave.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability.

C. Defined Contribution Plans

Contributions to defined contribution schemes such as employees' state insurance, labor welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

D. Defined Benefit Plans

The Company operates defined benefit plan in the form of gratuity. The liability or asset recognized in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest expenses are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognized in the Statement of Profit and loss.

The Company fully contributes all ascertained liabilities to the APM Industries Limited (Unit Orient Syntax) Employee Gratuity Fund Trust ('the Trust'). Trustees took the policy from Life Insurance Corporation of India to administer contributions made to the Trust.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and loss as past service cost.

3.20 Borrowings

Borrowings are initially recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the prospects (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowing using the effective interest method.

3.21 Earnings Per Share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of Equity shares outstanding, for the effects of all dilutive potential Ordinary shares.

3.22 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

A contingent asset is disclosed, where an inflow of economic benefit is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

3.23 Event after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3.24 Law enacted but not effective

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Indian Parliament's approval and Presidential assent in September 2020. However, the effective dates of the Code and final rules for quantifying the financial impact are yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

3.25 New Standards/ Amendments notified

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rule as issued from time to time. There is no such notification which would have been applicable to the Company from April 01, 2025.

NOTE 4A: PROPERTY, PLANT AND EQUIPMENT, RIGHT OF USE ASSETS AND INTANGIBLE ASSETS

(Rs. in lakhs)

| Particulars | Property, Plant and Equipment | | | | | | | Right of Use Assets | | | Intangible Assets | |
|---|-------------------------------|---------------------|-----------------------|------------------------|-------------------|----------|--------|---------------------|-----------------|-------|-------------------|--|
| | Buildings | Plant and Equipment | Power Generation Unit | Furniture and Fixtures | Office Equipments | Vehicles | Total | Buildings | Land Lease Hold | Total | Computer Software | |
| As at April 01, 2023 | 1,370 | 11,769 | 477 | 189 | 63 | 219 | 14,087 | 64 | 6,400 | 6,464 | 14 | |
| Additions | 15 | 1,082 | - | 4 | 5 | 53 | 1,159 | - | - | - | - | |
| Deletions/Adjustments | - | (243) | - | - | - | (38) | (281) | - | - | - | - | |
| As at March 31, 2024 | 1,385 | 12,608 | 477 | 193 | 68 | 234 | 14,965 | 64 | 6,400 | 6,464 | 14 | |
| As at April 01, 2024 | 1,385 | 12,608 | 477 | 193 | 68 | 234 | 14,965 | 64 | 6,400 | 6,464 | 14 | |
| Additions | - | 124 | - | 3 | 0* | 50 | 177 | 68 | - | 68 | - | |
| Deletions/Adjustments | - | (383) | (10) | (12) | (1) | (26) | (432) | (64) | - | (64) | - | |
| As at March 31, 2025 | 1,385 | 12,349 | 467 | 184 | 67 | 258 | 14,710 | 68 | 6,400 | 6,468 | 14 | |
| Accumulated Depreciation and Amortization | | | | | | | | | | | | |
| As at April 01, 2023 | 318 | 2,139 | 104 | 98 | 42 | 111 | 2,812 | 9 | 700 | 709 | 11 | |
| Depreciation and Amortization during the year | 50 | 528 | 15 | 16 | 6 | 19 | 634 | 28 | 100 | 128 | 0* | |
| Deletions/Adjustments | - | (88) | - | - | - | (32) | (120) | - | - | - | - | |
| As at March 31, 2024 | 368 | 2,579 | 119 | 114 | 48 | 98 | 3,326 | 37 | 800 | 837 | 11 | |
| As at April 01, 2024 | 368 | 2,579 | 119 | 114 | 48 | 98 | 3,326 | 37 | 800 | 837 | 11 | |
| Depreciation and Amortization during the year | 49 | 545 | 16 | 14 | 5 | 23 | 652 | 28 | 100 | 128 | 0* | |
| Deletions/Adjustments | - | (185) | (4) | (12) | (1) | (22) | (224) | (62) | - | (62) | - | |
| As at March 31, 2025 | 417 | 2,939 | 131 | 116 | 52 | 99 | 3,754 | 3 | 900 | 903 | 11 | |
| Net carrying value | | | | | | | | | | | | |
| As at March 31, 2025 | 968 | 9,410 | 336 | 68 | 15 | 159 | 10,956 | 65 | 5,500 | 5,565 | 3 | |
| As at March 31, 2024 | 1,017 | 10,029 | 358 | 79 | 20 | 136 | 11,639 | 27 | 5,600 | 5,627 | 3 | |

* Amount less than Rs. 1 lakh

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**NOTE 4B: CAPITAL WORK IN PROGRESS (CWIP)****(Rs. in lakhs)**

| Particulars | Amount |
|-----------------------------|--------|
| As at April 01, 2023 | 5 |
| Additions | 70 |
| Assets Capitalised | 75 |
| As at March 31, 2024 | - |
| Additions | - |
| Assets Capitalised | - |
| As at March 31, 2025 | - |

Notes:

- 1) For Property, Plant and Equipment pledged as security with the lenders - Refer Note 20 and 23
- 2) Ageing of Capital Work in Progress - NA
- 3) The title/lease deeds of all immovable properties included above are held in the name of the Company as at March 31, 2025. The Original lease deed of land is in possession with the lenders of the Company.

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| 5 INVESTMENTS | | |
| Non-Current Investments (at cost) | | |
| with Post Office | | |
| Post Office Saving Bank account#* | 0* | 0* |
| Total | <u>0</u> | <u>0</u> |

*Amount less than Rs. 1 lakh.

#Pledged with Governemnt Authority

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|-------------------------|-------------------------|
| 6 LOANS | | |
| Non-current Financial Assets | | |
| (Unsecured, considered good) | | |
| Loans to Employees | - | 6 |
| Total | <u>-</u> | <u>6</u> |

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|-------------------------|-------------------------|
| 7 OTHER FINANCIAL ASSETS | | |
| Non-current Financial Assets | | |
| (Unsecured, considered good) | | |
| Security Deposits | 355 | 345 |
| Total | <u>355</u> | <u>345</u> |

| (Rs. in lakhs) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 8 NON-CURRENT TAX ASSETS (NET) | | |
| Income tax (Net) | 33 | 29 |
| Total | 33 | 29 |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 9 OTHER NON-CURRENT ASSETS | | |
| (Unsecured, considered good) | | |
| Capital advances (Refer Note 39) | - | 24 |
| Amount paid under protest (Refer Note 38) | 363 | 360 |
| Prepaid expenses | 62 | 79 |
| Total | 425 | 463 |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 10 INVENTORIES | | |
| (As taken, valued and certified by the Management) | | |
| Raw materials | 916 | 788 |
| Work-in-progress | 476 | 506 |
| Finished goods | 2,435 | 3,998 |
| Stores and spares | 50 | 65 |
| Total | 3,877 | 5,357 |
| Refer Note 20 and 23 for the charge created on Inventories in favour of the lenders. | | |
| Devaluation Allowance | | |
| Raw material | 1 | - |
| Finished goods | 16 | 29 |
| | 17 | 29 |
| The Movement of devaluation allowance is charged to the Statement of Profit and Loss under the respective heads of the accounts | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 11 TRADE RECEIVABLES | | |
| Current Financial Assets | | |
| Trade Receivables - Secured | - | - |
| Trade Receivables - Unsecured | 799 | 1,003 |
| Trade Receivables which have significant increase in credit risk | 305 | 659 |
| Trade Receivables-Credit Impaired | 324 | - |
| Less: Allowance for doubtful Trade receivables | (637) | (661) |
| Total | 791 | 1,001 |

| (Rs. in lakhs) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 11.1 There are no debts due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies in which any director is a partner or a director or a member other than those disclosed in Note 53. | | |
| 11.2 For Ageing of Trade Receivables and headwise allowance for doubtful Trade receivables - Refer Note 41 | | |
| 11.3 Refer Note 20 and 23 for the charge created on Trade Receivables in favour of the lenders. | | |
| 11.4 Movement in allowance for doubtful Trade receivables | | |
| Balance as at beginning of the year | 661 | 725 |
| Allowance for doubtful trade receivables during the year | - | 6 |
| Recovery of doubtful trade receivables during the year | (25) | (70) |
| Trade receivables written off during the year | 0* | - |
| Balance as at the end of the year | 637 | 661 |
| * Amount less than Rs. 1 lakh. | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 12 CASH AND CASH EQUIVALENTS | | |
| Current Financial Assets | | |
| Cash on hand | 2 | 1 |
| Balances With Banks | | |
| - On Current/Cash Credit Accounts | 0* | 18 |
| Total | 2 | 19 |
| *Amount less than Rs. 1 lakh. | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS | | |
| Current Financial Assets | | |
| Earmarked Balances with Banks | | |
| - Unclaimed Dividend | 30 | 32 |
| Total | 30 | 32 |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 14 LOANS | | |
| Current Financial Assets | | |
| (Unsecured, considered good) | | |
| Loans to Employees | 7 | 11 |
| Total | 7 | 11 |

