

**49<sup>th</sup>**  
**A****NNUAL**  
**REPORT**  
**2022-2023**

**APM INDUSTRIES LIMITED**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Shri Rajendra Kumar Rajgarhia  
Chairman and Whole time Director

Shri Hari Ram Sharma  
Managing Director

Shri Shri Gopal Rajgarhia  
Non-Executive Director

Shri Khushi Ram Gupta  
Independent Director

Shri Ram Ratan Bagri  
Independent Director

Smt. Uma Hada  
Independent Director

**COMPANY SECRETARY**

Mrs. Neha Goel

**REGISTERED OFFICE & WORKS**

SP-147, RIICO Industrial Area, Bhiwadi,  
Dist. Alwar (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,  
1502, Chiranjiv Tower,  
43, Nehru Place, New Delhi-110019

**BANKERS**

State Bank of India  
HDFC Bank

**REGISTRAR & SHARE TRANSFER AGENT**

Skyline Financial Services Pvt Ltd  
D-153A, 1<sup>st</sup> 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 **49th Annual General Meeting** of Members of **APM Industries Limited** will be held on **Monday, the 25th day of September, 2023 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, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a Final Dividend of Rs. 1.60/- per equity share (i.e. 80%) on face value of Rs. 2/- per share for the Financial Year 2022-23.
3. 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.

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Articles of Association of the Company and Regulation 17(1A) 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), approval of the Members of the Company be and is hereby accorded to the re-appointment of Shri Shri Gopal Rajgarhia (DIN: 00002245), Non-Executive Director who has attained the age of 75 (seventy five) years and retires from office by rotation and being eligible, offers himself for re-appointment as a Non-Executive Director of the Company, liable to retire by rotation.

**SPECIAL BUSINESS**

4. **To Ratify the Cost Auditors' Remuneration for the Financial Year 2023-24**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment 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 Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, amounting to Rs. 55,000/- (Rupees Fifty Five Thousand only) plus taxes, as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified by the members of the Company."

**Registered Office:-**

SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar  
(Rajasthan)-301019  
Tel: (01493)-265400,  
e-mail: [csapmindustriestd@gmail.com](mailto:csapmindustriestd@gmail.com)  
website: [www.apmindustries.co.in](http://www.apmindustries.co.in)

**By Order of the Board**

APM Industries Limited

**Neha Goel**

Company Secretary  
M. No.: 48053

**Place : New Delhi**

**Dated : August 08, 2023**

**NOTES:-**

1. The Ministry of Corporate Affairs ('MCA') has vide General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022 and 10/2022 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021, May 05, 2022 and December 28, 2022, respectively (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India ("SEBI") also vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated May 12, 2020, May 13, 2022 and January 5, 2023, respectively (collectively referred to as 'SEBI Circulars') (MCA Circulars and SEBI Circulars collectively referred as 'Circulars') permitted holding of Annual General Meetings through VC/OAVM and dispensed physical presence of the members at the meeting. In compliance with the provisions of the Companies Act, 2013 ('the Act'), the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the MCA Circulars and the SEBI Circulars, the 49th Annual General Meeting ('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.

2. The Explanatory Statement, pursuant to Section 102 of the Act, relating to the special business to be transacted at the 49th AGM, is annexed.

Further, the relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard-2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM are also annexed to this Notice.

3. Since this 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. All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent on [csapmindustriestd@gmail.com](mailto:csapmindustriestd@gmail.com).
6. 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 at the AGM.
7. 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 Registrar and Transfer Agent, Skyline Financial Services Private Limited ('RTA') in case the shares are held in physical form.

8. The Register of Members and Shares Transfer Books of the Company shall remain closed from **Tuesday, September 19, 2023** to **Monday, September 25, 2023** (both days inclusive) for the purposes of the AGM and payment of Final Dividend, if approved by members.
9. The dividend, as recommended by the Board of Directors of the Company (Rs. 1.60/- [i.e. 80%] per equity share of Rs. 2/- each for FY 2022-23), if approved at the AGM, will be paid/dispatched within 30 days from the date of AGM to those member(s) or their mandates:-
- whose names appear as Beneficial Owners at the end of business hours on **Monday, September 18, 2023** in the lists of Beneficial Owners furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form;
  - whose names appear as member(s) in the Register of members of the Company as on **Monday, September 18, 2023**. The dividend will be paid electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants/demand drafts / cheques will be sent out to their registered addresses.
10. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from the dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to ensure correct PAN details are provided to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
- A resident individual shareholder with PAN and who is not liable to pay income tax can submit a duly signed declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending documents via e-mail at [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@gmail.com) on or before **Saturday, September 23, 2023**. Shareholders are requested to note that in case their PAN is not registered or valid, the tax will be deducted at a higher rate of 20%.
- For resident shareholders (other than an individual) holding a valid PAN and not subject to withholding under Section 194 of the Income Tax Act, 1961, can submit duly signed declaration along with other documents as sought separately to avail benefit of non-deduction of tax at source by sending documents via e-mail at [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@gmail.com) on or before Saturday, September 23, 2023. Shareholders are requested to note that in case their PAN is not registered or valid, the tax will be deducted at a higher rate of 20%.
- For a Non-resident shareholder (including Foreign Portfolio Investors ['FPI']), applicable withholding tax rate is either 20% as per the Income Tax Act or the tax rate as specified in the tax treaty, whichever being more beneficial to the Non-resident shareholder. Further, Non-resident shareholders can avail of the beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending the documents through above mentioned email id. The aforesaid declarations and documents need to be submitted by the shareholders latest by **Saturday, September 23, 2023**.
- Additionally, for shareholders who qualify as 'specified person' as defined under Section 206AB of the Income Tax Act, 1961, tax shall be deducted at a higher rate.
11. Members are requested to note that, dividends if not encashed or remaining unclaimed in 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 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. In view of this, members who have not yet claimed the dividend, from the financial year ended March 31, 2016 onwards are requested to forward their claims to the Company's RTA, Skyline Financial Services Private Limited, within the stipulated timeline. Please refer to the Company's website [www.apmindustries.co.in](http://www.apmindustries.co.in) or Report of Corporate Governance attached to this Report for details related to unclaimed dividend amount.
12. The Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of Beneficial Owners received from the Depositories as on **Friday, August 25, 2023**.
13. 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, 1<sup>st</sup> Floor, Okhla Industrial Area,  
 Phase-I, New Delhi-110020  
 Tel: 011-40450193-97  
 Email: [parveen@skylinerta.com](mailto:parveen@skylinerta.com)  
 In all correspondence, please quote your Folio No. / DP ID and Client ID.
14. In compliance with Circulars, the Annual Report for FY 2022-23 along with the Notice of the 49th AGM including instructions for e-voting is being sent through electronic mode to only those members whose email IDs are registered with the Company/ Depository Participant. Members may note that the Annual Report for FY 2022-23 along with Notice of the 49th AGM will also be available on the Company's website at [www.apmindustries.co.in](http://www.apmindustries.co.in), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- In case any Member is desirous of obtaining physical copy of the Annual Report for the FY 2022-23 along with the Notice of the 49th AGM of the Company, he/she may send a request to the Company by writing at [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@gmail.com) or Company's Registrar and Share Transfer Agent ("RTA") at [parveen@skylinerta.com](mailto:parveen@skylinerta.com) mentioning their Folio No. / DP ID and Client ID.
15. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in supersession of earlier Circular(s) issued on the subject, 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 said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details were not available on or after April 01, 2023 were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said timeline of April 01, 2023 for freezing of folios has been extended to October 01, 2023.
- Dividend and other payments, if any, in respect of such frozen folios shall only be made electronically with effect from April 01, 2024 upon registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibition) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in the prescribed form.

The shareholders holding shares in electronic form who have either not furnished nomination or submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before September 30, 2023, failing which their trading accounts shall be frozen for trading and demat account shall be frozen for debits.

The Company has sent individual letters in the month of May 2023 to all the members 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/>.

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

16. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and 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/> and on the website of the Company's RTA at <https://www.skylinerta.com/investor-charter.php>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

17. SEBI vide its notification dated January 24, 2022 has mandated that 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. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

18. During the AGM, Members may access the scanned copy of 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 under Section 189 of the Act and any other relevant documents, upon log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>.

19. The Company has a dedicated E-mail address [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@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](http://www.apmindustries.co.in) has a dedicated section on Investors.

## 20. Instructions for Members for e-Voting and joining the AGM are as follows:-

(i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations, as amended, and applicable Circulars, the members are provided with the facility to cast their vote electronically, through the remote e-Voting

facility (before the AGM) and e-Voting facility (at the AGM), on all the resolutions set forth in this Notice. The facility of casting votes will be provided by National Securities Depository Limited (NSDL).





- (ii) The remote e-Voting period commences on **Friday, September 22, 2023 (09:00 A.M. IST)** and ends on **Sunday, September 24, 2023 (05:00 P.M. IST)**. During this period, member(s) of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date on **Monday, September 18, 2023**, 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. **Monday, September 18, 2023**. 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. **Monday, September 18, 2023** 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.co.in](mailto:evoting@nsdl.co.in) or [admin@skylinerta.com](mailto:admin@skylinerta.com) by mentioning their Folio No./DP Id and Client Id for casting their vote. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her 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 at 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 dematerialized mode

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 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 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 ID with their DPs to access e-voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>1. NSDL IDeAS facility</b></p> <p><b>If you are already registered, follow the below steps:-</b></p> <p>(a) Visit the e-Services website of NSDL. Open web browser and type the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</p> <p>(b) Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section.</p> <p>(c) A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</p> <p>(d) 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.</p> <p>(e) Click on options available against Company name or e-voting service provider-NSDL and you will be re-directed 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> <p><b>If you are not registered, follow the below steps:-</b></p> <p>(a) Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</p> <p>(b) Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>(c) Please follow steps given above in points (a) to (e).</p> <p><b>2. E-voting website of NSDL</b></p> <p>(a) Open web browser and type the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</p> <p>(b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.</p> <p>(c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold 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 Depository site wherein you can see e-Voting page. Click on options available against Company name or e-voting service provider-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><b>3. Shareholders/Members can also download NSDL mobile app "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</b></p> <p>NSDL Mobile App is available on</p> <p>   </p> <p>   </p>

Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest, they can login through their User ID and Password. 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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL at website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account.</p> <p>5. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their DP	<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 e-voting service provider-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 dematerialized 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

**(II) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in dematerialized 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 clicking the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
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 for shareholders other than Individual shareholders are given below: -

- (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you 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 ID. Trace the email sent to you from NSDL from your mailbox from [evoting@nsdl.com](mailto:evoting@nsdl.com). Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) In case you have not registered your e-mail address with the Company/ Depository, 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](https://www.evoting.nsdl.com).
- (b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://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.co.in](mailto:evoting@nsdl.co.in) 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, tick 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.
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 ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting**

1. Members whose shares are held in physical mode, are requested to provide Folio No., Name of shareholder, 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 [admin@skylinerta.com](mailto:admin@skylinerta.com).
2. Members whose shares are held in demat mode, are requested to provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), 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) to [csapmindustrielttd@gmail.com](mailto:csapmindustrielttd@gmail.com) or [admin@skylinerta.com](mailto:admin@skylinerta.com). If you are an Individual shareholders holding securities in dematerialized 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 dematerialised mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Instructions for Members for E-Voting on the day of the AGM are as under:-**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present at the AGM through VC/ OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**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 for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
2. The Members can join the AGM through VC/ OAVM facility, fifteen (15) minutes before the scheduled time of commencement of the AGM and shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/ OAVM will be made available to atleast 1,000 members on first come- first-served basis. The large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@gmail.com) latest by **Monday, September 18, 2023**. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have queries regarding financial statements or other matters may send their queries latest by **Monday, September 18, 2023** by mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@gmail.com). These queries will be replied by the Company suitably by email.

7. Members who need assistance before or during the AGM, can contact Skyline Financial Services Private Limited on [admin@skylinerta.com](mailto:admin@skylinerta.com), contact Mr. Sarbesh Singh, Mobile No.: 9953022071.

**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](mailto:rsmco121@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). 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](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990/1800-224-430 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**21. Other Instructions:**

- (i). The Board of Directors of the Company has been 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 Results shall be declared within two working days of the conclusion of the AGM and the same, along with the consolidated Scrutinizer's Report, shall be placed on the website of the Company at [www.apmindustries.co.in](http://www.apmindustries.co.in), NSDL at [www.evoting.nsdl.com](http://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 at the AGM i.e. **Monday, September 25, 2023.**



**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. 3
<b>Name of the Director</b>	Shri Shri Gopal Rajgarhia
<b>Director Identification Number (DIN)</b>	00002245
<b>Date of Birth</b>	August 21, 1946
<b>Age</b>	76 Years
<b>Nationality</b>	Indian
<b>Date of first Appointment on Board</b>	July 26, 2000
<b>Qualification</b>	B. Tech (Hons.) and S.M. (MIT)
<b>Brief resume including experience, expertise in specific functional areas</b>	Shri Shri Gopal Rajgarhia is having around 47 years of work experience in the field of Investment and financing activities.
<b>Terms &amp; Conditions for re-appointment</b>	On-reappointment, he is liable to retire by rotation.
<b>Details of Remuneration / Remuneration last drawn</b>	He is eligible to receive sitting fee for attending the Board/ Committee Meetings.
<b>Shareholding in APM Industries Limited (No. &amp; %)</b>	573850 (2.66%)
<b>List of Directorships held in other Companies</b>	<ul style="list-style-type: none"> <li>- Sheevam Comfort Hotels Private Limited</li> <li>- Rovo Marketing Private Limited</li> <li>- Rajgharia Leasing and Financial Services Pvt. Ltd.</li> <li>- Madhushree Properties (P) Ltd.</li> </ul>
<b>Members / Chairman of Committees in APM Industries Limited</b>	- Member of Audit Committee
<b>Members / Chairman of Committees in other Public Companies</b>	Nil
<b>Listed Companies from which Director has resigned in the past three years</b>	Nil
<b>Relationship with other Directors and KMP</b>	Shri Shri Gopal Rajgarhia being brother of Shri Rajendra Kumar Rajgarhia, Chairman, is related to him. He is not related to any other Director and KMP of the Company.
<b>Number of Meetings of the Board attended during the year</b>	Attended 5 out of 6 Board Meetings

**EXPLANATORY STATEMENT****(Pursuant to Section 102 of the Companies Act, 2013)****Item No. 3**

This explanatory statement is in terms of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provision of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from April 01, 2019, no listed Company shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Shri Shri Gopal Rajgarhia (DIN: 00002245), has attained the age of 75 years in August 2021. The members of the Company have approved his continuation as Non-Executive Director on the Board of the Company through Postal Ballot dated June 13, 2021. In terms of provisions of the Companies Act, 2013, Shri Shri Gopal Rajgarhia is liable to retire by rotation and being eligible, offers himself for re-appointment. Approval of the Members is accordingly sought for his re-appointment as a Non-Executive Director, in terms of the aforementioned regulations. Shri Shri Gopal Rajgarhia is in good health and of sound and alert mind. The Board is also confident about his being able to function and discharge his duties in an able and competent manner.

Based on the recommendation of the Nomination and Remuneration Committee and taking into account Shri Shri Gopal Rajgarhia's seniority, expertise and vast experience, which has immensely benefited the Company, the Board of Directors considered and approved the re-appointment of Shri Shri Gopal Rajgarhia as a Non-executive Director on the Board of the Company, liable to retire by rotation.

Shri Shri Gopal Rajgarhia has been a Director of the Company since July 26, 2000. He holds a Bachelor's Degree in Science (Hons.) from IIT Kharagpur University, West Bengal. He also holds a Master's Degree in Science from Massachusetts Institute of Technology, USA. He is having around 47 years of work experience in the field of Investment and financing activities. He is an active member on the Board and regular in attending Board and its committee meeting. He also member of the Audit Committee of the Company. In the opinion of the Board, considering his rich experience, expertise and immense contribution in the growth of the Company, Shri Shri Gopal Rajgarhia fulfils the conditions for re-appointment as a Non-Executive Director on the Board of the Company as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is also promoter of the Company and as on date holding 573850 equity shares of the Company.

Except Shri Shri Gopal Rajgarhia and Shri Rajendra Kumar Rajgarhia and their relatives, none of the Directors and Key Managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item No. 3.

The Board of Directors recommends the Special Resolution as set out at Item No. 3 of the Notice of the AGM for approval of the members.

**Item No. 4**

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on August 08, 2023, re-appointed Shri Naresh Kumar Goel, Cost Accountant (Membership No. 9876) as the Cost Auditor for conducting the Cost Audit for the Financial Year 2023-24, on a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand only) excluding taxes, as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. Hence, the resolution set out at Item No. 4 of the Notice.

None of the Directors or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in the proposed resolution.

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 of the members.

**Registered Office:-**

SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar  
(Rajasthan)-301019  
Tel: (01493)-265400,  
e-mail: [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@gmail.com)  
website: [www.apmindustries.co.in](http://www.apmindustries.co.in)

**By Order of the Board**

APM Industries Limited

**Neha Goel**

Company Secretary  
M. No.: 48053

**Place : New Delhi**

**Dated : August 08, 2023**

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

The Board of Directors are pleased to present the 49th (Forty-Ninth) Annual Report of the Company, together with the Audited Financial Statements for the financial year (FY) ended March 31, 2023.

**1. FINANCIAL RESULTS**

Particulars	(Rs in lakhs)	
	2022-23	2021-22
Revenue from Operations	36,049	31,683
Other Income	163	142
<b>Total Revenue</b>	<b>36,212</b>	<b>31,825</b>
<b>Expenses</b>		
Operating Expenditure	32,312	28,576
Depreciation and amortization expense	703	648
<b>Total Expenses</b>	<b>33,015</b>	<b>29,224</b>
Profit before Finance Costs, Exceptional Items and Tax	3,197	2,601
Finance Costs	168	280
<b>Profit before Exceptional Items and Tax</b>	<b>3,029</b>	<b>2,321</b>
<b>Profit Before Tax</b>	<b>3,029</b>	<b>2,321</b>
Tax Expense (including deferred tax)	894	846
<b>Profit After Tax</b>	<b>2,135</b>	<b>1,475</b>
Other Comprehensive Income	(10)	(5)
<b>Total Comprehensive Income</b>	<b>2,125</b>	<b>1,470</b>
Earning per Share (Rs.)	9.88	6.83

**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 FY 2022-23:-

- Production of yarn increased to 209 lakh kilograms as against 194 lakh kilograms in the previous year, which is an increase of 7.73%.
- Revenue from operations increased to Rs. 36,049 lakhs as against Rs. 31,683 lakhs in the previous year, which is an increase of 13.78%.
- Profit before tax increased to Rs. 3,029 lakhs as against Rs. 2,321 lakhs in the previous year, which is an increase of 30.50%.
- Profit after tax increased to Rs. 2,135 lakhs as against Rs. 1,475 lakhs in the previous year, which is an increase of 44.75%.
- Basic and diluted EPS increased to Rs. 9.88 as against Rs. 6.83 in the previous year, which is an increase of 44.66%.

