Independent Auditor's Report on the Financial Reporting Prepared for Consolidation Purpose

To the management of APL Apollo Tubes Ltd. (the "Group")

In accordance with your instructions dated December 6, 2024, we have audited for purposes of your audit of the consolidated financial statements of APL Apollo Tubes Ltd. (the "Group") the financial information included in the of APL Apollo Tubes Company LLC for the year ended 31st March 2025. This financial information has been prepared solely to enable the Group to prepare its consolidated financial statements.

Management's Responsibility

Management is responsible for the preparation and presentation of the financial information in accordance with Indian Accounting Standards (Ind As) , accounting principles generally accepted in India and the Group's accounting policies, and for such internal control as management determines is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial information using, *ISA 700 – Forming an opinion and reporting on financial Statement* and in accordance with your instructions. As requested by you, we planned and performed our audit using the component materiality and component performance materiality as agreed by you, which is[i] different than the materiality and performance materiality that we would have used had we been designing the audit to express an opinion on the financial information of the component alone.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The conclusions reached in forming our opinion are based on the component materiality and component performance materiality lower than specified by you, in the context of the audit of the consolidated financial statements of the Group.

We have complied with 'International Ethics Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the *ethical requirements that are relevant to the group audit, including independence and professional competence as* it relates to our independence and professional competence.

Opinion

In our opinion, the financial information for ***APL Apollo Tubes Company LLC*** as of 31st March 2025 and for the year then ended have been prepared, in all material respects, on the basis of Indian Accounting Standards (Ind AS) *or* accounting principles generally accepted in India and the Group's accounting policies.

Basis of Preparation, Restriction on Use and Distribution

This financial information has been prepared for purposes of providing information to the Group to enable it to prepare its consolidated financial statements. As a result, the financial information is not a complete set of financial statements of APL Apollo Tubes Company LLC in accordance with Indian Accounting Standards (Ind As), and is not intended to give a true and fair view of the financial position of APL Apollo Tubes Company LLC as of 31st March 2025, and of its financial performance, and its cash flows for the year then ended in accordance with Indian Accounting Standards (Ind As). The financial information may, therefore, not be suitable for another purpose.

This report is intended solely for Group's management and should not be used by (or distributed to) any other parties.

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05/05/2025
PO Box No. 94570
Dubai, UAE

A P L APOLLO TUBES COMPANY LLC

BALANCE SHEET AS AT MARCH 31, 2025

(AED in Million)

	Particulars	Notes	As at March 31, 2025	As at March 31, 2024
I.	**ASSETS**			
(1)	**Non-current assets**			
(a)	Property, plant and equipment	2	164.46	79.30
(b)	Capital work-in-progress	3	1.91	29.84
(c)	Right of Use Assets	4	7.99	8.46
(d)	Intangible assets	5	0.09	-
(e)	Financial assets			
	(i) Other financial assets	6	0.11	0.03
(f)	Other non current assets	7	9.22	15.24
	Total non-current assets		**183.78**	**132.87**
(2)	**Current assets**			
(a)	Inventories	8	66.75	79.63
(b)	Financial assets			
	(i) Trade receivables	9	67.58	33.92
	(ii) Cash and cash equivalents	10	21.46	0.92
	(iii) Loans	11	0.98	0.95
(c)	Other current assets	12	4.46	2.83
	Total current assets		**161.23**	**118.25**
	Total Assets		**345.01**	**251.12**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
(a)	Equity share capital	13(a)	73.30	65.00
(b)	Other equity	13(b)	27.63	5.09
	Total equity		**100.93**	**70.09**
	Liabilities			
(2)	**Non-current liabilities**			
(a)	Financial Liabilities			
	(i) Borrowings	14	33.71	85.07
	(ii) Lease liabilities	4	8.12	8.40
(b)	Provisions	15	0.37	0.16
	Total non-current liabilities		**42.20**	**93.63**
(3)	**Current liabilities**			
(a)	Financial liabilties			
	(i) Borrowings	16	18.99	26.54
	(ii) Lease liabilities	4	0.28	0.26
	(iii) Trade payables	17	175.19	50.65
	(iv) Other financial liabilities	18	0.81	7.97
(b)	Other current liabilities	19	4.41	1.87
(c)	Provisions	20	2.20	0.11
	Total current liabilities		**201.88**	**87.40**
	Total equity and liabilities		**345.01**	**251.12**

Annexed notes form an integral part of these financial statements.