| (Rs. in lakhs) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 15 OTHER FINANCIAL ASSETS | | |
| Current Financial Assets | | |
| (Unsecured, considered good) | | |
| Security Deposits | 1 | 7 |
| Interest Receivable | 17 | 11 |
| Advances - Unsecured | - | 15 |
| Advances which have significant increase in credit risk | 8 | 9 |
| Less: Allowance for doubtful Advances | (8) | (9) |
| Total | 18 | 33 |
| Movement in allowance for doubtful Advances | | |
| Balance as at beginning of the year | 9 | 9 |
| Allowance for doubtful advances during the year | - | 1 |
| Doubtful Advances recovered during the year | (1) | (1) |
| Advances written off during the year | - | - |
| | 8 | 9 |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 16 CURRENT TAX ASSETS (NET) | | |
| Income tax refund receivable* | 14 | 14 |
| Total | 14 | 14 |
| *Including Rs. 7 lakhs adjusted against demand (Refer Note 38(II)) | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 17 OTHER CURRENT ASSETS | | |
| (Unsecured, considered good) | | |
| Advances to Suppliers | 26 | 157 |
| Other Advances | 10 | 6 |
| Balances with Government Authorities | 171 | 331 |
| Prepaid Expenses | 70 | 69 |
| Total | 277 | 563 |

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| 18 EQUITY SHARE CAPITAL | | |
| Authorised | | |
| 22,500,000 (March 31, 2024- 22,500,000) Equity Shares of Rs. 2 each | 450 | 450 |
| 300,000 (March 31, 2024 - 300,000) Redeemable Preference Shares of Rs. 100 each | 300 | 300 |
| Equity Share Capital | | |
| Issued | | |
| 22,217,080 (March 31, 2024 22,217,080) Equity Shares of Rs. 2 each | 444 | 444 |
| Subscribed and Fully Paid-up | | |
| 21,611,360 (March 31, 2024- 21,611,360) Equity Shares of Rs. 2 each | 432 | 432 |
| | <u>432</u> | <u>432</u> |

a) Reconciliation of Equity shares outstanding at the beginning and end of the financial year

| Equity Shares | As at March 31, 2025 | | As at March 31, 2024 | |
|--------------------------------------|----------------------|-----|----------------------|-----|
| | Nos. | Rs. | Nos. | Rs. |
| Balance at the beginning of the year | 2,16,11,360 | 432 | 2,16,11,360 | 432 |
| Issued during the year | - | - | - | - |
| Balance at the end of the year | 2,16,11,360 | 432 | 2,16,11,360 | 432 |

b) Terms/Rights attached to equity shares

The company has one class of Equity shares having par value of Rs. 2 per share. Each shareholder is entitled to one vote per share. All equity shareholders are having right to get dividend in proportion to paid up value at each equity shares as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportion to their shareholding.

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

| Name of the Shareholder | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|--------------|----------------------|--------------|
| | Nos. | % of holding | Nos. | % of holding |
| Shri Rajendra Kumar Rajgarhia | 38,73,000 | 17.92 | 38,73,000 | 17.92 |
| Faridabad Paper Mills Private Limited | 27,85,200 | 12.89 | 27,85,200 | 12.89 |
| Shri Ajay Rajgarhia | 22,98,000 | 10.63 | 22,98,000 | 10.63 |
| Smt. Prabha Rajgarhia | 16,23,000 | 7.51 | 16,23,000 | 7.51 |
| Clayhill Capital Private Limited (formerly known as Rajgarhia Leasing and Financial Services Private Limited) | 11,53,000 | 5.34 | 11,53,000 | 5.34 |

d) Shares held by the promoters as defined in the Companies Act, 2013 at the end of the year

| Name | As at March 31, 2025 | | As at March 31, 2024 | | % of changes during the year |
|---|----------------------|--------------|----------------------|--------------|------------------------------|
| | Nos. | % of holding | Nos. | % of holding | |
| Faridabad Paper Mills Private Limited | 27,85,200 | 12.89 | 27,85,200 | 12.89 | - |
| Clayhill Capital Private Limited (formerly known as Rajgarhia Leasing and Financial Services Private Limited) | 11,53,000 | 5.34 | 11,53,000 | 5.34 | - |
| Shri Rajendra Kumar Rajgarhia - Trustee of Anya Rajgarhia Foundation | 70,000 | 0.32 | 70,000 | 0.32 | - |
| Shri Rajendra Kumar Rajgarhia - Trustee of Kabir Rajgarhia Foundation | 92,500 | 0.43 | 92,500 | 0.43 | - |
| Shri Rajendra Kumar Rajgarhia | 38,73,000 | 17.92 | 38,73,000 | 17.92 | - |
| Shri Ajay Rajgarhia | 22,98,000 | 10.63 | 22,98,000 | 10.63 | - |
| Smt. Prabha Rajgarhia | 16,23,000 | 7.51 | 16,23,000 | 7.51 | - |
| Shri Sanjay Rajgarhia | 6,88,500 | 3.19 | 6,88,500 | 3.19 | - |
| Smt. Anisha Mittal | 6,85,695 | 3.17 | 6,85,695 | 3.17 | - |
| Miss Bhavna Rajgarhia | 6,02,425 | 2.79 | 6,02,425 | 2.79 | - |

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| 19 OTHER EQUITY | | |
| Securities Premium | 243 | 243 |
| General Reserve | 5,000 | 5,000 |
| Retained Earnings | 11,275 | 11,444 |
| Other Items of Other Comprehensive Income | (19) | (27) |
| Total | 16,499 | 16,660 |

(Refer Statement of Changes in Equity for movements during the year)

Nature and purpose of Reserves

- (a) Securities Premium: The amount of difference between the issue price and the face value of the share is recognized in Securities Premium.
- (b) General Reserve: General reserve is the accumulation of the portions of the net profits transferred by the Company in the past years. This reserve is available for distribution to the shareholders.
- (c) Retained Earnings: Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.
- (d) Other Items of Other Comprehensive Income: Other Items of Other Comprehensive Income represents recognized remeasurement gains/ (loss) on defined benefit plans.

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| 20 BORROWINGS | | |
| Non-Current Financial Liabilities | | |
| Secured Term Loans from Banks | - | 1,064 |
| Total | - | 1,064 |

20.1 Nature of Security & Terms of Repayments

Term Loans were secured by first pari-passu charge over Company's immovable properties and plant and machinery, both present and future, situated at Bhiwadi and second pari-passu charge on all movable assets, both present and future, of the Company. These loans were further secured by personal guarantee of the Chairman of the Company.

| Lenders | Terms of Repayments |
|--|---|
| (a) State Bank of India (Rs.490 Lakhs) | |
| Balance as at March 31, 2025- Nil (March 31, 2024 - Rs. 490 lakhs) | Repayable in 24 monthly instalment of Rs. 20.42 lakhs each starting from May, 2024 to April, 2026 alongwith interest at the rate of 9.25% p.a. based on 0.5% above 6 month MCLR. The Company has made prepayment of the outstanding loan during the year. |
| (b) HDFC Bank (Rs.1100 Lakhs) | |
| Balance as at March 31, 2025 - Nil (March 31, 2024 - Rs. 1066 lakhs) | Repayable in 16 quarterly instalment of Rs. 66.63 lakhs each starting from April, 2024 to January, 2028 and 15 quarterly instalments of Rs. 2.24 lakhs each starting from July, 2024 to January, 2028 alongwith interest at the rate of 8.40% p.a. based on 1.78% above 3 months Treasury Bill Rate. The Company has made prepayment of the outstanding loan during the year. |

20.2 Non-current borrowings shown above are net of current maturities of Nil (March 31, 2024- Rs. 491 lakhs) as shown under Note 23.

20.3 Borrowings amount is net of processing fee of Nil (March 31, 2024 - Rs. 3 lakhs) to be amortised in future. Processing fee of Nil (March 31, 2024 Rs. 2 lakhs) is adjusted against current maturities of Non-Current Borrowings shown under Note 23.