The Company has charged depreciation on property, plant and equipment as per the provisions of Schedule of the Companies Act, 2013 ("the Act"). The Company has prepared its Financial Statements as per applicable provisions of IND-AS (Indian Accounting Standards) for the FY 2022-23.

**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 does not transfer any amount out of the profit for the year under review to the general reserve.

**5. EXPORTS**

During the FY 2022-23, the Company has no exports because its thrust area is the domestic market, as its products are well recognized in the domestic market, and have better profitability there as compared to the export market.

**6. DIVIDEND**

Based on the Company's performance, your Directors are pleased to recommend a final dividend of Rs. 1.60/- (i.e. 80%) per equity share of Rs. 2/- each fully paid up. The payment of the final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and shall be subject to deduction of tax at source.

**7. EXPANSION AND MODERNIZATION**

Your Company continues its policy for modernization and up-gradation on a regular basis. During the year under review, the Company invested Rs. 17.65 crores for modernization of its production capacities. This will reduce operating cost, improve quality and increase profitability.

The production capacities remains 55680 spindles as at March 31, 2023.

**8. CAPITAL STRUCTURE****Authorised Share Capital**

The Authorised Equity Share Capital of the Company as at March 31, 2023 was Rs. 4,50,00,000/- (Rupees Four Crore and Fifty Lakh only) comprising of 2,25,00,000 (Two Crore and Twenty Five Lakh) equity shares of Rs. 2/- (Rupees Two) each and Preference Share Capital was Rs. 3,00,00,000/- (Rupees Three Crore only) comprising of 3,00,000 (Three Lakh) preference shares of Rs. 100/- (Rupees Hundred) each i.e. total authorized 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, 2023 stands at Rs. 4,32,22,720/- (Rupees Four Crore Thirty Two Lakh Twenty Two Thousand Seven Hundred and Twenty only) comprising of 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.

There has been no change in share capital of the Company during the FY 2022-23.

**9. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company doesn't have any subsidiary, joint venture or associate Company.

**10. DIRECTORS AND KEY MANAGERIAL PERSONNEL****Appointment, Re-appointment and Resignation**

Shri Shri Gopal Rajgarhia, Non-Executive Director will retire at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment to the members in the ensuing AGM. Brief resume of Shri Shri Gopal Rajgarhia with other details as stipulated in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), are provided in the Notice convening the 49th AGM.

During the period under review, there was no event of resignation of Directors and Key Managerial Personnel of the Company.

**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 provided under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations and are not disqualified from continuing as Independent Directors and that they have registered themselves as an Independent Director in the data bank maintained with the Indian Institute of Corporate Affairs. 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 that 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, six meetings of the Board of Directors were held. The details of Board/Committee Meetings and the attendance of Directors are provided in the Corporate Governance Report, attached to this Report.

#### 11. DEPOSIT UNDER CHAPTER V OF THE COMPANIES ACT, 2013

The Company did not invite/accept any deposits covered under Chapter V of the Act. Accordingly, no disclosure or reporting is required in respect of details relating to deposits covered under the said Chapter.

#### 12. AUDITORS' & AUDITOR'S REPORTS

##### 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 reports of Statutory Auditors on Financial Statements for the FY 2022-23 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

##### Secretarial Auditor

In terms of provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. RSM & Co. (ICSI Firm Registration No.: P1997DE017000), Company Secretaries, in its meeting held on August 02, 2022, to undertake the Secretarial Audit of the Company for the FY 2022-23. The Secretarial Audit Report is attached as **Annexure-1** to this report and does not contain any qualification, reservation or adverse remark or disclaimer.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed M/s RSM & Co., Company Secretaries, as the Secretarial Auditors to conduct an audit of the secretarial records for the FY 2023-24. M/s RSM & Co., being eligible, have consented to act as the Secretarial Auditors of the Company for the FY 2023-24.

##### Cost Auditor

In terms of provisions of section 148 read with Companies (Audit and Auditors) Rule, 2014, the Board had appointed Shri Naresh Kumar Goel, Cost Accountant (Membership No.: 9876), in its meeting held on August 02, 2022, to undertake the cost audit for applicable business during the FY 2022-23.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have 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 FY 2023-24. Shri Naresh Kumar Goel, being eligible, have consented to act as the Cost Auditors of the Company for the FY 2023-24. The remuneration proposed to be paid to the Cost Auditors, subject to ratification by the members of the Company at the ensuing AGM.

##### Internal Auditor

In terms of provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, the Board of Directors at its meeting held on May 17, 2022, on the recommendation of Audit Committee, has re-appointed M/s M M Sharma & Co., Chartered Accountants (Firm Registration No.: 001797N), as an Internal Auditors of the Company, for the FY 2022-23. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Internal Auditors' Reports.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed M/s M M Sharma & Co., Chartered Accountants, as the Internal Auditors of the Company for the FY 2023-24. M/s M M Sharma & Co., being eligible, have consented to act as the Internal Auditors of the Company for the FY 2023-24.

#### 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, 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, 2023 and of the profit and loss of the Company for the year ended March 31, 2023;
- 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.

Based on the framework of internal financial controls for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2022-23; 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. DETAILS OF FRAUDS REPORTED BY AUDITORS**

None of the Auditors of the Company have 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.

**16. DISCLOSURES OF SIGNIFICANT ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

There is no significant or material orders passed by the Regulators or Courts or Tribunal impacting the going concern status of the Company and its future operations.

**17. CORPORATE SOCIAL RESPONSIBILITY**

The Company has in place 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 FY 2022-2023 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.

**18. AUDIT COMMITTEE**

As on date, the Audit Committee comprises of Shri Khushi Ram Gupta, Chairman and Shri Shri Gopal Rajgarhia, Shri Ram Ratan Bagri and Smt. Uma Hada, Members of Committee.

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

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

**19. NOMINATION AND REMUNERATION POLICY**

The Company has Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II, Part D of the Listing Regulations, 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 forming integral part of this Board's Report.

**20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts, arrangements and transactions entered by the Company during FY 2022-23 with related parties were in the ordinary course of business and on arm's length basis and were approved by the Audit Committee. The Board of Directors of the Company had laid down the criteria for granting the omnibus

approval by the Audit Committee for the transactions which are repetitive in nature, in line with the Company's Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions ('RPT Policy'). During the year, the Company had not entered into any materially significant transaction with related parties as defined in the RPT Policy. Accordingly, the disclosure of Related Party Transactions under Section 188(1) of the Act in Form AOC-2 is not applicable. Related Party disclosures have been disclosed in Note No. 52 to the Financial Statements forming part of the Annual Report. The RPT Policy is disclosed on the Company's website.

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

The prescribed details as required under Section 134(3) (m) of the Act, read with Rule 8(3) the Companies (Accounts) Rules, 2014, are annexed as **Annexure-3** to this Report.

**22. 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.

**23. 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 Annual General Meeting.

**24. ANNUAL RETURN**

In terms of Sections 92(3) and 134(3)(a) of the Act, 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>.

**25. 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 year ended March 31, 2023. 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, etc. is also attached to the Corporate Governance Report.

## 26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

## 27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company promotes ethical behavior in 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 and forms an integral part of this Report.

## 28. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

During the FY 2022-23, the Company has not given loans, guarantees and investments as per Section 186 of the Act.

## 29. MATERIAL CHANGES AND COMMITMENTS

No material changes or commitment has occurred after the close of the FY 2022-23 till the date of this Report, which affects the financial position of the Company.

## 30. 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' issued by the Institute of Company Secretaries of India.

## 31. 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 share (vi) changed the capital structure resulting from restructuring except Split/sub division of equity shares (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.
- 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.

## 32. 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.

No case has been reported during the year under review.

## 33. 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](http://www.apmindustries.co.in) is updated regularly for information of the shareholders.
- There is a dedicated e-mail id [csapmindustriesltd@gmail.com](mailto: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.

## 34. AWARDS AND ACCOLADES

During the year, the Company has been awarded the following:-

- National Energy Conservation Award, in appreciation of the achievements in Energy Conservation in Textiles Sector for the year – 2022 presented by Government of India, Ministry of Power at New Delhi; and
- Rajasthan Energy Conservation Award ("Third Prize"), in appreciation of the achievements in Energy Conservation in Textiles Sector for the year – 2022 presented by Energy Minister, Government of Rajasthan at Jaipur.

## 35. ACKNOWLEDGEMENTS

The Board of Directors place on record sincere gratitude and appreciation for all the employees of the Company. Our consistent growth has been possible by their hard work, solidarity, co-operation and dedication during the year.

The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

**For and on behalf of the Board**

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN : 00141766

**Place : New Delhi**  
**Dated : August 08, 2023**

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023**

*[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, Dist. Alwar,  
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, 2023 ("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, 2023 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 ('SCRA') 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; (Not Applicable to the Company during the audit period)
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);**

**Annexure-1**

- (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 Companies Act and dealing with Client to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period) ;**
  - (h) The Securities and Exchange Board of India (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 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;

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

## Annexure-A

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 : F007606E000740448**  
**Peer Review Number: 978/2020**

Dated : August 08, 2023  
Place : New Delhi

The Members

APM Industries Limited

CIN: L21015RJ1973PLC015819

Registered Office: SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar,  
Rajasthan- 301019

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, rule 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 : F007606E000740448**  
**Peer Review Number: 978/2020**

Dated : August 08, 2023  
Place : New Delhi



**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**  
**FOR THE FINANCIAL YEAR 2022-23**

**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 objective is to undertake socially impactful CSR activities/ programs promoting welfare and sustainable development of the community around the area of business operations of the Company. The vision is to follow global progression in the concept of CSR and its implementations by way of being beneficial to the society.

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 and Animal Welfare.

**2. Composition of CSR Committee**

The Composition of the Committee as on March 31, 2023 are as follows:-

S. No.	Name of the Directors	Designation/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.	Shri Ram Ratan Bagri	Member, Independent Director	3	3

**3. The Web-link 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. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:-** Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:-**

S. No.	Financial Year	Amount available for set-off from preceding financial years (Rs in lakhs)	Amount required to be setoff for the financial year, if any (Rs in lakhs)
1.	FY-1 (2021-22)	0.44	0.44
2.	FY-1 (2020-21)	0	0
3.	FY-2 (2019-20)	0	0
	Total	0.44	0.44

**6. Average Net Profit of the Company as per Section 135 (5):-** Rs. 1374.56 lakhs

**7. (a) Two percent of average net profit of the Company as per section 135(5):-** Rs. 27.49 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:- Nil

(c) Amount required to be set off for the financial year, if any:- Rs. 0.44 lakhs

(d) Total CSR obligation for the financial year (7a+7b-7c):- Rs. 27.05 lakhs

**8. (a) 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)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (Rs in lakhs)	Date of transfer	Name of the Fund	Amount (Rs in lakhs)	Date of transfer
27.79	NIL	-	-	NIL	-

## (b) Details of CSR amount spent against ongoing projects for the financial year:-

S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (Rs in lakhs)	Amount spent in the current financial Year (Rs in lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs in lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District					Name CSR Registration number
1.	-	-	-	-	-	Nil	-	-	-	-

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:-

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project (Rs in lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District		Name CSR Registration number
1.	Support for winter Uniform	Promotion of Education (ii)	No	Delhi	Delhi	0.45	No Servants of People Society CSR00011109
2.	Charitable Dispensary	Promoting Healthcare including Preventive Healthcare (i)	Yes	Rajasthan	Alwar	6.00	No Ram Lal Rajgarhia Memorial Trust CSR00002415
3.	Infra Support	Promotion of Education (ii)	Yes	Rajasthan	Alwar	13.03	Yes Direct
4.	Polio Reparatative Surgery	Promoting Healthcare including Preventive Healthcare (i)	No	Delhi	Delhi	4.95	No Rotary Delhi Central Charitable Trust CSR00013382
5.	Support to Gaushala	Animal welfare (iv)	Yes	Rajasthan	Alwar/Churu	2.02	Yes Direct
6.	Health Care	Promoting Healthcare including Preventive Healthcare (i)	No	Uttar Pradesh	Noida	0.58	Yes Direct
7.	Support to poor students by providing dress	Promotion of Education (ii)	Yes	Rajasthan	Bhiwadi	0.76	Yes Direct
Total						27.79	

## (d) Amount spent in Administrative Overheads:- NIL

## (e) Amount spent on Impact Assessment, if applicable:- NIL

## (f) Total amount spent for the Financial Year (8b+8c+8d+8e):- Rs. 27.79 lakhs

## (g) Excess amount for set off, if any:- Rs. 0.74 lakhs

S. No.	Particular	Amount (Rs in lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	27.49
(ii)	Total amount spent for the Financial Year	28.23*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.74
(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)]	0.74

\* Includes Excess amount of Rs. 0.44 lakhs of Financial Year 2021-22.

## 9. (a) Details of Unspent CSR amount for the preceding three financial years:-

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (Rs in lakhs)	Amount spent in the reporting Financial Year (Rs in lakhs)	Amount transferred to any fund specified under Schedule VI as per Section 135(6), if any	Amount remaining to be spent in succeeding financial years (Rs in lakhs)
				Name of the Fund Amount (Rs in lakhs) Date of transfer	
Not Applicable					

## (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):-

S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs in lakhs)	Amount spent on the project in the reporting Financial Year (Rs in lakhs)	Cumulative amount spent at the end of reporting Financial Year (Rs in lakhs)	Status of the project- Completed / Ongoing
Not Applicable								

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

## (a) Date of creation or acquisition of the capital asset(s):- March 24, 2023

## (b) Amount of CSR spent for creation or acquisition of capital asset:- Rs. 13.03 lakhs

## (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:- Sahid Pappu Ram Govt. Secondary School, Maliar Jatt, Tehsil- Tijara (Alwar) Rajasthan.

## (d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset):- Class Room (Number in 1), Interlocking Tiles in prayer ground and renovation of Kitchen at Maliar Jatt Tehsil- Tijara (Alwar) Rajasthan.

11. 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 BoardPlace : New Delhi  
Date : August 08, 2023Rajendra Kumar Rajgarhia  
Chairman, CSR Committee  
DIN : 00141766Hari Ram Sharma  
Managing Director  
DIN: 00178632

## Annexure-3

**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 2022-23:-**

1. Replacement of 4 nos. old Automatic cone winding machines by New Energy Efficient Automatic cone windings machines (SAVIO eco Pulsar – 4 nos.)
2. Replacement of old Ring frames with New Energy Efficient Ring Frames (23 nos.)
3. Replacement of old Draw frames with energy efficient Draw frame (3 nos.)
4. Air leakage prevention in all machines.

**(ii) Energy conservation plan for 2023-24:-**

1. Replacement of old ring frames with New Energy efficient Ring Frames (16 nos.).
2. Air leakage prevention in all machines on regular basis.
3. Replacement of old Trumac Blow Room to New LMW make Blow Room Lines (2 nos.).

4. Replacement of old Carding machines C 1-3 to New energy efficient Cards. (8 nos.).
5. Replacement of old Speed Frames to New energy efficient speed frames (2 nos.).

**(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 34.09 lakhs KWH Power in the year 2022-23, which is approx. 6.69% of total Power Consumption.

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

For the Financial Year 2022-23, the Company has incurred Rs. 1498.23 lakhs on replacement of old machines.

**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 : Rs. 633.47 lakhs  
Earned : Nil

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

	Unit	2022-23	2021-22
<b>A. POWER AND FUEL CONSUMPTION</b>			
<b>1. Electricity</b>			
- Purchased unit	Unit in lakhs	472.29	441.71
- Total amount	Rs. In lakhs	3340.19	3090.08
- Rate	Rs./Unit	7.07	7.00
<b>2. Own Generation</b>			
(a) - Through Diesel Generator	Unit in lakhs	3.22	1.20
- Unit per Liter of Diesel	Unit	3.39	3.46
- Cost	Rs./Unit	26.89	22.93
(b) - Through Solar Power	Unit in lakhs	34.09	35.48
<b>3. Diesel</b>			
- Quantity	Ltrs. In lakhs	0.95	0.35
- Total cost	Rs. In lakhs	84.97	27.54
- Average rate	Rs./Ltr.	89.52	79.05
<b>4. Natural Gas</b>			
- Quantity	Scm In lakhs	14.09	12.70
- Total cost	Rs. In lakhs	668.29	423.94
- Average rate	Rs./Scm	47.45	33.38
<b>B. CONSUMPTION PER UNIT OF PRODUCTION*</b>			
1 Electricity		244.26	246.89
2 Natural Gas		6.75	6.55

\* Production unit, per 100 kgs.

**FORM 'B'****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 4 nos. old Automatic cone winding machines with New 4 No. Automatic Cone winding machines & replaced 10 nos. Old Ring frames & Two Draw frame machine with latest technology Ring frame and Draw frame machines, resulting which improvement in quality & productivity. 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**

Improvement in the overall performance of the Company.

**- Particulars of imported technology**

The Company has imported & installed 4 nos. Automatic cone winding machines for improvement in quality.

For and on behalf of the Board

Rajendra Kumar Rajgarhia

Chairman

DIN: 00141766

Place : New Delhi

Dated : August 08, 2023

## Annexure-4

**PARTICULARS OF EMPLOYEES**

**Particulars prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) The Ratio of remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2022-23, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23:-

S. No.	Name and Designation of Director/KMP	Remuneration during the financial year 2022-23 (Rs. in lakhs)	% increase in Remuneration	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Rajendra Kumar Rajgarhia Chairman and Whole time Director	179.15	33.04	95.02
2.	Shri Hari Ram Sharma Managing Director	138.18	6.54	73.29
3.	Shri Chandra Shekhar Vijay Chief Financial Officer	24.96	6.97	N.A.
4.	Mrs. Neha Goel Company Secretary	7.25	19.47	N.A.

*Note:- 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 Board of Directors and shareholders of the Company.*

*3. For this purpose, 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 2022-23 was 11.30%;
- (iii) Total number of permanent employees on rolls of the Company as on March 31, 2023 was 2072.
- (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 10% for those employees who are present throughout last & current financial year.

Average increase in remuneration of KMPs is 19%. The remuneration paid to KMPs is on the basis of prevailing market trends and is in line with the resolutions approved by the Board of Directors and shareholders.