20.4 There is no default in repayment of principal or payment of interest to the lenders by the Company during the year.

20.5 The term loan taken by the Company during the year has been applied for the purpose for which it was taken.

| (Rs. in lakhs) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 21 LEASE LIABILITIES | | |
| Non-current Financial Liabilities | | |
| Lease liabilities (Refer Note 43) | 44 | - |
| Total | 44 | - |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 22 DEFERRED TAX LIABILITIES (NET) | | |
| [Refer Note-48(d)] | | |
| a. Deferred Tax Liabilities | | |
| Depreciation | 3,278 | 3,518 |
| | 3,278 | 3,518 |
| b. Deferred Tax Assets | | |
| Allowance for Doubtful Debts and Advances | 168 | 187 |
| Carried forward losses | 80 | - |
| Employee benefits and other timing differences | 3 | 5 |
| Mat Credit Entitlement | 56 | 44 |
| | 307 | 236 |
| Deferred Tax Liabilities (Net) (a-b) | 2,971 | 3,282 |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 23 BORROWINGS | | |
| Current Financial Liabilities | | |
| Secured Loans | | |
| Working Capital loans from banks | 638 | 1,307 |
| Current maturities of long term debts(Refer Note -20) | - | 489 |
| Total | 638 | 1,796 |
| <p>23.1 Working Capital loans from banks are repayable on demand and are secured by hypothecation of Inventories and book debts and second pari passu charge on all the immovable properties and plant and machinery of the Company, both present and future. These loans are further secured by the personal guarantee of the Chairman of the Company. The loans are carrying current floating interest rate of 8.55% p.a.based on 1.71% above 3 months Treasury Bill in case of HDFC Bank and 9.40% based on 0.50% above 6 months MCLR in case of State Bank of India as at March 31, 2025 payable on last day of the month.</p> <p>23.2 The Company has been sanctioned working capital limits aggregating to Rs. 3,000 lakhs by two banks.</p> <p>23.3 The Company is required to submit monthly returns/statements to the banks in terms of sanction letter of loan facilities. The monthly returns/ statements submitted by the Company to the Banks are in agreement with the books of accounts of the respective month.</p> | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 24 LEASE LIABILITIES | | |
| Current Financial Liabilities | | |
| Lease liabilities (Refer Note 43) | 20 | 28 |
| Total | 20 | 28 |

| (Rs. in lakhs) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 25 TRADE PAYABLES | | |
| Current Financial Liabilities | | |
| (a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 40) | 24 | 26 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,021 | 1,138 |
| Total | 1,045 | 1,164 |
| (For Ageing of Trade Payables - Refer Note 42) | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 26 OTHER FINANCIAL LIABILITIES | | |
| Current Financial Liabilities | | |
| Interest accrued but not due | - | 12 |
| Unclaimed Dividend | 30 | 32 |
| Salary, wages and benefits payable | 526 | 536 |
| Other payable | 0* | 0* |
| Total | 556 | 580 |
| * Amount less than Rs. 1 lakh | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 27 OTHER CURRENT LIABILITIES | | |
| Advances from Customers | 29 | 9 |
| Statutory dues payable | 61 | 64 |
| Security deposits | 11 | 8 |
| Total | 101 | 81 |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 28 PROVISIONS | | |
| Provisions for Employee Benefits | | |
| - Gratuity | 41 | 51 |
| - Compensated Absence | 6 | 4 |
| Total | 47 | 55 |
| (Refer Note 44) | | |
| (Rs. in lakhs) | | |
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| 29 CURRENT TAX LIABILITIES (NET) | | |
| Provision for income tax (net) | - | - |
| Total | - | - |

| (Rs. in lakhs) | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 30 REVENUE FROM OPERATIONS | | |
| (a) Sale of Products* | 29,149 | 29,701 |
| (b) Other Operating Revenue | 251 | 284 |
| Total | 29,400 | 29,985 |
| *Refer Note 51 | | |
| (a) Disaggregation of Revenue | | |
| (i) Revenue based on Geography | | |
| Domestic | 29,400 | 29,985 |
| Export | - | - |
| | 29,400 | 29,985 |
| (ii) Revenue based on Timing of Revenue | | |
| Revenue recognized at a point in time | 29,400 | 29,985 |
| Revenue recognized over period of time | - | - |
| | 29,400 | 29,985 |
| (b) Reconciliation of Revenue from operations with contract price | | |
| Contract price | 29,523 | 30,111 |
| Less: Sales returns | (108) | (73) |
| Less: Discount and other rebates | (15) | (53) |
| Total Revenue from Operations | 29,400 | 29,985 |
| (c) Performance Obligation is satisfied at a point in time when the control of the goods is transferred to the customer as per contract. The amounts receivable from customers are generally due after expiry of the credit period as per the relevant agreement terms. There is no significant financing component in the transactions with the customers. | | |
| (d) Contract Balances | | |
| At the end of the year | | |
| Advances from Customers | 29 | 9 |
| Trade Receivables (Refer Note 11) | 791 | 1001 |
| At the beginning of the year | | |
| Advances from Customers | 9 | 32 |
| Trade Receivables (Refer Note 11) | 1001 | 1315 |
| (e) Movement of Contract Liabilities | | |
| Contract Liabilities at the beginning of the year | 9 | 32 |
| Amounts included in opening contract liabilities, recognised as revenue during the year | (9) | (31) |
| Amount received in advances during the year(net) | 29 | 8 |
| Contract liabilities at the end of the year | 29 | 9 |
| (f) There was no contract where revenue was to be recognised over period of time during the year. | | |
| (g) During the year, the Company is engaged in only one Business Segment i.e. Yarn Manufacturing, hence no business segment disclosure is required. | | |

| (Rs. in lakhs) | | |
|--|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 31 OTHER INCOME | | |
| Interest from Bank | 0* | - |
| Interest from customers and others | 52 | 38 |
| Excess Provisions/Liabilities written Back | 71 | 101 |
| Gain on Fair valuation of Financial Assets | 8 | 8 |
| Gain on modification/cancellation of Lease | 0* | - |
| Miscellaneous Income | 0* | - |
| Total | 131 | 147 |
| *Amount less than Rs. 1 lakh | | |
| (Rs. in lakhs) | | |
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 32 COST OF MATERIALS CONSUMED | | |
| Opening Stock | 788 | 1,033 |
| Add: Purchases | 16,780 | 17,409 |
| Less: Closing Stock | 916 | 788 |
| Cost of materials consumed* | 16,652 | 17,654 |
| *Refer Note 50 | | |
| (Rs. in lakhs) | | |
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 33 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS | | |
| (A) Opening Inventories | | |
| Finished Products | 3,998 | 3,379 |
| Work-in-Progress | 506 | 592 |
| | 4,504 | 3,971 |
| (B) Closing Inventories | | |
| Finished Products | 2,435 | 3,998 |
| Work-in-Progress | 476 | 506 |
| | 2,911 | 4,504 |
| Changes in Inventories of Finished Goods and Work-in-progress (A-B) | 1593 | (533) |
| (Rs. in lakhs) | | |
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 34 EMPLOYEE BENEFITS EXPENSES | | |
| Salaries, Wages and other benefits | 4,717 | 4,984 |
| Contribution to Provident and other funds (Refer Note 44) | 193 | 215 |
| Gratuity and Leave Encashment expenses (Refer Note 44) | 96 | 101 |
| Employee Welfare expenses | 186 | 169 |
| Total | 5,192 | 5,469 |

| (Rs. in lakhs) | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 35 FINANCE COSTS | | |
| Interest Expense | 154 | 234 |
| Interest on Lease Liabilities | 2 | 4 |
| Interest on Income Tax | - | 0* |
| Other Borrowing costs | 10 | 8 |
| Total | 166 | 246 |
| *Amount less than Rs. 1 lakh | | |
| (Rs. in lakhs) | | |
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 36 DEPRECIATION AND AMORTIZATION EXPENSE | | |
| Depreciation on Property, Plant and Equipment and Right of Use Assets | 780 | 762 |
| Amortization of Intangible assets | 0* | 0* |
| Total | 780 | 762 |
| * Amount less than Rs. 1 lakh | | |
| (Rs. in lakhs) | | |
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| 37 OTHER EXPENSES | | |
| (a) Manufacturing Expenses | | |
| Store and Spares consumed | 405 | 478 |
| Packing materials consumed | 460 | 477 |
| Power and Fuel | 3,555 | 3,892 |
| Repairs to Plant and Machinery | 269 | 378 |
| Repairs to Building | 23 | 41 |
| | 4,712 | 5,266 |
| (b) Selling and Distribution Expenses | | |
| Freight and Forwarding | 464 | 486 |
| Brokerage and Commission | 38 | 50 |
| | 502 | 536 |
| (c) Establishment Expenses | | |
| Legal and Professional fees | 37 | 46 |
| Rent | 1 | 1 |
| Rates and Taxes | 15 | 19 |
| Repairs to Others | 18 | 7 |
| Insurance | 52 | 52 |
| Travelling expenses | 10 | 13 |
| Payment to Auditors (Refer note 37.1) | 6 | 6 |
| Printing and Stationary | 18 | 20 |
| Vehicle running and maintenance expenses | 16 | 16 |
| Computer expenses | 9 | 9 |
| Communication expenses | 13 | 15 |
| Loss on sale of Property, Plant and Equipment | 6 | 6 |
| General expenses | 40 | 42 |
| Allowances for Doubtful debts/Advances | - | 1 |

(Rs. in lakhs)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--|--|--------------------------------------|
| 37 OTHER EXPENSES (Contd.) | | |
| Bad Debts | 0* | - |
| Corporate Social Responsibility (CSR) expenditure (Refer Note 37.2) | 39 | 45 |
| Pollution control expenses | 18 | 42 |
| | <u>298</u> | <u>340</u> |
| Total | <u>5,512</u> | <u>6,142</u> |
| *Amount less than Rs. 1 lakh | | |
| 37.1 Payment to Auditors (excluding GST) | | |
| Audit Fee | 4 | 4 |
| Limited Review Fee & Certification | 1 | 1 |
| Tax Audit Fee | 1 | 1 |
| Reimbursements of expenses | 0* | 0* |
| Total | <u>6</u> | <u>6</u> |
| *Amount less than Rs. 1 lakh | | |
| 37.2 Disclosures related to CSR Expenditure | | |
| Amount required to be spent by the Company during the year | 40 | 45 |
| Excess of previous year brought forward | 1 | 1 |
| Amount of expenditure incurred | 39 | 45 |
| Excess/(shortfall) at the end of the year | <u>0*</u> | <u>1</u> |
| Reason for shortfall | N.A. | N.A. |
| *Amount less than Rs. 1 lakh | | |
| Expenditure incurred during the year | 26 | 18 |
| i) On Construction of assets | 13 | 27 |
| ii) Other than (i) above | 39 | 45 |
| Nature of CSR activities | Healthcare, Education, Animal Welfare and Enviromental Sustainability. | |
| Details of related party transaction in relation to CSR expenditure | | |
| Contribution to Ram Lal Rajgarhia Memorial Trust for CSR activities | 4 | 11 |

38. CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

(Rs. in lakhs)

| S. No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------|---|-------------------------|-------------------------|
| I | Claims against the Company not acknowledged as debt | | |
| | (a) *Demands from Jaipur Vidyut Vitran Nigam Limited (Amount paid under protest- Rs.360 Lakhs). | 1,067 | 1,067 |
| | (b) Demand from Central Ground Water Authority towards water charges | 74 | - |
| II | Other money for which the Company is contingently liable | | |
| | (a) *Demands of Excise Dsuty | 3 | 141 |
| | (b) Demand of Income Tax (Adjusted by the department from refund due to the Company) | 7 | 7 |
| | (c) Demand of GST (Paid under Protest) | 3 | - |

* Excluding interest / penalty as may be determined / levied on the conclusion of the matter.

Notes:-

- The above demands are disputed by the Company and are under appeals before various Courts / Appellate authorities.
- The timing and future cash flow in above matters will depend on the outcome of the respective proceedings.

39. COMMITMENTS**(Rs. in lakhs)**

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Capital Commitments | NIL | 113 |
| Estimated value of contracts to be executed on capital account (net of advances) | | |

40. The Company has certain dues to suppliers registered under as 'micro' and 'small' under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| (a) Dues remaining unpaid as at Balance Sheet date | | |
| - Principal amount | 24 | 26 |
| - Interest amount | - | - |
| (b) Interest paid in terms of section 16 of the Act, along with the amount of payment made to the supplier and services providers beyond the appointed day during the period | - | - |
| (c) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during period) but without adding the interest specified under the Act | - | - |
| (d) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise. | - | - |
| (e) Interest accrued and remaining unpaid as at Balance Sheet date | - | - |

Disclosure of amounts due to Micro, Small and Medium enterprises is based on information available with the Company regarding the status of the suppliers as defined under 'The Micro, Small and Medium Enterprises Development Act, 2006' (MSMED).

41. AGEING OF TRADE RECEIVABLES**As at March 31, 2025****(Rs. in lakhs)**

| Particulars | Outstanding for following periods from the date of invoice | | | | | |
|---|--|-----------------------|----------|-----------|----------------------|--------------|
| | Less than 6 months | 6 months to 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
| Undisputed Trade Receivables-considered good | 793 | - | - | 6 | - | 799 |
| Undisputed Trade Receivables which have significant increase in credit risk | - | | 7 | 24 | 598 | 629 |
| Undisputed Trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Disputed Trade Receivables-considered good | - | - | - | - | - | - |
| Disputed Trade ReceivablesWhich have significant increase in credit risk | - | - | - | - | - | - |
| Disputed Trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Total | 793 | - | 7 | 30 | 598 | 1,428 |
| Less: Allowance for doubtful Trade Receivables | (2) | | (7) | (30) | (598) | (637) |
| Trade Receivables (Net of Allowance) | 791 | - | - | - | - | 791 |

As at March 31, 2024

(Rs. in lakhs)

| Particulars | Outstanding for following periods from the date of invoice | | | | | |
|---|--|--------------------|----------|----------|-------------------|-------|
| | Less than 6 months | 6 months to 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
| Undisputed Trade Receivables – considered good | 998 | - | - | - | 5 | 1,003 |
| Undisputed Trade Receivables which have significant increase in credit risk | - | - | 34 | 3 | 622 | 659 |
| Undisputed Trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| Disputed Trade Receivables which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed Trade Receivables-Credit Impaired | - | - | - | - | - | - |
| Total | 998 | - | 34 | 3 | 627 | 1,662 |
| Less: Allowance for doubtful Trade Receivables | (2) | - | (34) | (3) | (622) | 661 |
| Trade Receivables (Net of Allowance) | 996 | - | - | - | 5 | 1,001 |

42. AGEING OF TRADE PAYABLES

As at March 31, 2025

(Rs. in lakhs)

| Particulars | Outstanding for following periods | | | | |
|------------------------|-----------------------------------|-----------|-----------|-------------------|--------------|
| | Less than 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
| Undisputed dues-MSME | 24 | - | - | - | 24 |
| Undisputed dues-Others | 447 | 57 | 8 | 3 | 515 |
| Disputed dues-MSME | - | - | - | - | - |
| Disputed dues-Others | 12 | 12 | 12 | 470 | 506 |
| Total | 483 | 69 | 20 | 473 | 1,045 |

As at March 31, 2024

(Rs. in lakhs)

| Particulars | Outstanding for following periods | | | | |
|-------------------------|-----------------------------------|----------|----------|-------------------|-------|
| | Less than 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
| Undisputed dues - MSME | 26 | - | - | - | 26 |
| Undisputed dues- Others | 586 | 54 | 3 | 1 | 644 |
| Disputed dues – MSME | - | - | - | - | - |
| Disputed dues - Others | 12 | 12 | 12 | 458 | 494 |
| Total | 624 | 66 | 15 | 459 | 1,164 |

43. DISCLOSURES AS PER IND AS 116 - LEASES**43.1 Amounts recognized in the Statement of Profit and Loss**

(Rs. in lakhs)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-----------------------|-----------------------------------|-----------------------------------|
| Depreciation Expenses | 128 | 128 |
| Interest Expenses | 2 | 4 |
| Rent | 79 | 73 |
| Total | 209 | 205 |

43.2 The break-up of current and non-current lease liabilities

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|-------------------------------|----------------------|-----------|-----------|----------------------|-----------|-----------|
| | Right of Use Assets | | | Right of Use Assets | | |
| | Land | Buildings | Total | Land | Buildings | Total |
| Current lease liabilities | - | 20 | 20 | - | 28 | 28 |
| Non-current lease liabilities | - | 44 | 44 | - | - | - |
| Total | - | 64 | 64 | - | 28 | 28 |

43.3 The movement in lease liabilities

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|----------|-------|----------------------|----------|-------|
| | Right of Use Assets | | | Right of Use Assets | | |
| | Land | Building | Total | Land | Building | Total |
| Balance at the beginning of the year | - | 28 | 28 | - | 55 | 55 |
| Additions | - | 66 | 66 | - | - | - |
| Finance cost accrued during the year | - | 2 | 2 | - | 4 | 4 |
| Deletions/Adjustment on cancellation/ modification | - | (2) | (2) | - | - | - |
| Payment of lease liabilities | - | (30) | (30) | - | (31) | (31) |
| Balance at the end of the year | - | 64 | 64 | - | 28 | 28 |

43.4 The details of the contractual maturities of lease liabilities on undiscounted basis

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|-------------------|----------------------|----------|-------|----------------------|----------|-------|
| | Right of Use Assets | | | Right of Use Assets | | |
| | Land | Building | Total | Land | Building | Total |
| Within one year | - | 25 | 25 | - | 29 | 29 |
| One to five years | - | 48 | 48 | - | - | - |
| After five years | - | - | - | - | - | - |
| Total | - | 73 | 73 | - | 29 | 29 |

43.5 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

44. DETAILS OF EMPLOYEES BENEFITS AS REQUIRED BY THE IND AS 12 "EMPLOYEE BENEFITS"

a) Defined contribution plans

The company has recognized the following amounts in the Statement of Profit and Loss

(Rs. in lakhs)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Contribution to provident fund | 193 | 215 |
| Employee State Insurance Corporation | 114 | 121 |

b) Post Retirement Benefit Plan - Gratuity

1. Amount recognized in the Balance Sheet

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Gratuity: | | |
| Present value of plan liabilities | 1,075 | 1,029 |
| Fair value of plan assets | 1,034 | 978 |
| Unfunded Liability/Provision in Balance Sheet | (41) | (51) |