- (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**

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN: 00141766

**Place : New Delhi**  
**Dated : August 08, 2023**

**CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON CODE OF 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 commitment of the Company to the highest standards of good governance practices predate 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 Women 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 informed decisions.
- 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.
- 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.
- Regular 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 full compliance with the Listing Regulations.

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

The Board of the Company comprises 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 is Managing Director.

The skills, expertise and competencies of the Directors as identified by the Board in the context of business of the Company, are provided and forming part of this Report. These skills, expertise and competencies are available in the present mix of the Executive and Non-Executive Directors including Independent Directors and Women Director.

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 re-appointment and tenure of the existing Independent Directors are given below:-

S. No.	Name of Independent Director	Date of Re-appointment	Date of Completion of Tenure
1.	Shri Khushi Ram Gupta	April 01, 2019	March 31, 2024
2.	Shri Ram Ratan Bagri	April 01, 2019	March 31, 2024
3.	Smt. Uma Hada	September 25, 2020	September 24, 2025

The letters of 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 in connection with managing the affairs of the Company. The key functions performed by the Board of the Company are:

- Reviewing and guiding corporate strategy, major plans of action, 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, policies & 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 & regulations and relevant standards in force;
- Overseeing the process of disclosure and communications;
- Monitoring and reviewing Board's Evaluation framework.

**(c) Meetings of the Board**

Meetings of the Board are generally held at the Corporate Office of the Company at 910, Chiranjiv Tower-43, Nehru Place, New Delhi-110019, India. During the financial year 2022-23, the Board met six times as per the details mentioned below:-

S. No.	Date of Board Meeting
1.	May 17, 2022
2.	August 02, 2022
3.	August 26, 2022
4.	November 14, 2022
5.	January 12, 2023
6.	February 06, 2023

The Company has held minimum one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed prescribed limit of 120 days which is in compliance with Listing Regulations, Companies Act, 2013 and Secretarial Standard-1.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate the matters requiring approval of the Board to the Company Secretary, well in advance, so that these can be included in the Agenda for the scheduled Board/Committee 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 during the financial year 2022-23 and at the last Annual General Meeting duly held on September 22, 2022 are given in table below:-

Name of Director	DIN	Category	Attendance at the Meeting	
			No of Board Meetings attended (Total held during tenure)	Last AGM Attended
Shri Rajendra Kumar Rajgarhia	00141766	Whole time Director, Chairman and Promoter	6 (6)	No
Shri Hari Ram Sharma	00178632	Managing Director	6 (6)	Yes
Shri Shri Gopal Rajgarhia	00002245	Non-Executive Director and Promoter	5 (6)	No
Shri Khushi Ram Gupta	00027295	Independent Director	5 (6)	Yes
Shri Ram Ratan Bagri	00275313	Independent Director	6 (6)	No
Smt. Uma Hada	06463684	Independent Director	1 (6)	No

**(d) Other Directorships**

The details of other Directorship and Committee Membership/Chairmanship as at March 31, 2023 are as follows:-

Name of the Director	Directorship in Listed Entity and Category of Directorships	No. of other Directorships and Committee memberships and Chairmanships		
		Directorships*	Chairman#	Member#
Shri Rajendra Kumar Rajgarhia	Perfectpac Limited (Non-Executive Director)	2	Nil	Nil
Shri Hari Ram Sharma	None	1	Nil	1
Shri Shri Gopal Rajgarhia	None	5	Nil	1
Shri Khushi Ram Gupta	None	Nil	2	Nil
Shri Ram Ratan Bagri	None	2	Nil	2
Smt. Uma Hada	Uma Properties & Traders Limited (Independent Director)	2	Nil	1

*Note: \* The Directorships, held by Directors, as mentioned above, do not include the directorships held in Section 8 Companies, Foreign Companies and APM Industries Limited.*

*# Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited companies including APM Industries Limited.*

**(e) Disclosure of relationships between directors inter-se**

Shri Rajendra Kumar Rajgarhia and Shri Shri Gopal Rajgarhia being brothers are related to each other. Except this, there is no inter-se relationship among the Directors.

**(f) Information given to the Board**

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations 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 nonpayment 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;
- 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; and
- Quarterly Compliance Report on Corporate Governance.

**(g) Independent Director's Meeting**

Independent Directors meeting held on February 06, 2023, 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 2022-23. 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.

**(h) Familiarisation Programme for Independent Directors**

The Company familiarises its Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates and other relevant information relating to the Company. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website [www.apmindustries.co.in](http://www.apmindustries.co.in). The weblink for the same is: <https://www.apmindustries.co.in/wp-content/uploads/2023/03/Familiarisation-Programme-for-Independent-Directors-2022-23.pdf>.

**(i) Core skills/expertise/competence 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 the table below, the specific areas of focus or expertise of Individual Board members have been highlighted. 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 Shri Gopal Rajgarhia	Shri Khushi Ram Gupta	Shri Ram Ratan Bagri	Smt. Uma Hada
Understanding of Company's business/strategy and structure	✓	✓	✓	✓	✓	✓
Knowledge in Accounting and Auditing Standards and tax matters	✓	✓	✓	✓	✓	✓
Financial accumen	✓	✓	✓	✓	✓	✓
Knowledge of the Companies Act, 2013, applicable SEBI and Stock Exchange 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	✓	✓	✓	✓	✓	✓

**(j) 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, and (b) 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.

**(k) Number of shares held by Board of Directors as on March 31, 2023**

Details of the shareholding held by Board of Directors as on March 31, 2023 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 Shri Gopal Rajgarhia	573850	2.66
Shri Khushi Ram Gupta	Nil	Nil
Shri Ram Ratan Bagri	Nil	Nil
Smt. Uma Hada	2002	0.01

(l) During the period under review, no independent director has resigned from the Board before the completion of the tenure.

**3. Committees of the Board**

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board of 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 [www.apmindustries.co.in](http://www.apmindustries.co.in).

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

The Committees are:-

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

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



**AUDIT COMMITTEE**

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected. The committee have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

All members of the Audit Committee are financially literate and a majority has accounting or financial management expertise.

**(i) Terms of reference**

The Audit Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of Companies Act, 2013 (hereinafter referred as 'the Act') and Regulation 18 read with Part C of Schedule II to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015, which, 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 including their replacement or removal.
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 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. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
9. Discussion with internal auditors on any significant findings and follow up thereon.
10. 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.
11. 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.
12. 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.
13. To review the functioning of the Whistle Blower Policy (Vigil Mechanism).
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Approval or any subsequent modification of transactions of the Company with related parties.
16. Scrutiny of inter-corporate loans and investments.
17. Valuation of undertakings or assets of the Company, wherever it is necessary.
18. Evaluation of internal financial controls and risk management system.
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**

As on date, the Committee comprises of Shri Khushi Ram Gupta, Chairman, Shri Shri Gopal Rajgarhia, Shri Ram Ratan Bagri, Smt. Uma Hada, Members.

**Invitees:-**

Shri Hari Ram Sharma, Managing Director is permanent invitee to the Audit Committee Meetings.

The representatives of Statutory Auditors and Internal Auditors, and other executives, as desired by the Committee, attend the meetings as invitees.

**(iii) Meetings, Quorum and Attendance**

Audit Committee meets at least four times in a 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 higher with at least two Independent Directors.

During the year 2022-23, the Committee met four times i.e. on May 17, 2022; August 02, 2022; November 14, 2022 and February 06, 2023.

Attendance details of the members are given in the table below:-

Name of the Committee Member	Category	Designation	Meetings Held During Tenure	Meetings Attended
Shri Khushi Ram Gupta	Independent Director	Chairman	4	4
Shri Shri Gopal Rajgarhia	Non-Executive Director	Member	4	4
Shri Ram Ratan Bagri	Independent Director	Member	4	4
Smt. Uma Hada	Independent Director	Member	4	1

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee, functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations:-

**(i) Terms of reference**

The duties and responsibilities of the Committee are:-

- To identify persons who are qualified to become director in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
- 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.
- Specify manner for effective evaluation of performance of Board, Directors and its committees and review its implementation and compliance.
- 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.

- Extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.
- To formulate the criteria for determining qualifications, positive attributes and independence of directors.
- To devise a policy on Board diversity.
- To formulate and recommend to the Board policies relating to the remuneration for:
  - Directors;
  - Key Managerial Personnel; and
  - Other Employees of the Company;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- 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**

As on date, the Committee comprises of Shri Khushi Ram Gupta, Chairman, Shri Rajendra Kumar Rajgarhia, Shri Ram Ratan Bagri, Smt. Uma Hada, Members.

**(iii) Meetings, Quorum, Attendance**

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

During the year 2022-23 the Committee met one time i.e. on August 02, 2022.

Attendance details of the members are given in the table below:-

Name of the Committee Member	Category	Designation	Meetings Held During Tenure	Meetings Attended
Shri Khushi Ram Gupta	Independent Director	Chairman	1	1
Shri Rajendra Kumar Rajgarhia	Executive Director	Member	1	1
Shri Ram Ratan Bagri	Independent Director	Member	1	1
Smt. Uma Hada	Independent Director	Member	1	0

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee oversees various activities that lead to improve the effectiveness of shareholder services viz review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the Listing Regulations.

**(i) Terms of reference**

The role of Committee is:-

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 Transfer Agent.
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
5. 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; 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**

As on date, the Committee comprises of Shri Khushi Ram Gupta, Chairman, Shri Ram Ratan Bagri and Shri Hari Ram Sharma, Members.

**Compliance Officer**

Mrs. Neha Goel, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations.

**(iii) Meetings, Quorum, Attendance**

The Committee shall meet at least once in a year. During the year 2022-23 the Committee met twice i.e. on May 17, 2022 and November 14, 2022. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table below:-

Name of the Committee Member	Category	Designation	Meetings Held During Tenure	Meetings Attended
Shri Khushi Ram Gupta	Independent Director	Chairman	2	2
Shri Ram Ratan Bagri	Independent Director	Member	2	2
Shri Hari Ram Sharma	Executive Director	Member	2	2

**(iv) Investors' Grievances/Complaints**

During the year 2022-23, the Company received four complaints, which was duly resolved.

**(v) Transfers, Transmissions etc. approved**

During the year 2022-23, the Company received 23 cases (involving 5,290 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 9226 shareholders as on March 31, 2023.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Corporate Social Responsibility Committee has been constituted to review and oversee the Corporate Social Responsibility ('CSR') initiatives of the Company.

**(i) Terms of reference**

The role of the Committee is:-

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

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.
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**

As on date, the Committee comprises of Shri Rajendra Kumar Rajgarhia, Chairman, Shri Ram Ratan Bagri and Shri Hari Ram Sharma, Members.

**(iii) Meetings, Quorum and Attendance**

During the year 2022-23, the Committee met three times i.e., on May 17, 2022, November 14, 2022 and February 06, 2023. The quorum for the meeting is two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table 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 Ram Ratan Bagri	Independent Director	Member	3	3

**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.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of the performance evaluation to the Board.

**5. REMUNERATION OF DIRECTORS****(a) Remuneration to Executive Directors**

Details of the remuneration paid to Whole time Director and Managing Director during financial year 2022-23 is mentioned below:-

(Rs. in lakhs)

Name of Director	Basic Salary	Benefits/Allowances/Perquisites	Pension/PF	Commission	Total*
Shri Rajendra Kumar Rajgarhia	77.00	73.88	-	28.27	179.15
Shri Hari Ram Sharma	71.00	66.96	0.22	-	138.18

\* Total Salary includes provisions for Gratuity and Compensated Leave.

**Service Contracts, Notice Period and Severance Fees**

Appointment of Whole time Director and Managing Director is contractual and is terminable on 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 2022-23 is mentioned below:-

The details of sitting fees to the other Non-Executive Directors for year ended March 31, 2022 are as follows:

			(Rs. in lakhs)
Name of Director	Board Meetings	Committee Meetings	Total
Shri Khushi Ram Gupta	0.80	1.40	2.20
Shri Shri Gopal Rajgarhia	0.80	0.80	1.60
Shri Ram Ratan Bagri	0.80	1.40	2.20
Smt. Uma Hada	0.20	0.20	0.40

Other than holding shares, remuneration 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 considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/Committee meetings. They are remunerated by way of sitting fees for attending the meetings, approved by the Board and members of the Company, wherever applicable. The criteria has been defined in the Nomination and Remuneration Policy of the Company. The criteria is also displayed on Company's website [www.apmindustries.co.in](http://www.apmindustries.co.in).

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

Financial Year	Date	Time	Location
2021-2022 (48th 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.
2020-2021 (47th AGM)	September 30, 2021	11:30 AM	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.
2019-2020 (46th AGM)	September 30, 2020	11:30 AM	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 AGM are mentioned below:-

Annual General Meetings	Subject Matter of Special Resolutions Passed
48th AGM	<ul style="list-style-type: none"> <li>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.</li> </ul>
47th AGM	<ul style="list-style-type: none"> <li>To Re-appoint Shri Rajendra Kumar Rajgarhia (DIN: 00141766) as Executive Director and Chairman of the Company and also designated as Whole time Director of the Company; and</li> <li>To Re-appoint Shri Hari Ram Sharma (DIN: 00178632) as Managing Director on the Board of the Company.</li> </ul>
46th AGM	<ul style="list-style-type: none"> <li>To Re-appoint Smt. Uma Hada (DIN: 06463684) as Non-Executive Independent Director on the Board of the Company.</li> </ul>

**(c) Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2022-23**

No special resolution was passed through Postal Ballot during the Financial Year 2022-23.

(d) **Whether any Special Resolution is proposed to be passed through Postal Ballot:** No

(e) **Procedure for Postal Ballot**

- The notices containing the proposed resolutions and explanatory statements thereto are sent to all members of the Company at their registered postal/email addresses alongwith a Postal Ballot Form and a postage pre-paid business reply envelope containing the address of the Scrutinizer appointed by the Board for carrying out postal ballot process;
- The Postal Ballot Forms/e-voting received within 30 days of dispatch are considered by the Scrutinizer;
- The Scrutinizer submits his report to the Chairman of the Company or a person authorized by him, who on the basis of the report announces the results; and
- The Company has entered into an agreement with National Securities Depository Limited (NSDL) for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the proposals of the Company.

## 7. **MEANS OF COMMUNICATION**

- (a) **Financial Results:** In accordance with the Listing Regulations, the quarterly/half-yearly/annual results are regularly uploaded on BSE Listing Centre.
- (b) **Newspaper Advertisement:** The quarterly/half-yearly/annual results are generally published in leading business newspaper, namely, Business Standard (English) & regional newspaper namely, Seema Sandesh (Hindi) in compliance with Listing Regulations and simultaneously posted on the Company's website at [www.apmindustries.co.in](http://www.apmindustries.co.in).
- (c) **Company's Website:** Various sections of the Company's website ([www.apmindustries.co.in](http://www.apmindustries.co.in)) keep the investors updated on the key and material developments of the Company by providing timely information like details of directors, financial results, annual reports, shareholding pattern etc.
- (d) Annual Report is emailed to such members whose email ids are registered with the Company/ Depositories.
- (e) The Company works towards excellence in stakeholder communication. It believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.

## 8. **CODES AND POLICIES**

The Company has established a robust framework of Codes and Policies that facilitates and reflects adoption of good governance practices. The Company has established the following salient codes and policies:-

(a) **Code of Conduct for Directors and Senior Management**

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct is posted on the Company's website [www.apmindustries.co.in](http://www.apmindustries.co.in).

All Board Members and Senior Management Personnel have affirmed compliance with the Code. The declaration to this effect signed by Shri Hari Ram Sharma, Managing Director is enclosed as **Annexure-A**.

(b) **Code of Conduct for prevention of Insider Trading**

The Company has formulated and implemented a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Designated Persons. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code.

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.

(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 unpublished price sensitive information. 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 [www.apmindustries.co.in](http://www.apmindustries.co.in).

(d) **Policy for Determining Materiality of Events**

The Company has adopted a Policy for Determining Materiality of Events 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 was modified by the Board with effect from August 08, 2023 to align with the statutory changes. The Policy is displayed on Company's website [www.apmindustries.co.in](http://www.apmindustries.co.in).

(e) **Policy for Preservation of Documents**

The Company has a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company.

(f) **Archival Policy**

The Company has adopted an Archival Policy that lays down the process and manner of archiving the disclosures made to the Stock Exchange under the Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchange. The Policy also lays down the manner

of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website [www.apmindustries.co.in](http://www.apmindustries.co.in).

**(g) Policy for Determining Material Subsidiaries**

This policy is displayed on the Company's website. The web link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2021/02/Policy-for-Determining-Material-Subsidiaries.pdf>

**(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. The Policy was modified by the Board with effect from April 01, 2022 to align with the statutory changes. The Policy is disclosed on Company's website.

The web-link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2022/03/Policy-for-Related-Party-Transactions.pdf>.

**(i) Whistle Blower Policy**

The Company has a robust Whistle Blower Policy to make the workplace as conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimization/ discrimination which is a sine qua non for an ethical organization.

The Whistle Blower Policy has been posted on the Company's website [www.apmindustries.co.in](http://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 (CSR) Policy**

The Company has a Policy on Corporate Social Responsibility 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 [www.apmindustries.co.in](http://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 and the web-link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2021/02/Nomination-and-Remuneration-Policy.pdf>.

**(l) Policy for prevention of Sexual Harassment**

**9. DISCLOSURES**

**(a)** There are no materially significant transactions with the related parties viz. Promoters, Director 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. 52 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.

**(c)** Detailed notes on risk management are included in the Management Discussion Analysis section.

**(d)** Commodity Price Risks/Foreign Exchange Risk and Hedging Activities:-

As per the Company's Policy for Determination of Materiality of Events and Information, your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

**(e)** Details of total fees paid to Statutory Auditors are provided in Note No. 36.1 to the Financial Statements forming part of Annual Report.

**(f)** 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.

**(g)** During the year, no complaint was filed, disposed and pending in relation to Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013.

**(h)** The Company has obtained the recommendations from the respective committees wherever statutorily required for the matter concerned in terms of their term of reference and scope.

**(i)** No Loans or advances in the nature of loans were provided to firms/companies in which Directors are interested during FY 2022-23.

**10. GENERAL SHAREHOLDERS' INFORMATION****(a) Date, Time and venue for 49<sup>th</sup> Annual General Meeting**

As per notice of 49<sup>th</sup> Annual General Meeting.