2. Movements in plan assets and plan liabilities

(Rs. in lakhs)

| Particulars | Year ended March 31, 2025 | | Year ended March 31, 2024 | |
|-------------------------------------|---------------------------|------------------|---------------------------|------------------|
| | Plan Assets | Plan Liabilities | Plan Assets | Plan Liabilities |
| At the beginning of the year | 978 | 1,029 | 855 | 950 |
| Current Service Cost | - | 63 | - | 70 |
| Fund Charges | (4) | - | (2) | - |
| Actual return on plan assets | 74 | - | 66 | - |
| Interest cost | - | 74 | - | 70 |
| Actuarial (gain)/loss on Obligation | - | (11) | - | (32) |
| Employer contributions | 66 | - | 88 | - |
| Benefit payments | (80) | (80) | (29) | (29) |
| At the end of the year | 1,034 | 1,075 | 978 | 1,029 |

3. Amount recognized in the Statement of Profit and Loss as Employee Benefit Expenses

(Rs. in lakhs)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---------------------------|---------------------------|
| Gratuity | | |
| Current service cost | 63 | 70 |
| Finance cost/(Income) | 4 | 7 |
| Net impact on the Profit before tax | (67) | (77) |
| Remeasurement of the net defined benefit liability | | |
| Return on plan assets excluding actual return on plan assets | (1) | - |
| Actuarial gain/(loss) arising from changes in demographic | - | - |
| Actuarial gain/(loss) arising from changes in financial assumption | (8) | (5) |
| Experience gain/(loss) arising on experience adjustments | 20 | 38 |
| Benefit plan liabilities | - | - |
| Net gain/(loss) recognized in the Other Comprehensive Income before tax | 11 | 33 |

4. Assets

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------|----------------------|----------------------|
| Gratuity: | | |
| Unquoted | | |
| Government Debt Instruments | - | - |
| Corporate Bonds | - | - |
| Insurer managed funds | 100% | 100% |
| Others | - | - |
| Total | 100% | 100% |

5. Assumptions

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Financial Assumptions | | |
| Discount rate | 6.99% | 7.22% |
| Salary Escalation Rate # | 4.50% | 4.50% |
| Demographic Assumptions | | |
| Published rates under the Indian Assured Lives Mortality (2012-14) | 100% | 100% |

The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

6. Sensitivity

(Rs. in lakhs unless otherwise stated)

| Gratuity | As at March 31, 2025 | | | As at March 31, 2024 | | |
|------------------------|----------------------|--|--|----------------------|--|--|
| | Change in assumption | Increase impact on present value of plan liabilities | Decrease impact on present value of plan liabilities | Change in assumption | Increase impact on present value of plan liabilities | Decrease impact on present value of plan liabilities |
| Discount rate | 0.50% | (17) | 19 | 0.50% | (19) | 20 |
| Salary Escalation Rate | 0.50% | 19 | (18) | 0.50% | 21 | (19) |

The above sensitivity analysis has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

7. The defined benefit obligations maturing after the year end

(Rs. in lakhs)

| Maturing within | As at March 31, 2025 | As at March 31, 2024 |
|-----------------|----------------------|----------------------|
| 0 – 1 year | 681 | 595 |
| 1 – 2 years | 35 | 58 |
| 2 – 3 years | 63 | 34 |
| 3 – 4 years | 26 | 57 |
| 4 – 5 years | 13 | 24 |
| 5 – 6 years | 27 | 12 |
| 6 years onwards | 229 | 249 |

The above information is as certified by the actuary.

c) Compensated Absences

The liability provided by the Company towards Compensated Absences (annual leave) is based on actuarial valuation carried out by using Projected Accrued Benefit Method.

1. Liability and Expense

(Rs. in lakhs)

| Particulars | Financial Year 2024-25 | Financial Year 2023-24 |
|--|------------------------|------------------------|
| Liability/(Asset) at the end of the year | 6 | 4 |
| Expense recognised in the Statement of Profit and Loss | 33 | 27 |

2. Financial Assumptions

| Particulars | Financial Year 2024-25 | Financial Year 2023-24 |
|--|------------------------|------------------------|
| Discount Rate | 6.99% | 7.22% |
| Future salary increases allowing for price inflation | 4.50% | 4.50% |

3. Demographic Assumptions

| Particulars | Financial Year 2024-25 | Financial Year 2023-24 |
|-----------------------|--------------------------|--------------------------|
| Mortality Rate | 100% of IALM (2012-14) | 100 % of IALM (2012-14) |
| Employee Turnover | Upto 30 years - 3% | Upto 30 years - 3% |
| | From 31 to 44 years - 2% | From 31 to 44 years - 2% |
| | Above 44 years - 1% | Above 44 years - 1% |
| Leave Availment Ratio | 5% | 5% |

45. FINANCIAL RISK MANAGEMENT AND POLICIES**45.1 Capital Risk Management****(a) Risk Management**

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to the shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity as shown in the balance sheet plus all other reserves attributable to equity shareholders of the Company.

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------|-------------------------|-------------------------|
| Borrowings | 638 | 2,860 |
| Less: Cash and cash equivalents | 2 | 19 |
| Net Debt (A) | 636 | 2841 |
| Equity (B) | 16,931 | 17,092 |
| Gearing Ratio (times)A/B | 0.04 | 0.17 |

- (b) The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

45.2 Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise cash and bank balance, trade and other receivables and security deposits.

The risk management policies of the Company are established to identify and analysis the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's management oversees the management of these risks to ensure the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk objectives. The major risks are summarized below:

a) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of financial instruments. The value of financial instruments may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including security deposits, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, borrowing strategies and ensuring compliance with market risk limits and policies.

a)(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The loan taken from the banks by the Company are linked to MCLR/Treasury Bills rate of the respective bank which are variable.

a) (i)(1) Exposure to interest rate risk related to borrowings with floating rate of Interest (Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|------------------|-------------------------|-------------------------|
| Total Borrowings | 638 | 2,863 |

a) (i)(2) Interest Rate Sensitivity (Rs. in lakhs)

| Basis Points | Financial Year 2024-25 | Financial Year 2023-24 |
|---|---------------------------|---------------------------|
| 50 basis point increase would decrease the profit before tax by | (3) | (14) |
| 50 basis point decrease would increase the profit before tax by | 3 | 14 |

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of machinery, store and spare and other materials. The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies. However, there is no foreign currency risk as at March 31, 2025.

c) Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of dealing with creditworthy customers.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as actual or expected significant adverse changes in business, operating results, financial or economic conditions and third-party collateral guarantees or credit.

Financial assets are written off when there is no reasonable expectation of recovery, such as a customer failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables based on historical trend, available external and internal credit risk factors such as financial condition, ageing of accounts receivable etc., industry practices and the business environment in which the entity operates.

As at March 31, 2025, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

d) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Rs. in lakhs)

| Particulars | Less than 1 year/on demand | 1-5 years | > 5 years | Total payments |
|---|----------------------------|-----------|-----------|----------------|
| March 31, 2025 | | | | |
| Long Term Borrowings (including Current maturities of long terms debts) | - | - | - | - |
| Short Term Borrowings | 638 | - | - | 638 |
| Trade and other payables | 1,045 | - | - | 1,045 |
| Payable to Capital Creditors | - | - | - | - |
| Lease Liabilities | 25 | 48 | - | 73 |
| Other financial liabilities (Current and Non-current) | 556 | - | - | 556 |
| March 31, 2024 | | | | |
| Long Term Borrowings (including Current maturities of long terms debts) | 491 | 1,065 | - | 1,556 |
| Short Term Borrowings | 1,307 | - | - | 1,307 |
| Trade and other payables | 1,164 | - | - | 1,164 |
| Payable to Capital Creditors | - | - | - | - |
| Lease Liabilities | 29 | - | - | 29 |
| Other financial liabilities (Current and Non-current) | 580 | - | - | 580 |

46. FINANCIAL INSTRUMENTS BY CATEGORY AND HIERARCHY

46.1 Financial Instruments by Category

A. The carrying value and fair value of financial instruments by categories as at March 31, 2025

(Rs. in lakhs)

| Particulars | Amortized cost | Financial assets/ liabilities at fair value through profit or loss | Financial assets/ liabilities at fair value through OCI | Total carrying value | Total fair value |
|--|----------------|--|---|----------------------|------------------|
| Assets: | | | | | |
| (a) Trade receivables | 791 | - | - | 791 | 791 |
| (b) Loans | 7 | - | - | 7 | 7 |
| (c) Other financial assets | 373 | - | - | 373 | 373 |
| (d) Cash and cash equivalents | 2 | - | - | 2 | 2 |
| (e) Bank balances other than cash and Cash equivalents | 30 | - | - | 30 | 30 |
| Liabilities: | | | | | |
| (a) Borrowings | 638 | - | - | 638 | 638 |
| (b) Trade payables | 1,045 | - | - | 1,045 | 1,045 |
| (c) Other financial liabilities | 620 | - | - | 620 | 620 |

B. The carrying value and fair value of financial instruments by categories as at March 31, 2024

(Rs. in lakhs)

| Particulars | Amortized cost | Financial assets/ liabilities at fair value through profit or loss | Financial assets/ liabilities at fair value through OCI | Total carrying value | Total fair value |
|--|----------------|--|---|----------------------|------------------|
| Assets: | | | | | |
| (a) Trade receivables | 1,001 | - | - | 1,001 | 1,001 |
| (b) Loans | 17 | - | - | 17 | 17 |
| (c) Other financial assets | 378 | - | - | 378 | 378 |
| (d) Cash and cash equivalents | 19 | - | - | 19 | 19 |
| (e) Bank balances other than cash and Cash equivalents | 32 | - | - | 32 | 32 |
| Liabilities: | | | | | |
| (a) Borrowings | 2,860 | - | - | 2,860 | 2,860 |
| (b) Trade payables | 1,164 | - | - | 1,164 | 1,164 |
| (c) Other financial liabilities | 608 | - | - | 608 | 608 |

46.2 Fair Value Hierarchy

- (i) This section explains the Judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standards.