**(b) Financial Year and Financial Calendar**

The Company follows April 01 to March 31 as its Financial Year. The Financial Calendar for year 2023-24 is as follows:-

Item	Tentative Dates*
First Quarter Results	August 07, 2023
Second Quarter Results	November 06, 2023
Third Quarter Results	February 09, 2024
Audited Annual Results for the year	May 17, 2024

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

**(c) Book Closure & Dividend Payment Dates**

Date of Book Closure:- September 19, 2023 to September 25, 2023 (both days inclusive)

Dividend Payment Dates:- The dividend of Rs. 1.60/- (i.e. 80%) per equity share of Rs. 2/- each, as recommended by the Board, if declared at the AGM, will be paid, subject to deduction of tax at source wherever applicable, within thirty (30) days from the date of AGM.

**(d) Listing**

The name of the Stock Exchange at which the securities of the Company are listed and the respective scrip code are as under:-

Name of the Stock Exchange	Security Listed	Scrip Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Equity Shares	523537

The Company has paid the listing fees for FY 2023-24 to the Stock Exchange where the shares of Company are listed.

**(e) Market Price Data**

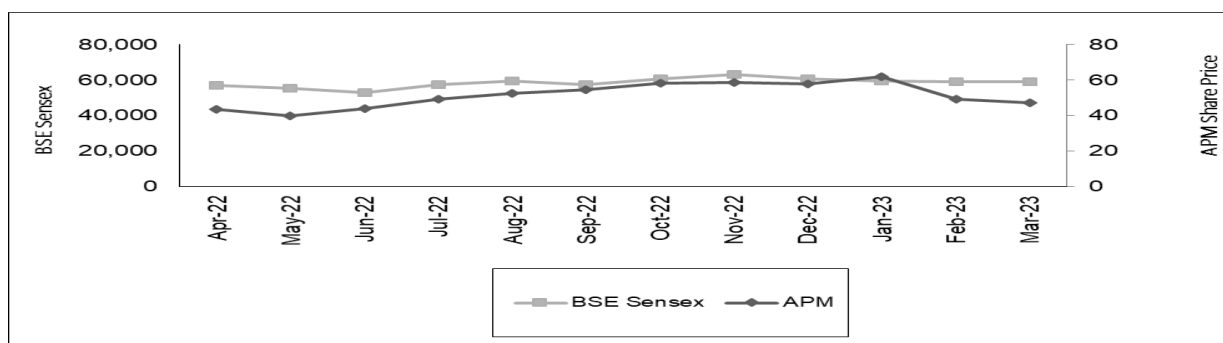
Monthly high/low of market price of the Company's equity shares (of Rs. 2 each) traded on the Stock Exchange during the year 2022-23 is given hereinafter:-

(Amount in Rs.)

Months	High Price	Low Price
April, 2022	45.95	37.50
May, 2022	45.00	33.20
June, 2022	44.75	38.35
July, 2022	50.00	41.15
August, 2022	56.30	45.30
September, 2022	63.40	52.50
October, 2022	64.50	55.70
November, 2022	66.00	57.00
December, 2022	61.90	52.20
January, 2023	62.50	55.65
February, 2023	63.10	48.10
March, 2023	53.10	45.06

**(f) Performance of the Company's equity shares in comparison to BSE Sensex**

The below chart is based on the monthly closing price of the equity shares of the Company on BSE and monthly closing BSE Sensex for the financial year ended March 31, 2023:-





**(g) Compliance Officer**

Mrs. Neha Goel, Company Secretary, is the Compliance Officer appointed by the Board. 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".

**(h) Registrar and Share Transfer Agent**

For share related matters, members are requested to correspond with the Company's Registrar and Share Transfer Agent – Skyline Financial Services Private Limited quoting their Folio No. / DP ID & Client ID at the following address:-

Skyline Financial Services Private Limited,  
D-153A, 1st Floor, Okhla Industrial Area, Phase-I,  
New Delhi - 110 020  
Tel: +011-40450193-97, E-mail: [admin@skylinerta.com](mailto:admin@skylinerta.com), [info@skylinerta.com](mailto:info@skylinerta.com)

**(i) Share Transfer System**

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialised form with effect from April 01, 2019. Further, with effect from January 24, 2022, SEBI has mandated listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/consolidation of securities, transmission/transposition of securities. SEBI vide its Circular dated January 25, 2022 clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

The Company's shares are traded in the Stock Exchange compulsorily in dematerialised mode. The Company on a yearly basis files with the Stock Exchange:-

- a compliance certificate under Regulation 7(3) of the Listing Regulations duly signed by both, the Compliance Officer of the Company and the authorised representative of the Registrar and Share Transfer Agent certifying that all activities in relation to share transfer facility is maintained by Skyline Financial Services Private Limited, Registrar and Share Transfer Agent registered with the SEBI.
- a certificate of compliance from a Practicing Company Secretary to the effect that all certificates have been issued within thirty (30) days of the date of lodgment of the transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations.

**(j) Information for Physical Shareholders/Demat Shareholders**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in supersession of earlier Circular(s) issued on the subject, 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 said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details were not available on or after April 01, 2023 were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said timeline of April 01, 2023 for freezing of folios has been extended to October 01, 2023.

Dividend and other payments, if any, in respect of such frozen folios shall only be made electronically with effect from April 01, 2024 upon registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibition) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in the prescribed form.

The shareholders holding shares in electronic form who have either not furnished nomination or submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before September 30, 2023, failing which their trading accounts shall be frozen for trading and demat account shall be frozen for debits.

The Company has sent individual letters in the month of May 2023 to all the members 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/>.

Accordingly, the members are advised to register their details with the RTA or DP, as the case may be, 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
<b>Physical</b>	For availing the following investor services, send a written request in the prescribed forms to RTA either by an email at <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a> , <a href="mailto:info@skylinerta.com">info@skylinerta.com</a> or by post at D-153A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110 020.
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof <span style="float: right;">Form ISR-1</span>
	Form for registration/updation of signature <span style="float: right;">Form ISR-1, Form ISR-2 (as applicable)</span>
	Form for nomination <span style="float: right;">Form SH-13</span>
	Declaration to opt out of nomination <span style="float: right;">Form ISR-3</span>
	Cancellation of nomination/change of nominee <span style="float: right;">Form SH-14</span>
	Form for requesting issue of duplicate certificate and other service requests for shares, etc. <span style="float: right;">Form ISR-4</span>
	Request form for transmission of shares by nominee or legal heir <span style="float: right;">Form ISR-5</span>
	The forms for above-mentioned service request are available on the website of the Company at <a href="https://www.apmindustries.co.in/investors/updation-of-kyc-details-compulsory-issue-of-shares-in-dematerialized-form/">https://www.apmindustries.co.in/investors/updation-of-kyc-details-compulsory-issue-of-shares-in-dematerialized-form/</a> and RTA at <a href="https://www.skylinerta.com/investor-charter.php">https://www.skylinerta.com/investor-charter.php</a>
<b>Demat</b>	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.

**(k) Credit Ratings**

The CARE Ratings Limited ("CARE Edge Ratings") vide its letter dated October 13, 2022 has withdrawn the rating of CARE BBB+ (pronounced CARE triple B Plus); Outlook stable assigned to the bank facilities of the Company due to non requirement of the Company.

**(l) Distribution of shareholding as on March 31, 2023**

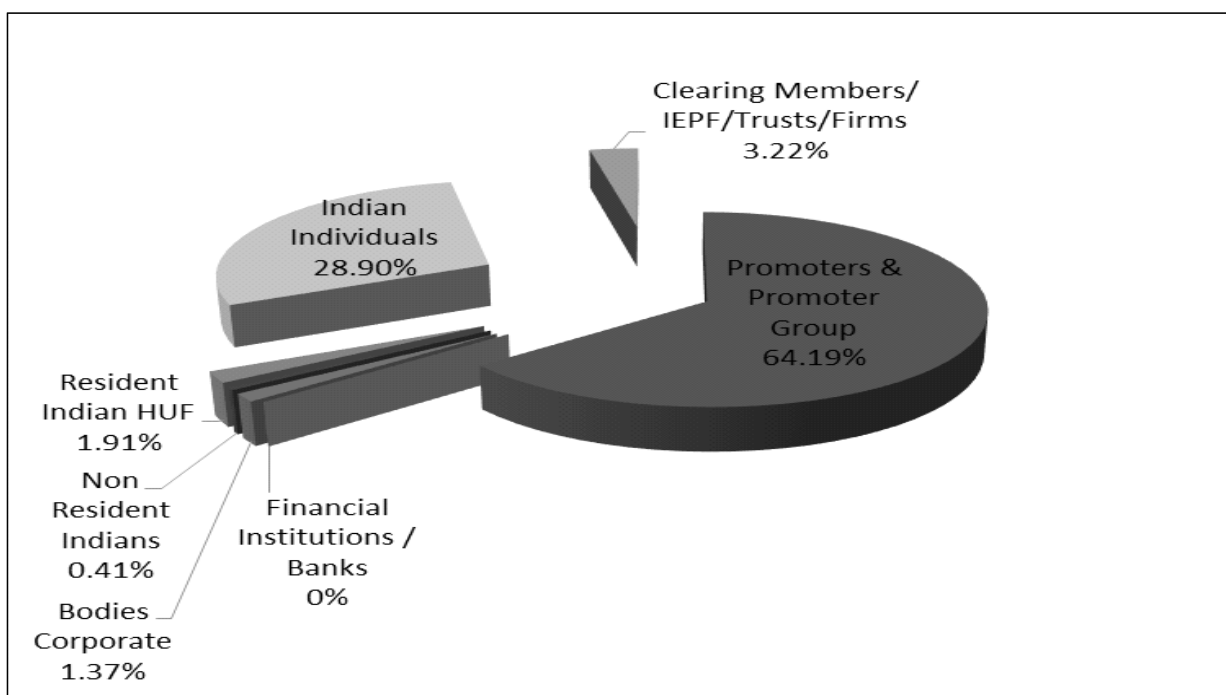
**(i) Value wise**

Range of Shares	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
Upto 500	7671	83.15	1425057	6.59
501 to 1000	811	8.79	667816	3.09
1001 to 2000	336	3.64	520329	2.41
2001 to 3000	125	1.35	317239	1.47
3001 to 4000	66	0.72	235320	1.09
4001 to 5000	52	0.56	242309	1.12
5001 to 10000	66	0.72	482796	2.23
10001 and above	99	1.07	17720494	82.00
<b>Total</b>	<b>9226</b>	<b>100</b>	<b>21611360</b>	<b>100</b>

## (ii) Category wise

S. No.	Category	No. of Shares	Shareholding as a percentage of total number of shares
A	<b>Promoter &amp; Promoter Group</b>	13871320	64.19
B	<b>Public Shareholding</b>		
1	Financial Institutions/ Banks	250	0.00
2	Bodies Corporate	295229	1.37
3	Non-Resident Indians	89192	0.41
4	Resident Indian HUF	412148	1.91
5	Indian Individuals	6245298	28.90
6	Clearing Members/IEPF/Trust/Firms	697923	3.22
	<b>Total</b>	<b>21611360</b>	<b>100</b>

## Graphical Presentation of Shareholding



## (m) Unclaimed Dividends

Pursuant to the provision of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, mandates that Companies transfer dividend that has remained unclaimed/un-encashed for a period of 7 years from the date of transfer to the Company's unpaid dividend accounts are be transferred to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the IEPF.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:-

Financial Year	Type of Dividend	Date of Declaration	Due date to be transfer to IEPF
2016-17	Interim Dividend	November 11, 2016	December 18, 2023
2016-17	Final Dividend	September 25, 2017	November 02, 2024
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

During the year, following dividend along with equity shares on which dividend has not been claimed/encashed for seven consecutive years have been transferred to Investor Education and Protection Fund:-

Financial Year	Type of Dividend	Due Date to transfer to IEPF	No. of Equity Shares transferred
2015-16	Second Interim Dividend	April 16, 2023	28905
2015-16	Interim Dividend	December 14, 2022	29160
2014-15	Second Interim Dividend	May 16, 2022	22440

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company for subsequent years on the web site of the Company at [www.apmindustries.co.in](http://www.apmindustries.co.in).

Detailed list of shareholders whose shares have been transferred to IEPF has been hosted on the website of the Company at [www.apmindustries.co.in](http://www.apmindustries.co.in).

#### **Change in process of claiming shares and dividend from IEPF**

IEPF Authority vide its Office Memorandum dated 20th July, 2022 has revised the process of claiming the shares and dividends from IEPF Authority, whereby the claimant(s) are now advised to first approach the Company for entitlement letter along with all the required documents before filing of claim application with the IEPF Authority.

Once the Company has received and verified all the requisite documents it will then issue an entitlement letter along with all the required details to file web form IEPF-5 within a period of 30 days. The claimant(s) shall thereafter file web form IEPF-5 with the IEPF Authority along with entitlement letter and other supporting documents.

The claimant(s) 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 registered 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 Officer**

In accordance with the IEPF Rules, the Board of Directors of the Company have appointed Mrs. Neha Goel as the Nodal Officer. Contact information of the 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](http://www.apmindustries.co.in).

#### **(n) Suspense Escrow Demat Account**

In accordance with the requirements of SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022 the Company has opened a Suspense Escrow Demat Account with the DP for transfer of shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the shareholders in lieu of physical share certificate(s) to enable them to make a request to DP for dematerialising their shares.

During the year under review, there is no share transferred to the Company's Suspense Escrow Demat Account.

#### **(o) Information pursuant to Regulation 36(3) of the Listing Regulations**

Information pertaining to particulars of Director to be re-appointed at the forthcoming Annual General Meeting has been included in the Notice convening the Annual General Meeting.

#### **(p) 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**.

#### **(q) 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**.

**(r) (i) Dematerialization of Shares**

The shares of the Company fall under the category of confirming delivery in dematerialized mode by all categories of investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 2,07,12,362 equity shares constituting 93.23 % of total issued share capital of the Company were in dematerialized form as on March 31, 2023. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE170D01025.

**(ii) Liquidity**

The Equity Shares of the Company are frequently traded on the BSE Limited and are in the category of Group X scrips on BSE Limited.

**(s) 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, 2023, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**(t) Registered Office and Location of Plant**

SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar, Rajasthan-301019

**(u) Address for Correspondence**

APM Industries Limited  
910, Chiranjiv Tower-43, Nehru Place,  
New Delhi-110019  
Tel: 011-26441018-22  
Email:- [csapmindustriesltd@gmail.com](mailto:csapmindustriesltd@gmail.com)  
Website:- [www.apmindustries.co.in](http://www.apmindustries.co.in)

**(v) Corporate Identification Number (CIN)**

L21015RJ1973PLC015819

**11. COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE LISTING REGULATIONS****(a) Mandatory Requirements**

The Company has complied with mandatory requirements relating to corporate governance as prescribed in regulation 17 to 27 and sub-regulation 2 of Regulation 46 of 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. The Company is having unmodified opinion in Audit Report on Financial Statements and the Internal Auditor Reports directly submit to the Audit Committee.

**CEO/CFO Certification**

In compliance with Regulation 17(8) read with Schedule II(B) of the Listing Regulations, a declaration by Managing Director and Chief Financial Officer is enclosed as **Annexure-D** which, inter-alia, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

**For and on behalf of the Board**

Place : New Delhi  
Dated : August 08, 2023

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN: 00141766

## Annexure-A

**TO WHOMSOEVER IT MAY CONCERN**

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, 2023.

**For and on behalf of the Board**

**Place : New Delhi**  
**Date : May 16, 2023**

**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  
 SP-147, RIICO INDUSTRIAL AREA,  
 BHIWADI, DIST. ALWAR, 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, DIST. ALWAR, 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 Sub 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](http://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, 2023 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

**CS SUMAN PANDEY**  
**PARTNER**  
**FCS NO. 7606 | C.P. NO. 8404**  
**UDIN : F007606E000740415**

Dated : August 08, 2023

Place : New Delhi

**COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members of  
APM Industries Limited  
CIN: L21015RJ1973PLC015819  
Registered Office: SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar,  
Rajasthan- 301019

1. We have examined the compliance of the conditions of Corporate Governance by APM INDUSTRIES LIMITED for the year ended on March 31, 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
2. The Compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations.
3. Pursuant to the requirements of the SEBI Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our examination was limited to the review of the procedures and implementation thereof, as adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. In our opinion based on the procedures performed by us and to the best of our information and according to the explanations given to us, and the representation made by the Management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.
5. 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.
6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For RSM &Co.**  
Company Secretaries

**SUMAN PANDEY**  
Partner  
M. No F7606 | CP 8404  
UDIN: F007606E000740426  
Peer Review No.: 978/2020

Place : New Delhi  
Date : August 08, 2023

**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 2022-23 and that to the best of our knowledge and belief:-
- 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 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 16, 2023**

**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 textiles sector is one of the oldest sectors in its economy, dating back several centuries. It plays a vital role in the country's economy and export sector. It encompasses a wide range of activities, from traditional hand weaving to modern textile mills, and is anticipated to grow significantly in the foreseeable future. India has earned a reputation as a prominent manufacturing hub for textiles and apparel due to its rich textile heritage, skilled craftsmanship, and cost-effective labour. It is the sixth largest exporter of textiles spanning apparel, home and technical products.

India is the second-largest producer of man-made fiber (MMF) globally, trailing only behind China. Key export destinations for Indian textiles and apparel include the United States, European Union, and the United Kingdom, accounting for roughly 50% of India's exports in this sector. In terms of global trade in textiles and apparel, India holds around 4% share. The textile & apparel industry contribute 2.3% to the country's GDP, 13% to the industrial production and 12% to exports.

**2. OPPORTUNITIES & THREATS**

The Indian economy continues to show resilience amid global uncertainties. Despite significant challenges in the global environments, India was one of the fastest growing economies in the world. India's overall growth remain robust and is 6.7% for the financial year 2022-23. Growth was driven by strong investment activity augmented by the Government's capex push and buoyant private consumption.

The textile and apparel market is poised to grow, led by boost in demand and government support in the form of attractive scheme such as the Production Linked Incentive (PLI) and the Mega Investment Textile Parks (MITRA), which will further drive the way for the US\$ 250 billion target.

Further, the US ban on certain Chinese textile products, has opened the markets for smaller players like India to capture the market. The world is looking for an alternative to Chinese products and India is the preferred partner of choice to replace these products. This opens a plethora of opportunities for the Indian textile industry to gain a strong standing in the world market.

The broader trends in the economy are expected to have an impact on your company's growth prospects as well. Inflation is expected to remain elevated in near future, driven by the Russia and Ukraine war induced commodity price increases and broadening price pressure. Due to this war, the global economy has been effected badly and export of textile products has drastically reduced.

In these circumstances, the ability to successfully navigate cost pressure will have a significant bearing on the overall performance of your company. Diminishing purchasing power and demand due to the economic circumstances could adversely impact the market for textile & apparels. The current economic conditions may reduce growth and profitability of your Company.

**3. SEGMENT-WISE PERFORMANCE**

The Company currently has only one segment of business i.e., manufacturing of synthetic blended yarn. Hence, segment-wise or product-wise performance is not provided. The Company has no activity outside India. Therefore, there is no geographical segment.

**4. OUTLOOK**

The outlook for the Indian textile industry seems promising, with strong growth prospects in both domestic consumption and export demand. The economic survey for 2022-23 issued by the Ministry of Finance projects that the industry is anticipated to experience robust growth, driven by growing domestic consumption and export demand, and the rapid digitization of consumers and brands post the Covid-19 pandemic. The upcoming years will be supported by solid domestic demand and a pickup in capital investments. Over the past decade, the retail sector has undergone rapid progress due to increasing consumerism and disposable income. This growth has been further fueled by the entry of various international players into the Indian market.

The textile and apparel market is poised to grow due to a boost in the demand and the government support in the form of attractive schemes such as Production Linked Incentive (PLI). Another step taken by the Ministry of Textiles towards positioning India as a global leader in technical textiles manufacturing is the invitation of research proposals for funding for design, development and manufacturing of machines, tools, equipment's and testing instruments under National Technical Textile Mission.

To take advantage of the opportunities, the Company continues to modernize its plant and machinery and add balancing equipment to improve quality of its products.

**5. RISKS & CONCERNS**

Management discussion and analysis mainly comprise of the statements which may, inter alia, involve predictions based on perceptions and may, therefore, be prone to risks and uncertainties. It is the sum of the Company's expectations, beliefs, estimates and projections which may be forward looking or depressing within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed herein specifically or impliedly. The shareholders are cautioned to keep this in view in conjunction with the Company's financial statements.

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

The Company has adequate internal control system and a defined organizational structure in addition to, internal rules and regulations for conducting the business. The management reviews actual performance with reference to budgets periodically. It is ensured that all assets are safeguarded, protected against loss and all transactions are authorized, recorded, and reported correctly. The Company has an Audit Committee of the Board, the composition, and functions of which are furnished in the Corporate Governance Report as part of the Annual Report. The Company has independent statutory auditors and internal auditors who submit reports periodically which are reviewed and acted upon.

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

The Financial Year 2022-23 was a year of multiple achievements in operational performance such as revenue, productivity and debt reduction. Though, Q3 & Q4 performance was slightly impacted due to impact of the war between Russia & Ukraine. Overall Company delivered a commendable performance. A snapshot of the key financials for the last two years is given below:-

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from Operations	36,049	31,683
Total Revenue	36,212	31,825
Profit Before Tax	3,029	2,321
Profit After Tax	2,135	1,475

The financial statements of the Company are prepared in accordance with the Indian Accounting Standards (referred to as '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 is no change in accounting treatment on financials of the Company.

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

The Company recognizes the importance and contribution of its human resources on its growth and development and is committed to the development of its people. The Company considers its employees to be the most valuable asset and is committed to provide a conducive work environment to enable each individual to fully realize their potential. The Company endeavours to ensure the well-being of all its employees. The safety, health and work life balance of employees is extremely important.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this account in the current year. The total number of employees are 2158 as on March 31, 2023.

**9. LONG TERM AND SHORT TERM STRATEGY OF COMPANY****Water Conservation**

The Company has undertaken rain water harvesting for preservation of water and for also increasing the water level in and around the Company's manufacturing facilities. The Company constructed 6 mini ponds outside the mill area for the purpose of water harvesting in line with 'JAL Swavlamban Abhiyan' of the Government of Rajasthan.

The Company had also constructed 8 No. New water recharge wells in 4 ponds in the year 2020-21 for the purpose of recharging ground water in two villages of tehsil Tijara (District- Alwar) Rajasthan.

**Waste Water Utilization**

The Company focused on the prudent utilization of waste water with the objective to put every drop to productive use.

All effluents discharged from the dye house are reused after treatment in the effluent treatment plant (including condensate from the MEE operation). 100% STP treated water is used for various activities including gardening.

We have installed innovative Plate Heat Exchanger to recover heat from waste water effluent, wherein we have achieved significant saving in steam consumption and thus in fuel and boiler feed water requirement.

We upgraded the STP in 2021 – 22 to reuse treated water in process.

**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 34.09 lakhs units in the year 2022-23.

**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 2022-23	FY 2021-22	Change in %	Reason for Change
Debtors Turnover Ratio	21.63	17.94	20.57	-
Inventory Turnover Ratio	6.45	6.14	5.05	-
Interest Coverage Ratio	22.48	10.40	116.15	Due to increase in profit before interest and reduction interest cost.
Current Ratio	2.00	1.81	10.50	-
Debt Equity Ratio	0.14	0.23	(39.13)	Due to reduction in borrowings during the year.
Operation Profit Margin (%)	8.42	7.76	8.51	-
Net Profit Margin (%)	5.92	4.66	27.04	Due to increase in gross profit margin during the year.
Return on Net Worth (%)	12.50	9.74	28.34	Due to increase 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**

**Rajendra Kumar Rajgarhia**

Chairman

DIN: 00141766

**Place : New Delhi**

**Dated : August 08, 2023**

**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, 2023, 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 significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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, 2023 and its profit, 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 Responsibility 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.

**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, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report:-

Key audit matter	How the matter was addressed in our audit
<p><b>Revenue Recognition</b></p> <p>The revenue from sale is recognized by the Company in its books of account when control of the goods is transferred to the customer at an amount that reflects the net consideration, which the Company expects to receive from the customers for those goods.</p> <p>The Company has a number of customers and the voluminous sales contracts with these customers have distinct terms and conditions. In determining the sales price, the Company considers the effects of variable considerations like market conditions, credit period, return policy etc., which requires estimation, leading to complexities and application of significant efforts and judgements.</p> <p>Considering these significant judgements, estimates and the risk associated with revenue recognition, the matter has been determined to be a key audit matter.</p> <p>The Company's disclosures are included in Notes 3.4 and 29 to the financial statements, which outline the accounting policy for Revenue Recognition.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the design and tested the operating effectiveness of internal controls related to recognition of revenue including variable consideration.</li> <li>Assessed the underlying assumptions and estimates used for determination of variable consideration.</li> <li>Tested sales transactions on a sample basis, by comparing the underlying sales invoices, sales orders and dispatch documents to assess whether revenue has been recognized appropriately.</li> <li>Tested rebates and discount provided to the customers on a sample basis, comparing the same with underlying approvals and terms and conditions of the contracts.</li> <li>Assessed the adequacy of the disclosures made in the financial statements in respect of revenue recognition.</li> </ul>

**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 Board's Report and its annexures, but does not include the financial statements and our auditor's report thereon. The other

information 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 other information, 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'.

**Management's and Board of Directors' Responsibility 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 a reconsidered 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, 2023 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 Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and 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, 2023 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 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, 2023 in its financial statements – Refer Note 37 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, 2023.

- 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, 2023.

- iv. (a) The management of the Company has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from the borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any person or entity including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

- (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 stated in Note 56 to the financial statements, the Board of Directors of the Company have proposed dividend for the year ended March 31, 2023, which is subject to the approval of the shareholders of the Company at the ensuing General meeting. The dividend proposed is in accordance with Section 123 of the Act, as applicable.

- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company w.e.f. April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable for the financial year ended March 31, 2023.

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

**LAXMI NARAIN JAIN**  
Partner

Membership No. 072579  
UDIN – 23072579BGZBMJ7280

New Delhi  
May 16, 2023

#### 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, 2023)

- (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 immovable properties held by the Company include building only which has been constructed by the Company on leasehold land. The lease deed of the land has been mortgaged as security for the borrowings raised by the Company from the banks. The lease agreements of the immovable properties 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, 2023 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, other than lying with the third parties, have been physically verified by the management during the year at reasonable intervals. In respect of the inventory lying with the third parties, these have substantially been confirmed by the third parties. 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 limit in excess of Rs. 5 crore, in aggregate from the banks during the year on the basis of security of current assets and the quarterly returns/statements filed by the Company with the banks are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us, the Company has not 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 clause (iii) (a), (c), (d), (e) and (f) of paragraph 3 of the Order are not applicable to the Company. The investment made by the Company during the year was, prima facie, not prejudicial to the Company's interest.
- (iv) According to the information and explanations given to us and on the basis of the records examined by us, the Company has not granted any loan or provided any guarantee or security as specified under Section 185 and 186 of the Act. In respect of the investment made by the Company during the year, the provisions of Section 185 and 186 of the Act, as applicable, have been complied with.
- (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 applicable to the Company with the appropriate authorities. There were no undisputed amounts payable in respect of statutory dues outstanding as at March 31, 2023 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, 2023 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 amounts relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	138	Financial Year 2016-17	High Court, Rajasthan
The Income Tax Act, 1961	Penalty	7	Assessment Year 2018-19	Commissioner Appeal
The Rajasthan Electricity (Duty)	Electricity Duty	212	Financial Year 2013-14, 2014-15 & 2022-23	High Court, Rajasthan
	Urban Cess	90	Financial Year 2013-14 & 2014-15	High Court, Rajasthan
	Water Conservation Cess	60	Financial Year 2013-14 & 2014-15	High Court, Rajasthan

- (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,
- (a) 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;
- (b) the Company has not been declared willful defaulter by any bank or financial institution or other lender;
- (c) the term loans were applied by the Company during the year for the purposes for which the loans were obtained;
- (d) 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;
- (e) 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 to the Company;
- (f) 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 to the Company.
- (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 to the Company.
- (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 to the Company.
- (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 to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all 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 Standard.
- (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 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 to the Company.
- (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 to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, there is no Core Investment Company within the Group.
- (xviii) 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 to the Company.
- (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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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 to the Company.
- (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 – 23072579BGZBMJ7280

New Delhi  
May 16, 2023

#### 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, 2023)

#### 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, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's and Board of Directors' Responsibility 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, 2023, 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

Membership No. 072579

UDIN – 23072579BGZBMJ7280

New Delhi  
May 16, 2023

**BALANCE SHEET**

AS AT MARCH 31, 2023

(Rs. in lakhs)

PARTICULARS	Note No.	As At March 31, 2023	As At March 31, 2022
<b>I. ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(A) Property, Plant and Equipment	4	11,275	10,213
(B) Capital Work in Progress	4	5	29
(C) Right of Use Assets	4	5,755	5,831
(D) Intangible Assets	4	3	3
(E) Financial Assets			
(i) Investments	5	0	0
(ii) Loans	6	3	4
(iii) Other Financial Assets	7	354	328
(F) Other Non-Current Assets	8	393	220
<b>Total Non-Current Assets</b>		<b>17,788</b>	<b>16,628</b>
<b>2 CURRENT ASSETS</b>			
(A) Inventories	9	5,083	4,799
(B) Financial Assets			
(i) Trade Receivables	10	1,315	1,992
(ii) Cash and Cash Equivalents	11	66	4
(iii) Bank Balance other than (ii) above	12	59	84
(iv) Loans	13	10	11
(v) Other Financial Assets	14	15	28
(C) Current Tax Assets (Net)	15	44	44
(D) Other Current Assets	16	462	402
<b>Total Current Assets</b>		<b>7,054</b>	<b>7,364</b>
<b>TOTAL ASSETS</b>		<b>24,842</b>	<b>23,992</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(A) Equity Share Capital	17	432	432
(B) Other Equity	18	16,565	14,656
<b>Total Equity</b>		<b>16,997</b>	<b>15,088</b>
<b>2 LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(A) Financial Liabilities			
(i) Borrowings	19	942	1,523
(ii) Lease Liabilities	20	28	6
(B) Deferred Tax Liabilities (Net)	21	3,356	3,299
<b>Total Non-Current Liabilities</b>		<b>4,326</b>	<b>4,828</b>
<b>Current Liabilities</b>			
(A) Financial Liabilities			
(i) Borrowings	22	1,367	1,990
(ii) Lease Liabilities	23	27	28
(iii) Trade Payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises		54	77
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,143	1,021
(iv) Other Financial Liabilities	25	712	720
(B) Other Current Liabilities	26	109	110
(C) Provisions	27	97	101
(D) Current Tax Liabilities	28	10	29
<b>Total Current Liabilities</b>		<b>3,519</b>	<b>4,076</b>
<b>Total Liabilities</b>		<b>7,845</b>	<b>8,904</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>24,842</b>	<b>23,992</b>

Significant Accounting Policies and Notes forming part of the Financial Statements

1-58

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

For CHATURVEDI &amp; PARTNERS

Chartered Accountants

Firm Registration No. 307068E

RAJENDRA KUMAR RAJGARHIA

Chairman and Whole Time Director

DIN-00141766

KHUSHI RAM GUPTA

Director

DIN-00027295

HARI RAM SHARMA

Managing Director

DIN-00178632

LAXMI NARAIN JAIN

Partner

Membership No.072579

CHANDRA SHEKHAR VIJAY

Chief Financial Officer

NEHA GOEL

Company Secretary

Membership No. 48053

Place : New Delhi

Date : May 16, 2023



<b>STATEMENT OF PROFIT AND LOSS</b>			
<b>FOR THE YEAR ENDED MARCH 31, 2023</b>			
<b>(Rs. in lakhs)</b>			
<b>PARTICULARS</b>	<b>Note No.</b>	<b>For the Year Ended March 31, 2023</b>	<b>For the Year Ended March 31, 2022</b>
<b>INCOME</b>			
1 Revenue from Operations	29	36,049	31,683
2 Other Income	30	163	142
3 <b>Total Income (1+2)</b>		<b>36,212</b>	<b>31,825</b>
<b>EXPENSES</b>			
4 Cost of Materials Consumed	31	21,091	17,610
Changes in Inventories of Finished Goods and Work-in-Progress	32	(1,260)	(135)
Employee Benefits Expenses	33	5,605	5,077
Finance Costs	34	168	280
Depreciation and Amortization Expense	35	703	648
Other Expenses	36	6,876	6,024
<b>Total Expenses</b>		<b>33,183</b>	<b>29,504</b>
5 <b>Profit before Exceptional Items and Tax (3-4)</b>		<b>3,029</b>	<b>2,321</b>
6 Exceptional Items		-	-
7 <b>Profit before Tax (5-6)</b>		<b>3,029</b>	<b>2,321</b>
8 <b>Tax Expense</b>			
Current Tax	47	830	655
Deferred Tax		61	227
Tax related to earlier year		3	(36)
9. <b>Profit for the year (7-8)</b>		<b>2,135</b>	<b>1,475</b>
10 <b>Other Comprehensive Income</b>			
(i) a. Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans	44	(14)	(7)
b. Income Tax relating to items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans	47	4	2
(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 <b>Total Comprehensive Income for the year (9+10)</b>		<b>2,125</b>	<b>1,470</b>
12 <b>Earning per share (Face value Rs. 2)</b>			
Basic (Rs.)	57	9.88	6.83
Diluted (Rs.)	57	9.88	6.83
<b>Significant Accounting Policies and Notes forming part of the Financial Statements</b>			
	1-58		
As per our report of even date		<b>FOR AND ON BEHALF OF THE BOARD</b>	
<b>For CHATURVEDI &amp; PARTNERS</b> Chartered Accountants Firm Registration No. 307068E	<b>RAJENDRA KUMAR RAJGARHIA</b> Chairman and Whole Time Director DIN-00141766	<b>KHUSHI RAM GUPTA</b> Director DIN-00027295	<b>HARI RAM SHARMA</b> Managing Director DIN-00178632
<b>LAXMI NARAIN JAIN</b> Partner Membership No.072579	<b>CHANDRA SHEKHAR VIJAY</b> Chief Financial Officer	<b>NEHA GOEL</b> Company Secretary Membership No. 48053	
<b>Place : New Delhi</b>			
<b>Date : May 16, 2023</b>			

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023		(Rs. in lakhs)
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year before Tax	3,029	2,321
Adjustments for:		
Depreciation and amortisation expense	703	648
Liabilities no longer required, written back	(61)	(52)
Gain on sale of Property, Plant and Equipment	(12)	(21)
Gain on modification/cancellation of leases	(1)	-
Gain on sale of Investments	0*	-
Other receivables written off	-	4
Allowances for doubtful trade receivables and advances	251	191
Fair valuation of Financial Assets	(1)	(2)
Finance Costs	168	280
<b>Operating profit before working capital changes</b>	<b>4,076</b>	<b>3,369</b>
<b>Changes in working capital</b>		
(Increase)/Decrease in Inventories	(284)	(415)
(Increase)/Decrease in Trade Receivables	429	(667)
(Increase)/Decrease in Bank Balances other than cash and Cash equivalents	25	18
(Increase)/Decrease in Current/Non-current assets	(127)	(193)
(Increase)/Decrease in Loans	4	2
(Increase)/Decrease in Financial assets	(20)	16
Increase/(Decrease) in Trade payable and Other financial liabilities	193	(76)
Increase/(Decrease) in Other current/non-current Liabilities and Provisions	(19)	(77)
<b>Cash generated from operating activities</b>	<b>4,277</b>	<b>1,977</b>
Direct Taxes paid (Net)	(852)	(468)
<b>Net cash generated from operating activities</b>	<b>3,425</b>	<b>1,509</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(1,852)	(1,599)
Proceeds from sale of Property, Plant and Equipment	138	109
Purchase of Investments	(100)	-
Proceeds from sale of Investments	100	-
<b>Net cash (used in) investing activities</b>	<b>(1,714)</b>	<b>(1,490)</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term borrowings	1,306	928
Repayment of long term borrowings	(2,370)	(514)
Decrease in Working Capital Loans (Net)	(136)	(110)
Proceeds from Short term borrowings	-	5,162
Repayment of Short term borrowings	-	(5,162)
Payment of Dividend	(240)	(19)
Payment of Lease Liabilities	(31)	(29)
Processing Fee on borrowings	(7)	-
Finance costs paid	(171)	(285)
<b>Net cash (used in) financing activities</b>	<b>(1,649)</b>	<b>(29)</b>
<b>IV. NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>62</b>	<b>(10)</b>
Cash and cash equivalents at the beginning of the year	4	14
Cash and cash equivalents at the end of the year	66	4
<b>Notes</b>		
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 & Cash Equivalents include:		
Cash on Hand	2	2
Balances with Banks		
- on Current/Cash Credit Accounts	64	2
	66	4
* Amount less than Rs. 1 lakh		
<b>Significant Accounting Policies and Notes forming part of the Financial Statements</b>	1-58	
As per our report of even date	<b>FOR AND ON BEHALF OF THE BOARD</b>	
<b>For CHATURVEDI &amp; PARTNERS</b> Chartered Accountants Firm Registration No. 307068E	<b>RAJENDRA KUMAR RAJGARHIA</b> Chairman and Whole Time Director DIN-00141766	<b>KHUSHI RAM GUPTA</b> Director DIN-00027295
<b>LAXMI NARAIN JAIN</b> Partner Membership No.072579	<b>CHANDRA SHEKHAR VIJAY</b> Chief Financial Officer	<b>HARI RAM SHARMA</b> Managing Director DIN-00178632
<b>Place : New Delhi</b> <b>Date : May 16, 2023</b>	<b>NEHA GOEL</b> Company Secretary Membership No. 48053	