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|--|----------------------|---------|---------|----------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| (1) Financial Assets and Financial Liabilities measured at FV recurring FV measurement | - | - | - | - | - | - |
| (2) Financial Assets and Financial Liabilities measured at Amortized cost for which FV are disclosed | | | | | | |
| Assets/Liabilities | | | | | | |
| (a) Loans | - | - | 7 | - | - | 17 |
| (b) Security Deposits | - | - | 69 | - | - | 64 |
| (c) Lease Obligations | - | - | 64 | - | - | 28 |

(ii) Measurement of fair values

The above table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3- Inputs for the assets or the liabilities that are not based on observable market data (Unobservable Inputs).

- (i) Fair value of financial assets and liabilities measured at amortized cost: -

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-------------------|----------------------|----------------------|
| Security Deposits | 69 | 64 |
| Loans | 7 | 17 |
| Lease Obligations | 64 | 28 |

(ii) The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and others approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

47. NET DEBT RECONCILIATION

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Cash and cash equivalents | 2 | 19 |
| Long Term Borrowings (including current maturities) | - | (1,553) |
| Current borrowings | (638) | (1,307) |
| Lease Liabilities | (64) | (28) |
| Interest Payable | - | (12) |
| Net Debts | 700 | (2,881) |

(Rs. in lakhs)

| Particulars | Cash and Cash Equivalents | Long Term Borrowings (including current maturities) | Current Borrowings | Lease Liabilities | Interest Payable | Total |
|---|---------------------------------|---|-----------------------|----------------------|---------------------|--------------|
| Balance Outstanding as at April 01, 2023 | 66 | (942) | (1,367) | (55) | (7) | (2,305) |
| Cash Flows | (47) | (610) | 60 | 27 | - | (570) |
| Non cash Movement: | | | | | | |
| Acquisitions/disposals | - | - | - | - | - | - |
| Finance Cost recognised | - | - | - | (4) | (242) | (246) |
| Transaction Cost netted off | - | (1) | - | - | 3 | 2 |
| Finance Cost paid | - | - | - | 4 | 234 | 238 |
| Balance Outstanding as at March 31, 2024 | 19 | (1,553) | (1,307) | (28) | (12) | (2,881) |
| Cash Flows | (17) | 1,557 | 669 | 28 | - | 2,237 |
| Non cash Movement: | | | | | | |
| Acquisitions/disposals | - | - | - | (64) | - | (64) |
| Finance Cost recognised | - | - | - | (2) | (164) | (166) |
| Transaction Cost netted off | - | (4) | - | - | 4 | - |
| Finance Cost paid | - | - | - | 2 | 172 | 174 |
| Balance Outstanding as at March 31, 2025 | 2 | - | (638) | (64) | - | (700) |

48. INCOME TAX EXPENSE**a) Tax expense recognized in the Statement of Profit and Loss:****(Rs. in lakhs)**

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Current tax | | |
| Current tax on taxable income for the year | - | 60 |
| Total Current tax expense | - | 60 |
| Minimum Alternate Tax (MAT) Credit Entitlement | - | |
| MAT Credit Entitlement | - | (44) |
| Total MAT Credit Entitlement | - | (44) |
| Deferred tax | | |
| Deferred tax charge/(credit) | (302) | (39) |
| Total deferred tax expense/(benefit) | (302) | (39) |
| Tax related to earlier years | (1) | (2) |
| Total tax expense | (303) | (25) |

b) Reconciliation of the tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:**(Rs. in lakhs)**

| Particulars | Year ended March 31, 2025 | | Year ended March 31, 2024 | |
|---|---------------------------|--------------|---------------------------|-------------|
| | Nos. | Rs. | Nos. | Rs. |
| Enacted income tax rate applicable to the Company | 26%* | | 27.82% | |
| Profit/(Loss) before tax | | (364) | | 392 |
| Current tax expense on profit/(loss) before tax | (26%) | (95) | 27.82% | 109 |
| Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income | | | | |
| Effect of change in tax rate * | (59.72%) | (217) | (38.27%) | (150) |
| Effect of temporary differences | - | - | 1.27% | 5 |
| Effect of permanent differences | 2.75% | 10 | 3.31% | 13 |
| Tax related to earlier year | (0.27%) | (1) | (0.51%) | (2) |
| Tax Expense recognized in the Statement of Profit and Loss | (83.24%) | (303) | (6.38%) | (25) |

*Change in income tax rate due to decrease in surcharge applicable to the Company from 7% to Nil on lower taxable income.

c) Tax Assets and Liabilities**(Rs. in lakhs)**

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------|-------------------------|-------------------------|
| Non-Current tax assets (net) | 33 | 29 |
| Current tax assets (net) | 14 | 14 |

d) Deferred Tax Assets and Liabilities

(Rs. in lakhs)

| Particulars | As at April 01, 2023-Deferred tax assets/Liabilities | Adjustment against provision/prior period tax | (Credit)/charge in statement of profit and loss | (Credit)/charge directly in OCI | As at March 31, 2024-Deferred tax assets/Liabilities | (Credit)/charge in statement of profit and loss | (Credit)/charge directly in OCI | As at March 31, 2025-Deferred tax assets/Liabilities |
|---|--|---|---|---------------------------------|--|---|---------------------------------|--|
| Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting | 3,587 | - | (69) | - | 3,518 | (240) | - | 3,278 |
| Deferred Tax Liabilities | 3,587 | - | (69) | - | 3,518 | (240) | - | 3,278 |
| Expenditure allowed for tax purpose on payment basis | 17 | - | 3 | 9 | 5 | (1) | 3 | 3 |
| Allowance for doubtful debts and Advances | 214 | - | 27 | - | 187 | 19 | - | 168 |
| Carried forward Losses | - | - | - | - | - | (80) | - | 80 |
| MAT Credit Entitlement | - | - | (44) | - | 44 | (12) | - | 56 |
| Deferred tax Assets | 231 | - | (14) | 9 | 236 | (74) | 3 | 307 |
| Deferred tax liabilities (net) | 3,356 | - | (83) | 9 | 3,282 | (314) | 3 | 2,971 |

49. VALUE OF RAW MATERIALS, STORES & SPARES AND PACKING MATERIALS CONSUMED

| Particulars | Year ended March 31, 2025 | | Year ended March 31, 2024 | |
|---|---------------------------|------------|---------------------------|------------|
| | Value (Rs. in lakhs) | % | Value (Rs. in lakhs) | % |
| Raw materials consumed | | | | |
| Indigenous | 16,652 | 100 | 17,654 | 100 |
| Imported | - | - | - | - |
| Total | 16,652 | 100 | 17,654 | 100 |
| Stores & Spares and Packing materials consumed | | | | |
| Indigenous | 865 | 100 | 955 | 100 |
| Imported | - | - | - | - |
| Total | 865 | 100 | 955 | 100 |

50. RAW MATERIALS CONSUMPTION

| Particulars | Year ended March 31, 2025 | | Year ended March 31, 2024 | |
|----------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| | Quantity (Kgs.) | Value (Rs. in lakhs) | Quantity (Kgs.) | Value (Rs. in lakhs) |
| Viscose Staple Fibre | 5,50,233 | 977 | 8,37,587 | 1,523 |
| Polyester Fibre | 1,93,95,515 | 14,608 | 2,07,34,663 | 14,856 |
| Acrylic Fibre | 2,08,532 | 234 | 1,94,363 | 233 |
| Dyes, chemicals and Others | | 833 | | 1,042 |
| Total | | 16,652 | | 17,654 |

51. PARTICULARS OF PRODUCTION, SALES AND STOCKS

a. Production, Sales and Stocks

Man Made Fibre Spun Yarn

| Year Ended | Production (Kgs.) | Opening Stock | | Closing Stock | |
|-----------------------|----------------------|--------------------|-------------------------|--------------------|-------------------------|
| | | Quantity (Kgs.) | Value (Rs. in lakhs) | Quantity (Kgs.) | Value (Rs. in lakhs) |
| March 31, 2025 | 1,94,28,794 | 31,24,214 | 3,998 | 19,60,764 | 2,435 |
| March 31, 2024 | 2,09,43,343 | 22,89,650 | 3,376 | 31,24,214 | 3,998 |

Sewing Thread

| Year Ended | Production (Kgs.) | Opening Stock | | Closing Stock | |
|----------------|----------------------|--------------------|-------------------------|--------------------|-------------------------|
| | | Quantity (Kgs.) | Value (Rs. in lakhs) | Quantity (Kgs.) | Value (Rs. in lakhs) |
| March 31, 2025 | 0 | 4 | 0 | 0 | 0 |
| March 31, 2024 | 0 | 1,678 | 3 | 4 | 0 |

b. Turnover

| Particulars | Year ended March 31, 2025 | | Year ended March 31, 2024 | |
|--------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| | Quantity (Kgs.) | Value (Rs. in lakhs) | Quantity (Kgs.) | Value (Rs. in lakhs) |
| Man-made Fibre Spun Yarn | 2,05,92,048* | 29,149 | 2,01,08,643* | 29,698 |
| Sewing Thread | 4 | - | 1,674 | 3 |
| Total | 2,05,92,052 | 29,149 | 2,01,10,317 | 29,701 |

*Excluding shortage/wastage of yarn **196 Kgs.** (March 31, 2024 -136 Kgs.)