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023****A. EQUITY SHARE CAPITAL**

Equity shares of Rs. 2 each Issued, subscribed and fully paid up (Rs. in Lakhs)

Particulars	Numbers of Shares	Amount
As at April, 01 2021	21,611,360	432
Changes in equity share capital	-	-
As at March 31, 2022	21,611,360	432
Changes in equity share capital	-	-
<b>As at March 31, 2023</b>	<b>21,611,360</b>	<b>432</b>

**B. OTHER EQUITY**

(Rs. in Lakhs)

Particulars	Reserves and Surplus			Other items of Comprehensive Income	Total
	Retained Earnings	General Reserve	Securities Premium		
Balance as at April 01, 2021	7,979	5,000	243	(36)	13,186
Profit for the year	1,475	-	-	-	1,475
Remeasurement of the defined benefits plan (net)	-	-	-	(5)	(5)
Balance as at March 31, 2022	9,454	5,000	243	(41)	14,656
Profit for the year	2,135	-	-	-	2,135
Dividend	(216)	-	-	-	(216)
Remeasurement of the defined benefits plan (net)	-	-	-	(10)	(10)
<b>Balance as at March 31, 2023</b>	<b>11,373</b>	<b>5,000</b>	<b>243</b>	<b>(51)</b>	<b>16,565</b>

Significant Accounting Policies and notes forming part of the Financial Statements

1-58

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

**For CHATURVEDI & PARTNERS**Chartered Accountants  
Firm Registration No. 307068E**LAXMI NARAIN JAIN**Partner  
Membership No.072579Place : New Delhi  
Date : May 16, 2023**RAJENDRA KUMAR RAJGARHIA**Chairman and Whole Time Director  
DIN-00141766**KHUSHI RAM GUPTA**Director  
DIN-00027295**HARI RAM SHARMA**Managing Director  
DIN-00178632**CHANDRA SHEKHAR VIJAY**

Chief Financial Officer

**NEHA GOEL**Company Secretary  
Membership No. 48053

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****1. Company Overview**

**APM INDUSTRIES LIMITED** (the Company) having its registered office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar-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 and Sewing Thread. 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. Significant 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 Judgments 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. The identification of doubtful debts requires use of judgment and estimates.

**Inventory Write Down:** The company evaluate nature of inventory, ageing, liquidation and plan of disposal to ascertain written down 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 and Sewing Thread.

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 of 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**

Goodwill and 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 for future encashment and availment 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 fully contributes all ascertained liabilities demanded by Life Insurance Corporation of India for Employee Company Leave Encashment cum Life Assurance (Cash Accumulation) administered by it.

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 Amendments in Ind AS

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

1. Ind AS 1 - Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is expected to be insignificant on the financial statements.
2. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and distinguishes changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.
3. Ind AS 12 - Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

NOTE 4 :- Property, Plant and Equipment, Right of use Assets, Intangible Assets and Capital Work in Progress											
PARTICULARS	Property, Plant and Equipment							Right of Use Assets			(Rs. in lakhs)
											Capital Work in Progress
	Buildings	Plant and Equipments	Power Generation Unit	Furniture and Fixtures	Office Equipments	Vehicles	Total	Buildings	Land Lease Hold	Total	
As at April 01, 2021	1,346	8,953	477	181	51	181	11,189	61	6,400	6,461	
Additions	22	1,498	-	3	1	13	1,537	1	-	1	
Deletions/Adjustments	-	(143)	-	-	-	(11)	(154)	-	-	-	
As at March 31, 2022	1,368	10,308	477	184	52	183	12,572	62	6,400	6,462	
As at April 01, 2022	1,368	10,308	477	184	52	183	12,572	62	6,400	6,462	
Additions	2	1,696	-	5	12	50	1,765	51	-	51	
Deletions/Adjustments	-	(235)	-	-	(1)	(14)	(250)	(49)	-	(49)	
As at March 31, 2023	1,370	11,769	477	189	63	219	14,087	64	6,400	6,464	
Accumulated Depreciation and Amortisation											
As at April 01, 2021	219	1,424	72	64	34	93	1,906	4	500	504	10
Depreciation and Amortisation during the year	49	413	16	17	4	21	520	27	100	127	1
Deletions/Adjustments	-	(57)	-	-	-	(10)	(67)	-	-	-	-
As at March 31, 2022	268	1,780	88	81	38	104	2,359	31	600	631	11
As at April 01, 2022	268	1,780	88	81	38	104	2,359	31	600	631	11
Depreciation and Amortisation during the year	50	468	16	17	5	20	576	27	100	127	0*
Deletions/Adjustments	-	(109)	-	-	(1)	(13)	(123)	(49)	-	(49)	-
As at March 31, 2023	318	2,139	104	98	42	111	2,812	9	700	709	11
Net carrying value											
As at March 31, 2023	1,052	9,630	373	91	21	108	11,275	55	5,700	5,755	5
As at March 31, 2022	1,100	8,528	389	103	14	79	10,213	31	5,800	5,831	29

\* Amount less than Rs. 1 lakh

**Notes:**

- 1) Capitalization during the year includes borrowing cost Nil (March 31, 2022 - Rs.11 lakhs)
- 2) For Property, Plant and Equipment pledged as security with the lenders - Refer Note 19 and 22
- 3) For ageing of Capital Work in Progress - Refer Note 40
- 4) The title/lease deeds of all immovable properties included above are held in the name of the Company as at March 31, 2023. The Original lease deed of land is in possession with the lenders of the Company.

Note Particulars		(Rs. in lakhs)
5	INVESTMENTS	
	As At March 31, 2023	As At March 31, 2022
	<b>Non-Current Investments</b>	
	<b>In Government securities (Valued at cost) #*</b>	
	In Post Office Saving Bank	
	0*	0*
	<b>Total</b>	<b>0</b>
	* Amount less than Rs. 1 Lakh	
	# Pledged with Government Authority	
5.1	The Company purchased 4,127.984 units of Axis Liquid Fund - Direct Growth (Face value Rs. 1000 per unit) for Rs. 100 lakhs and got redeemed the same during the financial year ended March 31, 2023.	
6	LOANS	
	As At March 31, 2023	As At March 31, 2022
	<b>Non-current Financial Assets</b>	
	(Unsecured, considered good)	
	Loans to employees	
	3	4
	<b>Total</b>	<b>4</b>
7	OTHER FINANCIAL ASSETS	
	As At March 31, 2023	As At March 31, 2022
	<b>Non-current Financial Assets</b>	
	(Unsecured, considered good)	
	Security Deposits	
	354	328
	<b>Total</b>	<b>328</b>
8	OTHER NON CURRENT ASSETS	
	As At March 31, 2023	As At March 31, 2022
	(Unsecured, considered good)	
	Capital advances (Refer Note 38)	
	297	200
	Prepaid expenses	
	96	20
	<b>Total</b>	<b>220</b>
9	INVENTORIES	
	As At March 31, 2023	As At March 31, 2022
	<b>(As taken, valued and certified by the Management)</b>	
	Raw materials	
	1,032	1,935
	Work-in-Progress	
	592	625
	Goods in transit*	
	-	31
	Finished Goods	
	3,379	2,086
	Stores and Spares	
	80	122
	<b>Total</b>	<b>4,799</b>
	* Includes Raw Materials valuing Nil (March 31, 2022 - Rs. 31 lakhs).	
	Refer to Note 19 and 22 for the charge created on Inventories in favour of the lenders.	
	<b>Devaluation Allowance</b>	
	Raw material	
	9	-
	Finished goods	
	27	52
	Stores and spares	
	1	0*
	<b>37</b>	<b>52</b>
	* Amount less than Rs. 1 lakh	
	The Movement of devaluation allowance is charged to the Statement of Profit and Loss under the respective heads of the accounts	

Note	Particulars	(Rs. in lakhs)
<b>10</b>	<b>TRADE RECEIVABLES</b>	
	<b>As At</b>	<b>As At</b>
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Assets</b>	
	Trade Receivables - Secured	-
	Trade Receivables - Unsecured	1,329
	Trade Receivables which have significant increase in credit risk	711
	Trade Receivables-Credit Impaired	-
	Less: Allowance for doubtful trade receivables	(725)
	<b>Total</b>	<b>1,315</b>
10.1	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 52.	
10.2	For Ageing of Trade Receivables - Refer Note 41	
10.3	Refer to Note 19 and 22 for the charge created on Trade Receivables in favour of the lenders.	
10.4	<b>Movement in allowance for doubtful Trade receivables:</b>	
	Balance as at beginning of the year	477
	Allowance for bad and doubtful trade receivables during the year	248
	Trade receivables written off during the year	-
	Balance as at end of the year	725
<b>11</b>	<b>CASH AND CASH EQUIVALENTS</b>	
	<b>As At</b>	<b>As At</b>
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Assets</b>	
	Balances With Banks	
	- On Current/Cash Credit Accounts	64
	Cash on hand	2
	<b>Total</b>	<b>66</b>
<b>12</b>	<b>BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>	
	<b>As At</b>	<b>As At</b>
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Assets</b>	
	Earmarked Balances with Banks	
	- Unclaimed dividend	59
	- Term deposit with maturity period of more than 3 months but less than 12 months*	-
	<b>Total</b>	<b>59</b>
	* Under lien against Overdraft limit sanction by a bank.	
<b>13</b>	<b>LOANS</b>	
	<b>As At</b>	<b>As At</b>
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Assets</b>	
	(Unsecured, considered good)	
	Loans to Employees	10
	<b>Total</b>	<b>10</b>
<b>14</b>	<b>OTHER FINANCIAL ASSETS</b>	
	<b>As At</b>	<b>As At</b>
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Assets</b>	
	(Unsecured, considered good)	
	Security Deposits	1
	Interest Receivable	12
	<b>Other Receivables</b>	
	Advances - Unsecured	2
	Advances which have significant increase in credit risk	9
	Less: Allowance for doubtful Advances	(9)
	<b>Total</b>	<b>15</b>
	<b>Movement in allowance for doubtful Advances</b>	
	Balance as at beginning of the year	6
	Allowance for bad and doubtful advances during the year	3
	Advances written off during the year	-
	<b>Total</b>	<b>9</b>

Note Particulars		(Rs. in lakhs)	
<b>15 CURRENT TAX ASSETS (NET)</b>	<b>As At</b>	<b>As At</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
Income tax refund receivable	44	44	
<b>Total</b>	<b>44</b>	<b>44</b>	
<b>16 OTHER CURRENT ASSETS</b>	<b>As At</b>	<b>As At</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
(Unsecured, considered good)			
Advances to Suppliers	30	39	
Other Advances	8	12	
Balances with Government Authorities	362	286	
Prepaid Expenses	62	63	
Deferred interest payment	-	2	
<b>Total</b>	<b>462</b>	<b>402</b>	
<b>17 EQUITY SHARE CAPITAL</b>	<b>As At</b>	<b>As At</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
<b>Authorised</b>			
22,500,000 (March 31, 2022- 22,500,000) Equity Shares of Rs. 2 each	450	450	
300,000 (March 31, 2022 - 300,000) Redeemable Preference Shares of Rs. 100/- each	300	300	
<b>Equity Share Capital</b>			
<b>Issued</b>			
22,217,080 (March 31, 2022- 22,217,080) Equity Shares of Rs. 2 each	444	444	
<b>Subscribed and Fully Paid-up</b>			
21,611,360 (March 31, 2022- 21,611,360) Equity Shares of Rs. 2 each	432	432	
	<b>432</b>	<b>432</b>	
<b>a) Reconciliation of equity shares outstanding at the beginning and end of the financial year</b>			
<b>Equity Shares</b>	<b>As At</b>	<b>As At</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
	<b>Nos.</b>	<b>Nos.</b>	<b>Rs.</b>
<b>Balance at the beginning of the year</b>	<b>21,611,360</b>	<b>21,611,360</b>	<b>432</b>
Issued during the year	-	-	-
<b>Balance at the end of the year</b>	<b>21,611,360</b>	<b>21,611,360</b>	<b>432</b>
<b>b) Terms/ Rights attached to equity shares</b>			
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.			
<b>c) Details of shareholders holding more than 5% shares of the Company</b>			
<b>Name of the Shareholder</b>	<b>As at</b>	<b>As at</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
	<b>Nos.</b>	<b>Nos.</b>	<b>% of holding</b>
Shri Rajendra Kumar Rajgarhia	3,873,000	3,850,000	17.81
Faridabad Paper Mills Private Limited	2,785,200	2,770,000	12.82
Shri Ajay Rajgarhia	2,298,000	2,275,000	10.53
Smt. Prabha Rajgarhia	1,623,000	1,600,000	7.40
Rajgarhia Leasing and Financial Services Private Limited	1,153,000	1,130,000	5.23

Note Particulars					(Rs. in lakhs)
d) Shares held by the promoters as defined in the Companies Act, 2013 at the end of the year					
Name	As at March 31, 2023		As at March 31, 2022		% of changes during the year
	Nos.	% of holding	Nos.	% of holding	
Faridabad Paper Mills Private Limited	2,785,200	12.89	2,770,000	12.82	0.07
Rajgarhia Leasing and Financial Services Private Limited	1,153,000	5.34	1,130,000	5.23	0.11
Essvee Fiiscal LLP	-	-	97,500	0.45	(0.45)
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	70,000	0.32	0.11
Shri Rajendra Kumar Rajgarhia	3,873,000	17.92	3,850,000	17.81	0.11
Shri Ajay Rajgarhia	2,298,000	10.63	2,275,000	10.53	0.10
Smt. Prabha Rajgarhia	1,623,000	7.51	1,600,000	7.40	0.11
Shri Sanjay Rajgarhia	688,500	3.19	580,000	2.68	0.51
Shri Shri Gopal Rajgarhia	573,850	2.66	573,850	2.66	-
Smt. Anisha Mittal	398,770	1.85	398,770	1.85	-
Smt. Bhavna Rajgarhia	315,500	1.46	315,500	1.46	-
18 OTHER EQUITY			As At	As At	
Particulars			March 31, 2023	March 31, 2022	
Securities Premium			243	243	
General Reserve			5,000	5,000	
Retained Earnings			11,373	9,454	
Other Comprehensive Income			(51)	(41)	
Total			16,565	14,656	
(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 Comprehensive Income: Other Items of Other Comprehensive Income represents recognized remeasurement gains/ (loss) on defined benefit plans.					
19 BORROWINGS			As At	As At	
			March 31, 2023	March 31, 2022	
Non-Current Financial Liabilities					
Secured Term Loan from Banks			942	1,523	
Total			942	1,523	
19.1 Nature of Security & Terms of Repayment					
Term Loans are 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 are further secured by personal guarantee of the Chairman of the Company.					
Lenders			Terms of Repayment		
(a) <u>HDFC Bank (Rs. 1000 Lakhs)</u>					
Balance as at Macrh 31, 2023 - Nil (March 31, 2022 Rs. 300 lakhs)			Repayable in 60 equally monthly instalments from August, 2018 alongwith interest at the rate of 7.55% p.a. based on 0.65% above 1 month MCLR.		
(b) <u>State Bank of India (Rs. 690 Lakhs)</u>					
Balance as at Macrh 31, 2023 - Nil (March 31, 2022 Rs. 434 lakhs)			Repayable in 6 quarterly instalment of Rs.15 lakhs 17 quarterly instalment of Rs. 33.25 lakhs & last instalment of Rs. 34.75 lakhs from Ocober 2019 alongwith current interest at the rate of 7.55% p.a. based on 0.60% above 6 month MCLR.		
(c) <u>State Bank of India (Rs. 465 Lakhs)</u>					
Balance as at Macrh 31, 2023 - Nil (March 31, 2022 Rs. 348 lakhs)			Repayable in 6 equally monthly instalment of Rs. 5 lakhs and 60 equally monthly instalment of Rs. 7.25 lakhs from November 2020 alongwith alongwith interest at the rate of 7.25% p.a. based on 0.30% above 6 month MCLR		



Note Particulars		(Rs. in lakhs)
(d)	<b>State Bank of India (Rs. 1320 lakhs)</b> Balance as at Macrh 31, 2023 - Nil (March 31, 2022 - Rs. 928 lakhs)	Repayable in 24 monthly instalments of Rs.10.00 lakhs, 22 monthly instalment of Rs. 22.50 lakhs and 24 monthly instalment of Rs. 24.37 lakhs from 01.06.022 onwards & upto 31.03.2028 alongwith interest of 7.55% p.a. based on 0.60% above 6 month MCLR.
(e)	<b>State Bank of India (Rs. 490 lakhs)</b> Balance as at Macrh 31, 2023 - Rs. 490 lakhs (March 31, 2022 - Nil)	Repayable in 24 monthly instalments of Rs. 20.42 lakhs, starting from May-2024 to April-2026 alongwith interest at the at the rate of 8.90% p.a. based on 0.5% above 6 month MCLR.
(f)	<b>HDFC Bank (Rs. 1100 lakhs)</b> Balance as at Macrh 31, 2023 - Rs. 456 lakhs (March 31, 2022 - Nil) Refer Note 19.6	Repayable in 16 quarterly instalments of Rs. 28.50 lakhs, starting from April-2024 to January 2028 alongwith interest at the rate of 8.25% p.a. linked with 3 months Treasury Bill Rate.
19.2	Non-current borrowings shown above are net of current maturities of Nil (March 31,2022 - Rs.487 lakhs) shown under Note 22.	
19.3	Borrowings amount is net of processing fee of Rs. 4 lakhs to be amortised in future.	
19.4	There is no default in repayment of principal or payment of interest to the lenders by the company during the year.	
19.5	The term loans taken by the Company during the year have been applied for the purposes for which they are taken.	
19.6	Rs. 644.00 lakhs is pending for disbursement from HDFC Bank against the sanctioned limit of Rs. 1,100 lakhs, repayable in 16 quarterly instalment of Rs. 40.25 lakhs each.	
20	<b>LEASE LIABILITIES</b>	
		<b>As At</b>
		<b>March 31, 2023</b>
	<b>Non-current Financial Liabilities</b>	<b>As At</b>
		<b>March 31, 2022</b>
	Lease liabilities (Refer Note 43)	28
	<b>Total</b>	<b>28</b>
21	<b>DEFERRED TAX LIABILITIES (NET)</b>	
	<b>[Refer Note-47(d)]</b>	<b>As At</b>
		<b>March 31, 2023</b>
	<b>a. Deferred Tax Liabilities</b>	
	Depreciation	3,587
		<b>3,587</b>
	<b>b. Deferred Tax Assets</b>	
	Provision for Doubtful Debts and Advances	214
	Employee benefits and other timing differences	17
		<b>231</b>
	<b>Deferred Tax Liabilities (Net) (a-b)</b>	<b>3,356</b>
22	<b>BORROWINGS</b>	
		<b>As At</b>
		<b>March 31, 2023</b>
	<b>Current Financial Liabilities</b>	<b>As At</b>
		<b>March 31, 2022</b>
	<b>Secured Loans</b>	
	Working Capital loans From banks	1,367
	Current maturities of long term debts (Refer Note -19)	-
	<b>Total</b>	<b>1,367</b>
22.1	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 Chariman of the Company. The loans are carrying current floating interest rate of 8.25% p.a.based on 0.05% above 1 Year MCLR in case of HDFC Bank and 8.90% based on 0.50% above 6 months MCLR in case of State bank of India as at March 31, 2023 payable on last day of the month.	
22.2	The Company has utilised Rs. 1,367 lakhs as at March 31, 2023 against total sanctioned limit aggregating to Rs. 3000 lakhs by two banks.	
22.3	Quarterly Returns/ Statements of current assets filed by the Company with the banks are in agreement with the books of account.	

Note	Particulars	(Rs. in lakhs)	
<b>23 LEASE LIABILITIES</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Liabilities</b>		
	Lease liabilities (Refer Note 43)	27	28
	<b>Total</b>	<b>27</b>	<b>28</b>
<b>24 TRADE PAYABLES</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Liabilities</b>		
	(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 39)	54	77
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,143	1,021
	<b>Total</b>	<b>1,197</b>	<b>1,098</b>
	(For Ageing of Trade Payables - Refer Note 42)		
<b>25 OTHER FINANCIAL LIABILITIES</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Current Financial Liabilities</b>		
	Interest accrued but not due	7	13
	Unclaimed Dividends#	59	83
	Capital Creditors	19	36
	Salary, wages and benefits payable	627	588
	Other payable	0*	0*
	<b>Total</b>	<b>712</b>	<b>720</b>
	* Amount less than Rs. 1 lakh.		
<b>26 OTHER CURRENT LIABILITIES</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Advances from Customers	32	23
	Statutory Dues payable	72	85
	Security deposits	5	2
	<b>Total</b>	<b>109</b>	<b>110</b>
<b>27 PROVISIONS</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Provision for Employee Benefits		
	- Gratuity	95	101
	- Compensated Absence	2	-
	<b>Total</b>	<b>97</b>	<b>101</b>
	(Refer Note 44)		
<b>28 CURRENT TAX LIABILITIES (NET)</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	'Provision for income tax (net)	10	29
	<b>Total</b>	<b>10</b>	<b>29</b>

Note Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>29 REVENUE FROM OPERATIONS</b>		
(a) Sale of products*	35,764	31,405
(b) Other Operating Revenue	285	278
<b>Total</b>	<b>36,049</b>	<b>31,683</b>
*Refer Note 50		
<b>(a) Disaggregation of Revenue</b>		
<b>(i) Revenue based on Geography</b>		
Domestic	36,049	31,683
Export	-	-
<b>Total</b>	<b>36,049</b>	<b>31,683</b>
<b>(ii) Revenue based on Timing of Revenue</b>		
Revenue recognized at a point in time	36,049	31,683
Revenue recognized over period of time	-	-
	<b>36,049</b>	<b>31,683</b>
<b>(b) Reconciliation of Revenue from operations with contract price</b>		
Contract price	36,122	31,898
Less: Sales returns	(41)	(202)
Less: Discount and other rebates	(32)	(13)
<b>Total Revenue from Operations</b>	<b>36,049</b>	<b>31,683</b>
(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.		
<b>(d) Contract Balances</b>		
<b>At the end of the year</b>		
Advances from Customers	32	23
Trade Receivables (Refer Note 10)	1,315	1,992
<b>At the beginning of the year</b>		
Advances from Customers	23	15
Trade Receivables (Refer Note 10)	1,992	1,510
<b>(e) Movement of Contract Liabilities</b>		
Contract Liabilities at the beginning of the year	23	15
Amounts included in opening contract liabilities, recognised as revenue during the year	(22)	(14)
Amount received in advances during the year (net)	31	22
Contract liabilities at the end of the year	32	23
(f) There was no contract where revenue was to be recognised over a 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.		
<b>30 OTHER INCOME</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Interest from banks	7	5
Interest Income from customers and others	72	50
Liabilities no longer required, written Back	61	52
Gain on Fair valuation of Financial Assets	7	7
Profit on sale of Property, Plant and Equipment	12	21
Gain on modification/cancellation of lease	1	-
Gain on sale of Investment	0*	-
Miscellaneous Income	3	7
<b>Total</b>	<b>163</b>	<b>142</b>
* Amount less than Rs. 1 lakh.		
<b>31 COST OF MATERIALS CONSUMED</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Opening Stock	1,935	1,645
Add: Purchases	20,188	17,900
Less: Closing Stock	1,032	1,935
<b>Cost of materials consumed*</b>	<b>21,091</b>	<b>17,610</b>
*Refer Note - 49		

Note	Particulars	(Rs. in lakhs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>32</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
(A)	<b>Opening Inventories</b>		
	Finished Products	2,086	2,044
	Work-in-Progress	625	532
		<b>2,711</b>	<b>2,576</b>
(B)	<b>Closing Inventories</b>		
	Finished Products	3,379	2,086
	Work-in-Progress	592	625
		<b>3,971</b>	<b>2,711</b>
	<b>Change in Inventories of Finished Goods and Work-in-progress (A-B)</b>	<b>(1,260)</b>	<b>(135)</b>
<b>33</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salaries, Wages & other benefits	5,079	4,605
	Contribution to Provident & other funds (Refer Note 44)	220	202
	Gratuity and Leave Encashment expenses (Refer Note 44)	104	81
	Employee Welfare Expenses	202	189
	<b>Total</b>	<b>5,605</b>	<b>5,077</b>
<b>34</b>	<b>FINANCE COSTS</b>		
	Interest Expense	146	258
	Interest on Lease Liabilities	2	3
	Interest on Income Tax	5	6
	Other Borrowing costs	15	13
	<b>Total</b>	<b>168</b>	<b>280</b>
<b>35</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSE</b>		
	Depreciation on Property, Plant and Equipment and Right of use Assets	703	647
	Amortization on Intangible assets	0*	1
	<b>Total</b>	<b>703</b>	<b>648</b>
	* Amount less than Rs. 1 lakh		
<b>36</b>	<b>OTHER EXPENSES</b>		
(a)	<b>Manufacturing Expenses</b>		
	Store and Spares consumed	520	457
	Packing materials consumed	595	559
	Power and Fuel	4,130	3,572
	Repairs to Plant and Machinery	421	366
	Repairs to Building	53	40
		<b>5,719</b>	<b>4,994</b>
(b)	<b>Selling and Distribution Expenses</b>		
	Freight and Forwarding	507	521
	Brokerage and Commission	67	46
		<b>574</b>	<b>567</b>
(c)	<b>Establishment Expenses</b>		
	Legal and Professional fees	58	36
	Rent	1	1
	Rates and Taxes	25	18
	Repairs to Others	14	8
	Insurance	50	52
	Travelling expenses	18	16
	Payment to Auditors (Refer note 36.1)	6	7
	Printing and Stationary	21	16
	Vehicle running & maintenance expenses	19	14
	Computer expenses	15	8
	Communication expenses	14	13
	General expenses	38	46
	Allowances for Doubtful debts/Advances	251	191
	Corporate Social Responsibility (CSR) Expenditure (Refer Note 36.2)	28	16
	Pollution control Expenses	25	21
		<b>583</b>	<b>463</b>
	<b>TOTAL</b>	<b>6,876</b>	<b>6,024</b>

Note	Particulars	(Rs. in lakhs)	
<b>36.1 PAYMENT TO AUDITORS (excluding GST)</b>		<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Audit fee	4	4
	Limited Review fee & Certification	1	1
	Tax Audit fee	1	1
	Reimbursements of expenses	0*	1
	<b>Total</b>	<b>6</b>	<b>7</b>
	* less than Rs. 1 lakh		
<b>36.2 DISCLOSURES RELATED TO CSR EXPENDITURE</b>		<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	<b>Amount required to be spent by the Company during the year</b>	<b>27</b>	<b>17</b>
	(Excess)/Shortfall of previous year brought forward	0*	(1)
	Amount of expenditure incurred	28	16
	Excess/(shortfall) at the end of the year	1	0*
	Reason for shortfall	N.A.	N.A.
	* Amount less than Rs. 1 lakh		
	<b>Expenditure incurred during the year</b>		
	i) On Construction/acquisition of the assets	13	3
	ii) On purposes other than (i) above	15	13
		<b>28</b>	<b>16</b>
	<b>Nature of CSR activities</b>	Healthcare, Education and Animal Welfare	
	<b>Details of related party transaction in relation to CSR expenditure</b>		
	Contribution to Ram Lal Rajgarhia Memorial Trust for CSR activities	6	11
<b>37. Contingent Liabilities (to the extent not provided for)</b>		<b>(Rs. in lakhs)</b>	
S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
I	<b>Claims against the Company not acknowledged as debt</b>		
	Demand of Transformation Charges from JVVNL	176	176
II	<b>Other money for which the Company is contingently liable:</b>		
	*Demands of Excise Duty and Value Added Tax	138	286
	*Demands of Income Tax	7	7
* Excluding interest / penalty as may be determined / levied on the conclusion of the matters.			
Note: The timing and future cash flow in above matters will depend on the outcome of the respective proceedings.			
<b>38. Commitments</b>		<b>(Rs. in lakhs)</b>	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>Capital Commitments</b>			
Estimated value of contracts to be executed on capital account (net of advances)	802	1,786	

39. 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, 2023	As at March 31, 2022
(a)	Dues remaining unpaid as at Balance Sheet date		
	- Principal amount	54	77
	- Interest amount	0*	-
(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	_*	_*

\* Rs.197/- (previous year NIL) is payable as Interest.

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).

40. Ageing of Capital- Work-in-Progress (CWIP)

As at March 31, 2023

(Rs. in lakhs)

Projects in Progress	Amount in CWIP for period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 years	Total
Blow Room	4	-	-	-	4
Carding	1	-	-	-	1
Total	5	-	-	-	5

As at March 31, 2022

(Rs. in lakhs)

Projects in Progress	Amount in CWIP for period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 years	Total
Scrap Yard	2	-	-	-	2
Overhead Travelling Cleaner with Railing	5	-	-	-	5
Compartment Continuous Conveyor Dryer Machine	15	-	-	-	15
High Speed Timing Belt Drive Coiler	7	-	-	-	7
Total	29	-	-	-	29

Note: There is no project which is behind the scheduled completion date or has exceeded the cost compared to its budget.

## 41. Ageing of Trade Receivables

As at March 31, 2023

(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	1,310	19	-	-	-	1,329
Undisputed Trade Receivables which have significant increase in credit risk	-	-	8	22	681	711
Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,310</b>	<b>19</b>	<b>8</b>	<b>22</b>	<b>681</b>	<b>2,040</b>

As at March 31, 2022

(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	1,733	14	-	-	-	1,747
Undisputed Trade Receivables Which have significant increase in credit risk	-	-	31	40	651	722
Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,733</b>	<b>14</b>	<b>31</b>	<b>40</b>	<b>651</b>	<b>2,469</b>

## 42. Ageing of Trade Payables

As at March 31, 2023

(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	54	-	-	-	54
Undisputed dues - Others	581	49	4	4	638
Disputed due - MSME	-	-	-	-	-
Disputed dues - Others	29	12	12	452	505
<b>Total</b>	<b>664</b>	<b>61</b>	<b>16</b>	<b>456</b>	<b>1,197</b>

As at March 31, 2022

(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	77	-	-	-	77
Undisputed dues - Others	514	19	6	6	545
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	12	12	17	435	476
<b>Total</b>	<b>603</b>	<b>31</b>	<b>23</b>	<b>441</b>	<b>1,098</b>

## 43. Disclosures as per Ind AS 116 - Leases

## 43.1 Amounts recognised in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation Expenses	127	127
Interest Expenses	2	3
Rent	74	79
<b>Total</b>	<b>203</b>	<b>209</b>

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

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Right of Use Assets			Right of Use Assets		
	Land	Buildings	Total	Land	Buildings	Total
Current lease liabilities	-	27	27	-*	28	28
Non-current lease liabilities	-	28	28	2	4	6
<b>Total</b>	-	<b>55</b>	<b>55</b>	2	32	34

\*Amount is less than Rs. 1 lakh.

## 43.3 The movement in lease liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Right of Use Assets			Right of Use Assets		
	Land	Building	Total	Land	Building	Total
Balance at the beginning of the year	2	32	34	2	58	60
Additions	-	51	51	-	-	-
Finance cost accrued during the year	0*	2	2	0*	3	3
Deletions/Adjustment on cancellation/modification	(1)	0	(1)	-	-	-
Payment of lease liabilities	(1)	(30)	(31)	0*	(29)	(29)
<b>Balance at the end of the year</b>	-	<b>55</b>	<b>55</b>	2	32	34

\*Amount is less than Rs. 1 lakh.



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

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Right of Use Assets			Right of Use Assets		
	Land	Building	Total	Land	Building	Total
Within one year	-	31	31	0*	30	30
One to five years	-	29	29	1	4	5
After five years	-	-	-	29	-	29
<b>Total</b>	-	60	60	30	34	64

\*Amount is less than Rs. 1 lakh.

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, 2023	For the year ended March 31, 2022
Contribution to provident fund	220	202
Employee State Insurance Corporation	126	118

## b) Post Retirement Benefit Plan - Gratuity

## 1. Amount recognized in the Balance Sheet

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Gratuity:</b>		
Present value of plan liabilities	950	834
Fair value of plan assets	855	733
<b>Unfunded Liability/Provision in Balance Sheet</b>	<b>(95)</b>	<b>(101)</b>

## 2. Movements in plan assets and plan liabilities

(Rs. in lakhs)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Plan Assets	Plan Liabilities	Plan Assets	Plan Liabilities
<b>At the beginning of the year</b>	<b>733</b>	<b>834</b>	<b>622</b>	<b>755</b>
Current Service Cost	-	66	-	61
Fund Charges	(2)	-	(2)	-
Actual return on plan assets	55	-	45	-
Interest cost	-	60	-	52
Actuarial (gain)/loss on Obligation	-	14	-	8
Employer contributions	93	-	110	-
Benefit payments	(24)	(24)	(42)	(42)
<b>At the end of the year</b>	<b>855</b>	<b>950</b>	<b>733</b>	<b>834</b>

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

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Gratuity:</b>		
Current service cost	66	61
Finance cost/(Income)	7	9
<b>Net impact on the Profit/(Loss) before tax</b>	<b>(73)</b>	<b>(70)</b>
<b>Remeasurement of the net defined benefit liability</b>		
Return on plan assets excluding actual return on plan assets	-	1
Actuarial gains/(loss) arising from changes in demographic	-	-
Actuarial gains/(loss) arising from changes in financial assumption	6	13
Experience gains/(loss) arising on experience adjustments	(20)	(21)
Benefit plan liabilities	-	-
<b>Net gain/(loss) recognized in the Other Comprehensive Income before tax</b>	<b>(14)</b>	<b>(7)</b>

**4. Assets**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Gratuity:</b>		
<b>Unquoted</b>		
Government Debt Instruments	-	-
Corporate Bonds	-	-
Insurer managed funds	100%	100%
Others	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>

**5. Assumptions**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial Assumptions</b>		
Discount rate	7.36%	7.18%
Salary Escalation Rate #	4.50%	4.50%
<b>Demographic Assumptions</b>		
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, 2023			As at March 31, 2022		
	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%	(18)	19	0.50%	(16)	17
Salary Escalation Rate	0.50%	19	(18)	0.50%	18	(17)

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, 2023	As at March 31, 2022
0 - 1 year	540	463
1 - 2 years	28	33
2 - 3 years	51	24
3 - 4 years	33	42
4 - 5 years	50	26
5 - 6 years	23	42
6 years onwards	225	204

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 2022-23	Financial Year 2021-22
Liability/(Asset) at the end of the year	2	(8)
Expense recognised in the Statement of Profit and Loss	35	17

**2. Financial Assumptions**

Particulars	Financial Year 2022-23	Financial Year 2021-22
Discount Rate	7.36%	7.18%
Future salary increases allowing for price inflation	4.50%	4.50%

**3. Demographic Assumptions**

Particulars	Financial Year 2022-23	Financial Year 2021-22
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, 2023	As at March 31, 2022
<b>Borrowings</b>	<b>2,309</b>	3,513
Less : Cash and cash equivalents	<b>66</b>	4
Net Debt (A)	<b>2,243</b>	3,509
<b>Equity (B)</b>	<b>16,997</b>	15,088
Gearing Ratio (times) A/B	<b>0.13</b>	0.23

(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, 2023	As at March 31, 2022
Total Borrowings	2,313	3,513

**a)(i)(2) Interest Rate Sensitivity****(Rs. In lakhs)**

Basis Points	Financial year 2022-23	Financial year 2021-22
50 basis point increase would decrease the profit before tax by	(12)	(18)
50 basis point decrease would Increase the profit before tax by	12	18

**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, 2023.

**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, 2023, 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
<b>March 31, 2023</b>				
Long Term Borrowings (including Current maturities of long terms debts)	-	946	-	946
Short Term Borrowings	1,367	-	-	1,367
Trade and other payables	1,197	-	-	1,197
Payable on Capital Creditors	19	0	-	19
Lease Liabilities	31	29	-	60
Other financial liabilities (Current and Non-current)	693	-	-	693
<b>March 31, 2022</b>				
Long Term Borrowings (including Current maturities of long terms debts)	487	1,230	293	2,010
Short Term Borrowings	1,503	-	-	1,503
Trade and other payables	1,098	-	-	1,098
Payable on Capital Creditors	36	-	-	36
Lease Liabilities	30	5	29	64
Other financial liabilities (Current and Non-current)	684	-	-	684