52. (a) **CIF Value of Imports: Nil** (March 31, 2024 - Nil)

(b) **Income and Expenditure in Foreign Currency: Nil** (March 31, 2024 -Nil)

53. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS-24**53.1 List of related parties and relationship:****1 Key Management Personnel (KMP)**

| | |
|-------------------------------|----------------------------------|
| Shri Rajendra Kumar Rajgarhia | Chairman and Whole Time Director |
| Shri Hari Ram Sharma | Managing Director |
| Shri Chandra Shekhar Vijay | Chief Financial Officer |
| Smt. Neha Goel | Company Secretary |

2 Non-Executive Directors

| | |
|---------------------------------|--|
| Shri Harpal Singh Chawla | Non-Executive and Independent Director (w.e.f. 29.10.2024) |
| Shri Sanjay Rajgarhia | Non-Executive and Non-Independent Director (w.e.f. 18.12.2024) |
| Smt. Uma Hada | Non-Executive and Independent Director (upto 27.11.24) |
| Shri Manish Garg | Non-Executive and Independent Director |
| Shri Deepak Vishwanath Harlalka | Non-Executive and Non-Independent Director (upto 09.12.24) |
| Smt. Nirmala Bagri | Non-Executive and Independent Director |
| Late Shri Shri Gopal Rajgarhia | Non-Executive and Non-Independent Director (upto 10.11.2023) |
| Shri Khushi Ram Gupta | Non-Executive and Independent Director (upto 31.03.2024) |
| Shri Ram Ratan Bagri | Non-Executive and Independent Director (upto 4.12.2023) |

3 Enterprises over which Directors/KMP have significant influence

Perfectpac Limited
 Clayhill Capital Private Limited (formerly known as Rajgarhia Leasing and Financial Services Private Limited)
 Arvind Syntex Private Limited
 Faridabad Paper Mills Private Limited
 Essvee Fiiscal LLP
 Ram Lal Rajgarhia Memorial Trust
 Anya Rajgarhia Foundation
 Kabir Rajgarhia Foundation
 Sumarg Education Resources Private Limited
 Alpasso Solar Energy Private Limited
 Bagri Udyog Private Limited
 CTC Projects Private Limited
 CH Estates Holding Private Limited
 CH Estates LLP

4 Other related parties with whom transactions have taken place

| | |
|--------------------------------------|--|
| Smt. Prabha Rajgarhia | Wife of Chairman |
| Smt. Pooja Rajgarhia | Daughter in law of Chairman and wife of Non-Executive Director, Shri Sanjay Rajgarhia |
| Shri Ajay Rajgarhia | Son of Chairman, brother of Non-Executive Director, Shri Sanjay Rajgarhia and in employment of the Company |
| Ms. Aditi Rajgarhia | Grand-daughter of Chairman and daughter of Non-Executive Director, Shri Sanjay Rajgarhia |
| Shri Nawal Kishore Rajgarhia | Brother of Chairman |
| Nawal Kishore Rajgarhia & Sons (HUF) | Karta is brother of Chairman |
| Smt. Rajkumari Rajgarhia | Wife of brother of Chairman |
| Smt. Anisha Mittal | Daughter of brother of Chairman |
| Miss. Bhavna Rajgarhia | Daughter of brother of Chairman |
| Shri Arvind Sharma | Son of Managing Director |
| Shri Aman Vijay | Son of Chief Financial Officer |
| Shri Saurabh Vijayvargiya | Son of Chief Financial Officer |
| Shri Sanjay Hada | Son of Independent Director, Smt. Uma Hada |
| Shri Kabir Rajgarhia | Grandson of Chairman and son of Shri Ajay Rajgarhia |

53.2 The transactions carried out with related parties in the ordinary course of business**(Rs. in lakhs)**

| Name of the related party | Nature of transaction | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|------------------------------|------------------------------|
| Arvind Syntex Private Limited | Sales (Net of Sales return) | 11 | 12 |
| Ram Lal Rajgarhia Memorial Trust | Contribution for Corporate Social Responsibility (CSR) activities | 4 | 11 |
| Shri Khushi Ram Gupta | Director Sitting Fees | - | 3 |
| Shri Ram Ratan Bagri | Director Sitting Fees | - | 2 |
| Late Shri Shri Gopal Rajgarhia | Director Sitting Fees | - | 1 |
| | Dividend paid | - | 9 |
| Smt. Uma Hada | Director Sitting Fees | 1 | 1 |
| | Dividend paid | 0* | 0* |
| Shri Manish Garg | Director Sitting Fees | 3 | 1 |
| Shri Deepak Vishwanath Harlalka | Director Sitting Fees | 1 | 1 |
| | Dividend paid | 0* | 1 |
| Smt. Nirmala Bagri | Director Sitting Fees | 3 | 1 |
| Shri Harpal Singh Chawla | Director Sitting Fees | 1 | - |
| Smt. Prabha Rajgarhia | Rent | 11 | 13 |
| | Dividend paid | 8 | 26 |
| | Refund of Security given | 2 | - |
| Ms. Aditi Rajgarhia | Rent | 2 | 2 |
| | Dividend paid | 0* | 0* |
| Clayhill Capital Private Limited (formerly known as Rajgarhia Leasing and Financial Services Private Limited) | Dividend paid | 6 | 18 |
| Shri Rajendra Kumar Rajgarhia | Remuneration | 169 | 156 |
| | Dividend paid | 20 | 65 |
| Shri Hari Ram Sharma | Remuneration | 160 | 150 |
| | Dividend paid | 0* | 0* |

(Rs. in lakhs)

| Name of the related party | Nature of transaction | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---------------------------------------|-----------------------|------------------------------|------------------------------|
| Shri Ajay Rajgarhia | Remuneration | 31 | 31 |
| | Rent | 21 | 21 |
| | Dividend paid | 11 | 37 |
| Shri Chandra Shekhar Vijay | Remuneration | 24 | 23 |
| | Dividend paid | 0* | 0* |
| Smt. Neha Goel | Remuneration | 8 | 8 |
| Faridabad Paper Mills Private Limited | Dividend paid | 14 | 45 |
| Smt Anisha Mittal | Dividend paid | 3 | 6 |
| Miss Bhavna Rajgarhia | Dividend paid | 3 | 5 |
| Shri Sanjay Rajgarhia | Director Sitting Fees | 0* | - |
| | Dividend paid | 3 | 11 |
| Others# | Dividend paid | 1 | 3 |

*Amount less than Rs. 1 lakh

Aggregate amount of dividend paid to relatives of KMP /Directors less than Rs. 1 lakh individually.