#### 46. Financial Instrument 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, 2023

(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
<b>Assets:</b>					
(a) Trade receivables	1,315	-	-	1,315	1,315
(b) Loans	13	-	-	13	13
(c) Other financial assets	369	-	-	369	369
(d) Cash and cash equivalents	66	-	-	66	66
(e) Bank balances other than cash and Cash equivalents	59	-	-	59	59
<b>Liabilities:</b>					
(a) Borrowings	2,309	-	-	2,309	2,309
(b) Trade payables	1,197	-	-	1,197	1,197
(c) Other financial liabilities	767	-	-	767	767

**B. The carrying value and fair value of financial instruments by categories as at March 31, 2022**

(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
<b>Assets:</b>					
(a) Trade receivables	1,992	-	-	1,992	1,992
(b) Loans	15	-	-	15	15
(c) Other financial assets	356	-	-	356	356
(d) Cash and cash equivalents	4	-	-	4	4
(e) Bank balances other than cash and Cash equivalents	84	-	-	84	84
<b>Liabilities:</b>					
(a) Borrowings	3,513	-	-	3,513	3,513
(b) Trade payables	1,098	-	-	1,098	1,098
(c) Other financial liabilities	754	-	-	754	754

**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	March 31, 2023			March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>(1) Financial Assets and Financial Liabilities measured at FV recurring FV measurement</b>	-	-	-	-	-	-
<b>(2) Financial Assets and Financial Liabilities measured at Amortized cost for which FV are disclosed</b>						
<b>Assets</b>						
(a) Loans	-	-	13	-	-	15
(b) Security Deposits	-	-	68	-	-	40
(c) Lease Obligations	-	-	55	-	-	34

**(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 amortised cost :-

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit	68	40
Loans	13	15
Lease Obligations	55	34

- (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. Income Tax Expense**

- a) Tax expense recognized in the Statement of Profit and Loss:**

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current tax</b>		
Current tax on taxable income for the year	830	655
<b>Total Current tax expense</b>	<b>830</b>	<b>655</b>
<b>Deferred tax</b>		
Deferred tax charge/(credit)	61	227
<b>Total deferred tax expense/(benefit)</b>	<b>61</b>	<b>227</b>
Tax related to earlier year	3	(36)
<b>Total tax expense</b>	<b>894</b>	<b>846</b>

- b) A 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, 2023		Year ended March 31, 2022	
<b>Enacted income tax rate in India applicable to the company</b>	<b>29.12%</b>		<b>29.12%</b>	
<b>Profit before tax</b>		<b>3,029</b>		<b>2,321</b>
Current tax expense on profit before tax	<b>29.12%</b>	<b>882</b>	<b>29.12%</b>	<b>676</b>
<b>Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income</b>				
Effect of change in tax rate*	-	-	6.29%	146
Effect of temporary differences	-	-	0.04%	1
Effect of permanent differences	<b>0.29%</b>	<b>9</b>	<b>2.55%</b>	<b>59</b>
Tax related to earlier year	<b>0.10%</b>	<b>3</b>	<b>(1.55%)</b>	<b>(36)</b>
<b>Tax Expense recognized in the Statement of Profit &amp; Loss</b>	<b>29.51%</b>	<b>894</b>	<b>36.45%</b>	<b>846</b>

\*Change in income tax rate due to increase in surcharge from 7% to 12% on account of higher taxable income.

- c) Tax Assets and Liabilities**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax assets (net)	44	44
Current tax liabilities (net)	10	29



## d) Deferred Tax Assets and Liabilities

(Rs. in lakhs)

Particulars	As at April 1, 2021 - 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, 2022 - Deferred tax assets/ liabilities	(Credit)/ charge in statement of profit and loss	(Credit)/ charge directly in OCI	As at March 31, 2023 -Deferred tax assets/ liabilities
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,239	-	222	-	3,461	126	-	3,587
<b>Deferred Tax Liabilities</b>	<b>3,239</b>	<b>-</b>	<b>222</b>	<b>-</b>	<b>3,461</b>	<b>126</b>	<b>-</b>	<b>3,587</b>
Expenditure allowed for tax purpose on payment basis	30	-	11	(2)	21	8	(4)	17
Allowance for doubtful debts	82	-	(59)	-	141	(73)	-	214
Valuation of Investment	53	-	53	-	-	-	-	-
MAT Credit Entitlements	138	138	-	-	-	-	-	-
<b>Deferred tax Assets</b>	<b>303</b>	<b>138</b>	<b>5</b>	<b>(2)</b>	<b>162</b>	<b>(65)</b>	<b>(4)</b>	<b>231</b>
<b>Deferred tax liabilities (net)</b>	<b>2,936</b>	<b>138</b>	<b>227</b>	<b>(2)</b>	<b>3,299</b>	<b>61</b>	<b>(4)</b>	<b>3,356</b>

## 48. Value of Raw materials, Stores &amp; Spares and Packing materials consumed

	Year ended March 31, 2023		Year ended March 31, 2022	
Particulars	Value (Rs. in lakhs)	%	Value (Rs. in lakhs)	%
<b>Raw Material Consumed</b>				
Indigenous	21,091	100	17,610	100
Imported	-	-	-	-
<b>Total</b>	<b>21,091</b>	<b>100</b>	<b>17,610</b>	<b>100</b>
<b>Stores &amp; Spares and Packing materials consumed</b>				
Indigenous	1,115	100	1,016	100
Imported	-	-	-	-
<b>Total</b>	<b>1,115</b>	<b>100</b>	<b>1,016</b>	<b>100</b>

## 49. Raw material consumption:

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Quantity (in Kgs.)	Value (Rs. in lakhs)	Quantity (in Kgs.)	Value (Rs. in lakhs)
Viscose Staple Fibre	1,069,631	2,137	711,682	1,270
Polyester Fibre	20,230,352	17,155	19,102,242	14,884
Acrylic Fibre	281,041	424	184,958	269
Dyes, chemicals and Others		1,332		1,063
Polyester Yarn (Sewing Thread)	17,036*	43	49,844*	124
<b>Total</b>		<b>21,091</b>		<b>17,610</b>

\* Consumption of Polyester yarn (Sewing Thread) excludes 70,279 Kgs. (March 31, 2022-154,064Kgs.) issued for captive consumption.

## 50. Particulars in respect of Production, Sales and Stocks

## a. Production, Sales and Stocks

## Man Made Fibers Spun Yarn

Year Ended	Production (in Kgs.)	Opening Stock		Closing Stock	
		Quantity (in Kgs.)	Value (Rs. in lakhs)	Quantity (in Kgs.)	Value (Rs. in lakhs)
March 31, 2023	20,768,905	1,353,760	1,982	2,289,650	3,376
March 31, 2022	19,169,300	1,532,230	1,929	1,353,760	1,982

## Sewing Thread

Year Ended	Production (Kgs.)	Opening Stock		Closing Stock	
		Quantity (in Kgs.)	Value (Rs. in lakhs)	Quantity (in Kgs.)	Value (Rs. in lakhs)
March 31, 2023	93,743*	30,904	104	1,678	3
March 31, 2022	207,658*	35,694	115	30,904	104

\* Including 70,279 Kgs. (March 31, 2022 -155,698 Kgs.) produced from yarn received from Spinning Division.

## b. Turnover:

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Quantity (in Kgs.)	Value (Rs. in lakhs)	Quantity (in Kgs.)	Value (Rs. in lakhs)
Man-made Fibre spun Yarn	19,762,298*	35,326	19,193,006*	30,611
Sewing Thread	122,933**	438	212,445**	794
Total		35,764		31,405

\* Excluding shortage/wastage of yarn 438 Kgs. (March 31, 2022 -700Kgs.) and yarn transferred to Sewing Thread 70,279 Kgs. (March 31, 2022-154,064 Kgs.)

\*\*\*Excluding shortage/wastage of Sewing Thread 36 kgs (March 31, 2021 - 3 kgs)

## 51. (a) CIF Value of Imports: Rs. 633 lakhs (March 31, 2022 - Rs. 776 lakhs)

## (b) Income and Expenditure in Foreign Currency: Nil (March 31, 2022: Nil)

## 52. Related Party disclosures as required by Ind AS-24

## 52.1 List of related parties and relationship:

1	Key management personnel (KMP)	
	Shri Rajendra Kumar Rajgarhia Shri Hari Ram Sharma Shri Chandra Shekhar Vijay Smt. Neha Goel	Chairman and Whole Time Director Managing Director Chief Financial Officer Company Secretary
2	Non-Executive Directors	
	Shri Shri Gopal Rajgarhia Shri Khushi Ram Gupta Shri Ram Ratan Bagri Smt. Uma Hada	Non-Executive and Non-Independent Director Non-Executive and Independent Director Non-Executive and Independent Director Non-Executive and Independent Director
4	Enterprises over which Directors/KMP have significant influence	
	Mufin Green Finance Limited (formerly APM Finvest Limited)-up to March 09, 2022 Perfectpac Limited Rajgarhia Leasing and Financial Services Private Limited Arvind Syntex Private Ltd Faridabad Paper Mills Private Limited Essvee Fiscal LLP Rovo Marketing Private Limited Ram Lal Rajgarhia Memorial Trust Anya Rajgarhia Foundation Kabir Rajgarhia Foundation	

4	Relatives of Directors/KMP with whom transactions have taken place	
	Smt. Prabha Rajgarhia	Wife of Chairman
	Shri Sanjay Rajgarhia	Son of Chairman
	Smt. Pooja Rajgarhia	Daughter in law of Chairman
	Shri Ajay Rajgarhia	Son of Chairman and in employment of the Company
	Shri Deepak Harlalka	Son in law of Chairman
	Ms. Aditi Rajgarhia	Granddaughter of Chairman
	Shri Nawal Kishore Rajgarhia	Brother of Chairman and Director, Shri Shri Gopal Rajgarhia
	Smt. Anisha Mittal	Daughter of Director, Shri Shri Gopal Rajgarhia
	Miss. Bhavna Rajgarhia	Daughter of Director, Shri Shri Gopal Rajgarhia
	Shri Arvind Sharma	Son of Managing Director
	Shri Aman Vijay	Son of Chief Financial Officer
	Shri Saurabh Vijayvargiya	Son of Chief Financial Officer
	Smt. Nirmala Bagri	Wife of Director, Shri Ram Ratan Bagri
	Shri Sanjay Hada	Son of Director, Smt. Uma Hada
	Shri Kabir Rajgarhia	Grandson of Chairman and son of Shri Ajay Rajgarhia

## 52.2 The following 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, 2023	Year ended March 31, 2022
Arvind Syntex Private Limited	Sales (Net of Sales return)	8	52
Ram Lal Rajgarhia Memorial Trust	Contribution for Corporate Social Responsibility(CSR) activities	6	11
Shri Khushi Ram Gupta	Director Sitting Fees	2	3
Shri Ram Ratan Bagri	Director Sitting Fees	2	3
Shri Shri Gopal Rajgarhia	Director Sitting Fees	2	2
	Dividend paid	6	-
Smt. Uma Hada	Director Sitting Fees	0*	0*
	Dividend paid	0*	-
Smt. Prabha Rajgarhia	Rent	13	13
	Dividend paid	16	-
Ms. Aditi Rajgarhia	Rent	2	2
Rajgarhia Leasing and Financial Services Private Limited	Interest expense	-	40
	Loans Repaid	-	4492
	Loans taken	-	4492
	Dividend Paid	12	-
Mufin Green Finance Limited (formerly APM Finvest Limited)	Reimbursements /payments made by the Company on its behalf	-	39
	Reimbursements/Payments received by the Company on its behalf	-	39
	Loans Repaid	-	641
	Loans taken	-	641
	Interest Expense	-	12
Shri Rajendra Kumar Rajgarhia	Remuneration	179	135
	Dividend Paid	39	-
Shri Hari Ram Sharma	Remuneration	138	130
	Dividend Paid	0*	-
Shri Ajay Rajgarhia	Remuneration	29	26
	Rent	19	19
	Dividend paid	23	-
Shri Chandra Shekhar Vijay	Remuneration	25	23
	Dividend paid	0*	-
Smt. Neha Goel	Remuneration	7	6
Faridabad Paper Mills Private Limited	Dividend paid	28	-
Smt Anisha Mittal	Dividend paid	4	-
Smt. Bhavna Rajgarhia	Dividend paid	3	-
Shri Sanjay Rajgarhia	Dividend paid	6	-
Essvee Fiiscal LLP	Dividend paid	1	-
Others#	Dividend paid	3	-
Shri Rajendra Kumar Rajgarhia	Increase in Personal guarantee amount provided to lenders of the Company	946	928
	Reduction in Personal guarantee amount provided to lenders of the Company	2,146	624

\*Amount less than Rs. 1 lakh

# Aggregate dividend paid to all relatives of Key Managerial Personnel/Directors, less than Rs. 1 lakh individually.

Note:

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. 141 lakhs during the financial year ended March 31, 2023 (March 31, 2022 - Nil).

**52.3 Outstanding balances with related parties**

(Rs. in lakhs)			
Name of the related party	Nature of transaction	As at March, 31 2023	As at March, 31 2022
Shri Rajendra Kumar Rajgarhia	Personal guarantee provided to lenders (Outstanding aggregate balance of loans covered under the guarantee)	2,313	3,513
Smt. Prabha Rajgarhia	Unsecured Security Deposit(Rent)	2	2
Shri Ajay Rajgarhia	Unsecured Security Deposit (Rent)	4	4
Ms. Aditi Rajgarhia	Unsecured Security Deposit (Rent)	0*	0*

\*Amount less than Rs. 1 lakh

**52.4 Particulars of Remuneration to Key Management Personnel**

For the year ended March 31, 2023

(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 #	148	137	25	7
Contribution to Provident and other Funds	-	0*	0*	0*
Commission on Profit	28	-	-	-
Value of perquisites, calculated as per Income Tax Rules	3	1	0*	-

\*Amount less than Rs. 1 lakh

For the year ended March 31, 2022

(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 #	128	129	23	6
Contribution to Provident and other Funds	-	0*	0*	0*
Value of perquisites, calculated as per Income Tax Rules	7	1	0*	-

\* Amount less than Rs. 1 lakh

# Including provisions for Gratuity and Compensated Leave

**52.5** No amount pertaining to related parties which have been provided for as doubtful debts or written off.

**52.6** The transactions with the related parties are made on terms equivalent to and those applicable to all unrelated parties on arm's length basis. Outstanding balances of security deposits at the year-end are unsecured, interest free and will be settled in cash.

**53. 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.

**54. Other disclosures/information****54.1. 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, 2023 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, 2023.

**(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, 2023.

**(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, 2023.

**(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, 2023.

**(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, 2023.

**54.2 Other Statutory information**

- (i) The Company has no long-term contracts including derivative contracts having material foreseeable losses as at March 31, 2023.
- (ii) The Company has not received any whistleblower complaint during the year ended March 31, 2023.
- (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, 2023.

## 57. Accounting Ratios

Sl. No.	Name of the Ratio	Numerator	Denominator	Ratios		Variance %	Reason where variance exceeds 25%
				F.Y 2022-23	F.Y 2021-22		
1	Current Ratio (in times)	Current assets	Current liabilities	2.00	1.81	10.50%	-
2	Debt – Equity Ratio (in times)	Debts (Outstanding Liabilities)	Equity (Shareholder's Fund)	0.14	0.23	(39.13%)	Due to reduction in borrowings during the year
3	Debt Service coverage ratio (in times)	Earnings available for debt service	Debt service	35.55	4.13	760.77%	Due to reduction in the amount of loans repayable during the year ended March 31, 2023 as compared to previous year ended March 31, 2022.
4	Return on equity (in %)	Profit after tax (PAT)	Average Equity (Average Shareholder's Fund)	13.31	10.28	29.48%	Due to increase in profit during the year
5	Inventory Turnover Ratio (in times)	Cost of Goods sold	Average Inventory	6.45	6.14	5.05%	-
6	Trade receivables turnover ratio (in times)	Net sales	Average Trade Receivables	21.63	17.94	20.56%	-
7	Trade payables turnover ratio (in times)	Net purchases	Average trade payables	18.25	16.25	12.31%	-
8	Net capital turnover ratio (in times)	Net sales	Working Capital	10.12	9.55	5.97%	-
9	Net profit Margin (in %)	Profit after tax (PAT)	Net sales	5.92	4.66	27.04%	Due to increase in gross profit margin during the year
10	Return on capital employed (in %)	Earnings before interest and tax	Capital employed	14.11	11.88	18.77%	-
11	Return on investment (in %)			NA*	NA*		-

\*There is no investment in Units of Mutual Funds/Bonds/Shares/Fixed Depositsetc. held by the Company at the end of the year.

**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) Debts (outstanding Liabilities) = Borrowings
- (c) Debt service = Principal repayments of term loans and lease liabilities due within one year + interest payable on term loans.
- (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 – Current 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

**56. Dividend**

The Board of Directors in their meeting held on May 16, 2023 have recommended a dividend @ Rs.1.60 per Equity share of face value of Rs. 2 each (i.e., 80%) for the financial year 2022-23 (Rs.1 per Equity share for the financial year 2021-22) in accordance with the provisions of section 123 of the Act subject to approval of the shareholders of the Company at the ensuing General Meeting. The proposed dividend of Rs. 346 lakhs will be recognized as liability in the books of account after approval of the shareholders.

**57. Earnings per Share (EPS)**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit for the period (before OCI) (Rs. in lakhs)	2,135	1,475
Weighted average no. of Equity Shares	21,611,360	21,611,360
Diluted average no. of Equity Shares	21,611,360	21,611,360
Basic earnings per share (in Rs.)	9.88	6.83
Diluted earnings per share (in Rs.)	9.88	6.83
Face value of each shares (in Rs.)	2	2

- 58.** 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. Previous year figures have been regrouped / reclassified wherever considered necessary.

As per our report of even date

**FOR AND ON BEHALF OF THE BOARD**

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

**RAJENDRA KUMAR RAJGARHIA**  
Chairman and Whole Time Director  
DIN-00141766

**KHUSHI RAM GUPTA**  
Director  
DIN-00027295

**HARI RAM SHARMA**  
Managing Director  
DIN-00178632

**LAXMI NARAIN JAIN**  
Partner  
Membership No.072579

**CHANDRA SHEKHAR VIJAY**  
Chief Financial Officer

**NEHA GOEL**  
Company Secretary  
Membership No. 48053

**Place : New Delhi**  
**Date : May 16, 2023**