Notes:

1. Transaction amount is inclusive of GST, where applicable.
2. Total amount of dividend paid to KMP/Directors, their relatives and the enterprises over which they have significant influence aggregate to Rs.71 lakhs during the financial year ended March 31, 2025 (March 31, 2024– Rs. 226 lakhs).
3. Shri Rajendra Kumar Rajgarhia, Chairman and Whole Time Director of the Company has provided personal guarantee to the lender Banks of the Company aggregating to Rs.3,000 Lakhs as at March 31, 2025 (Rs. 4,590 Lakhs as at March 31, 2024)

53.3 Outstanding balances with related parties

(Rs. in lakhs)

| Name of the related party | Nature of transaction | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------|---------------------------|-------------------------|-------------------------|
| Smt. Prabha Rajgarhia | Security Deposit (Rent)** | - | 2 |
| Shri Ajay Rajgarhia | Security Deposit (Rent)** | 4 | 4 |
| Ms. Aditi Rajgarhia | Security Deposit (Rent)** | 0* | 0* |
| Arivind Syntex Private Limited | Trade Receivables | 0* | - |

*Amount less than Rs. 1 lakh

** unsecured and repayable in cash

53.4 Particulars of Remuneration to Key Management Personnel

For the year ended March 31, 2025

(Rs. in lakhs)

| Particulars | Shri Rajendra Kumar Rajgarhia, Chairman | Shri Hari Ram Sharma, Managing Director | Shri Chandra Shekhar Vijay, Chief Financial Officer | Smt. Neha Goel, Company Secretary |
|---|---|--|--|---|
| Salary and Allowances# | 163 | 159 | 24 | 8 |
| Contribution to Provident and other Funds | - | 0* | 0* | 0* |
| Value of perquisites, calculated as per Income Tax Rules | 6 | 1 | 0* | |

* Amount less than Rs. 1 lakh

Including provisions for Gratuity and Compensated Absence

For the year ended March 31, 2024

(Rs. in lakhs)

| Particulars | Shri Rajendra Kumar Rajgarhia, Chairman | Shri Hari Ram Sharma, Managing Director | Shri Chandra Shekhar Vijay, Chief Financial Officer | Smt. Neha Goel, Company Secretary |
|--|---|---|---|-----------------------------------|
| Salary and Allowances# | 153 | 149 | 23 | 8 |
| Contribution to Provident and other Funds | - | 0* | 0* | 0* |
| Value of perquisites, calculated as per Income Tax Rules | 3 | 1 | 0* | - |

* Amount less than Rs. 1 lakh

Including provisions for Gratuity and Compensated Absence

53.5 Amount pertaining to related parties provided for as doubtful debt or written off – Nil (March 31, 2024 – Nil).

54. SEGMENT REPORTING

The Company's primary business segment is reflected based on principal business activities carried on by the Company. Chairman and Managing Director have been identified as being the Chief Operating Decision Maker ('CODM') and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, there are no separate reportable business segments as per Ind AS 108-Operating Segments. The Company operates in one reportable business segment i.e., manufacturing of Yarn.

55. OTHER DISCLOSURES/INFORMATION**55.1 Additional information required as per Schedule III of the Companies Act, 2013****(i) Details of benami property held**

No proceedings have been initiated or are pending against the Company as at March 31, 2025 for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016), as amended and rules made thereunder.

(ii) Wilful defaulter

The company has not been declared wilful defaulter by any bank, financial institution or lender as at March 31, 2025.

(iii) Relationship with struck off companies

There is no transaction during the year with or outstanding balance of the struck off companies as at March 31, 2025.

(iv) Compliance with number of layers of companies

The Company does not have any subsidiary or Associate or Joint Venture company during the year.

(v) Compliance with approved scheme(s) of arrangements

During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of Section 232 to 237 of the Companies Act, 2013.

(vi) Utilisation of borrowed funds and share premium

During the year the Company has not advanced or lend or invested funds (either from the borrowed funds or share premium or any other sources or kind of funds) to any person or entity, including foreign entity (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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 has not received any fund from any person or entity, including foreign entity (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

(vii) Undisclosed income

The Company does not have any unrecorded transactions in the books of account which have been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax Act, 1961.

(viii) Transactions in crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2025.

(ix) Revaluation of property, plant & equipment and intangible asset

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year ended March 31, 2025.

(x) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are pending to be registered with the Registrar of Companies as on March 31, 2025.

55.2 Other Statutory information

- (i) The Company has no long-term contracts including derivative contracts having material foreseeable losses as at March 31, 2025.
- (ii) The Company has not received any whistleblower complaint during the year ended March 31, 2025.
- (iii) There is no Core Investment Company within the group as defined in the regulations made by the Reserve Bank of India.
- (iv) There is neither any fraud by the Company nor on the company noticed or reported during the year.
- (v) There is no amount outstanding for transfer to the Investor Education and Protection Fund by the Company under Section 125 of Companies Act, 2013 as at March 31, 2025.
- (vi) The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.

56. ACCOUNTING RATIOS

| Sl. No. | Name of the Ratio | Numerator | Denominator | Ratios | | Variance % | Reason where variance exceeds 25% |
|---------|---|-------------------------------------|---|--------------|--------------|------------|--|
| | | | | F.Y. 2024-25 | F.Y. 2023-24 | | |
| 1 | Current Ratio (in times) | Current assets | Current liabilities | 2.08 | 1.90 | 9.47 | - |
| 2 | Debt – Equity Ratio (in times) | Debts (Outstanding Liabilities) | Equity (Shareholders' Fund) | 0.04 | 0.17 | (76.47) | Due to decrease in Debt. |
| 3 | Debt Service coverage ratio (in times) | Earnings available for debt service | Debt service | 4.31 | 1.74 | 147.70 | Due to decrease in Debt service amount during the year as compared to the previous year. |
| 4 | Return on equity (in %) | Profit after tax (PAT) | Average Equity (Average Shareholders' Fund) | (0.36) | 2.45 | (114.69) | Due to decrease in profit for the year. |
| 5 | Inventory Turnover Ratio (in times) | Cost of Goods sold | Average Inventory | 6.27 | 5.48 | 14.42 | - |
| 6 | Trade receivables turnover ratio (in times) | Net sales | Average Trade Receivables | 32.53 | 25.65 | 26.82 | Due to decrease in Trade receivables |
| 7 | Trade payables turnover ratio (in times) | Net purchases | Average trade payables | 16.16 | 15.88 | 1.76 | - |
| 8 | Net capital turnover ratio (in times) | Net sales | Working Capital | 11.17 | 8.93 | 25.08 | Due to decrease in net Working Capital |
| 9 | Net profit Margin (in %) | Profit after tax (PAT) | Net sales | (0.21) | 1.39 | (115.11) | Due to decrease in gross profit margin during the year. |
| 10 | Return on capital employed (in %) | Earnings before interest and tax | Capital employed | (0.96) | 2.75 | (134.91) | Due to decrease in earnings during the year. |
| 11 | Return on investment (in %) | Income from Investments | Investments during the year | NA* | NA* | - | - |

*Investment during the year -Nil

Definitions:

- (a) Earnings available for debt services = Profit after tax + non-cash items + Interest on Term Loans+ Interest on lease liabilities+ other items like gain on sale of assets etc.
- (b) Debt (outstanding Liabilities) = Borrowings
- (c) Debt service = Principal Repayments of term loans and lease liabilities due within one year+ Interest payable on term loans and lease liabilities.
- (d) Average inventory = (Opening inventory + Closing inventory)/ 2
- (e) Net sales = Gross sales minus Sales return.
- (f) Average trade receivables = (Opening trade receivables + Closing trade receivables) / 2

- (g) Net purchase = Gross purchases minus Purchase return
(h) Average trade payables = (Opening trade payables + Closing trade payables)/ 2
(i) Working capital = Current assets – Currents liabilities
(j) Earnings before interest and taxes = Profit before tax + Finance costs
(k) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
(l) Profit after tax = Profit after tax before OCI
(m) Income from Investments = Income from Investments +Fair value changes on Investments.
(n) Investments = Opening Investments +Investments made during the year

57. DIVIDEND

The Board of Directors in their meeting held on May 07, 2025 have not recommended any dividend for the financial year 2024-25 (Rs.0.50 per Equity share for the financial year 2023-24) in accordance with the provisions of section 123 of the Act.

58. EARNINGS PER SHARE (EPS)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Net Profit/(Loss) for the year (before OCI) (Rs. in lakhs) | (61) | 417 |
| Weighted average number of Equity Shares | 2,16,11,360 | 2,16,11,360 |
| Diluted average number of Equity Shares | 2,16,11,360 | 2,16,11,360 |
| Basic earnings per share (in Rs.) | (0.28) | 1.93 |
| Diluted earnings per share (in Rs.) | (0.28) | 1.93 |
| Face value of each share (in Rs.) | 2 | 2 |

59. The Company is using ERP software for maintaining its books of account 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 accounting software. However, the audit trail feature is not enabled when using administrative access right to the ERP application for direct data changes which is restricted to limited set of users who necessarily require this access for maintenance and administration of the database. Further, no instance of audit trail feature being tempered with has been noticed during the year in respect of the accounting software and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
60. All amounts in the financial statements and notes have been rounded off to the nearest lakh as per requirement of Schedule III except per share data and as otherwise stated. Figures in brackets represent corresponding previous year figures. Figures of previous year have been regrouped/reclassified wherever considered necessary to conform to current year's presentation.

As per our report of even date

For CHATURVEDI & PARTNERS

Chartered Accountants

Firm Registration No.307068E

LAXMI NARAIN JAIN

Partner

Membership No.072579

Place : New Delhi

Date : May 07, 2025

FOR AND ON BEHALF OF THE BOARD

RAJENDRA KUMAR RAJGARHIA

Chairman and Whole Time Director

DIN-00141766

CHANDRA SHEKHAR VIJAY

Chief Financial Officer

HARI RAM SHARMA

Managing Director

DIN-00178632

NEHA GOEL

Company Secretary

Membership No. 48053

Notes

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APM INDUSTRIES LIMITED

REGISTERED OFFICE & WORKS

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CORPORATE OFFICE

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