For A P L APOLLO TUBES COMPANY LLC

Pradeep Sharma

Umm Al Quwain U.A.E.
A P L APOLLO TUBES COMPANY L.L.C

Pradeep Udick Chand Sharma
Manager
Umm Al Quwain
May 05, 2025

A P L APOLLO TUBES COMPANY LLC

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(AED in Million)

	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenue from operations	21	493.93	121.92
II	Other income	22	-	0.26
III	**Total income (I +II)**		**493.93**	**122.18**
IV	**Expenses**			
	(a) Cost of materials consumed	23	280.61	79.41
	(b) Purchase of stock-in-trade		120.35	71.43
	(c) Changes in inventories of finished goods, work-in-progress, rejection and scrap	24	14.21	(45.21)
	(d) Employee benefits expense	25	11.33	1.88
	(e) Finance costs	26	9.03	1.59
	(f) Depreciation expense	27	5.68	1.12
	(g) Other expenses	28	29.82	6.69
	Total expenses		**471.03**	**116.91**
V	**Profit before tax (III - IV)**		**22.90**	**5.27**
VI	**Tax expense:**			
	(a) Current tax		2.05	-
	Total tax expense		**2.05**	-
VII	**Profit for the year (V-VI)**		**20.85**	**5.27**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurement of post employment benefit obligation		-	-
	(b) Income tax relating to (a) above		-	-
	Other comprehensive income for the year		-	-
IX	**Total comprehensive income/(loss) for the year (VII+VIII)**		**20.85**	**5.27**

Annexed notes form an integral part of these financial statements.

For A P L APOLLO TUBES COMPANY LLC

Pardeep Sharma

Pradeep Udick Chand Sharma
Manager
Umm Al Quwain
May 05, 2025

A P L APOLLO TUBES COMPANY LLC
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(AED in Million)

a) Equity share capital

Particulars	
Opening balance as at April 01, 2024	0.30
Changes during the period ended March, 2024	64.70
Balance as at March 31, 2024	**65.00**
Changes during the year ended March, 2025	8.30
Balance as at March 31, 2025	**73.30**

b) Other equity

Particulars	Securities Premium	Retained Earnings	Total
Opening balance as at April 01, 2024		(0.18)	(0.18)
Profit for the period ended March 31, 2024		5.27	5.27
Other comprehensive income for the period		-	-
Total comprehensive income for the period		**5.27**	**5.27**
Balance as at March 31, 2024		**5.09**	**5.09**
Profit for the year ended March 31, 2025		20.85	20.85
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**20.85**	**20.85**
Securities premium on issue of share capital	1.69		1.69
Balance as at March 31, 2025	**1.69**	**25.94**	**27.63**

This is the statement of changes in equity referred to in our report of even date

Annexed notes form an integral part of these financial statements.
For A P L APOLLO TUBES COMPANY LLC

Pradeep Udick Chand Sharma
Manager
Umm Al Quwain
May 05, 2025

A P L APOLLO TUBES COMPANY LLC

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

		(AED in Million)
Particulars	**Year ended March 31, 2025**	**Period ended March 31, 2024**
A. Cash flow from operating activities		
Loss before tax	22.90	5.27
Adjustments for:		
Interest income on fixed deposits		
Finance Cost	9.03	1.59
Net unrealized foreign exchange loss / (gain)	(0.75)	(0.48)
Depreciation and amortisation expense	5.68	1.12
Operating profit before working capital changes	**36.86**	**7.50**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	12.88	(79.63)
Trade receivables	(32.91)	(33.71)
Non Current financial assets	(0.08)	(0.02)
Non - Current assets	-	-
Current financial assets		
Current loans	(0.03)	(0.95)
Other current assets	(1.63)	(2.16)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	124.54	46.72
Other current liabilities	2.54	1.87
Other non current liabilities		
Other financial liabilities	(1.76)	2.16
Provision (current & non-current)	0.26	0.27
Cash generated from operations	140.67	(57.95)
Net income tax paid	-	-
Net cash flow (used in) /generated from operating activities (A)	**140.67**	**(57.95)**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including capital advances	(63.08)	(86.81)
Net cash flow (used in) investing activities (B)	**(63.08)**	**(86.81)**
C. Cash flow from financing activities		
Proceed of non-current borrowings	(51.36)	55.07
Proceeds from current borrowings	(7.55)	26.54
Finance Cost	(9.03)	(1.59)
Payment on account of lease liabilities	0.90	-
Proceed from issue of equity share capital	9.99	64.70
Net cash flow generated from financing activities (C)	**(57.05)**	**144.72**
Net increase in Cash and cash equivalents (A+B+C)	20.54	(0.04)
Cash and cash equivalents at the beginning of the year	0.92	0.96
Cash and cash equivalents at the end of the year	**21.46**	**0.92**
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents (see note 10)		
Less: Bank balances not considered as Cash and cash equivalents (as defined in Ind AS 7		
(i) In other deposit accounts		
- original maturity more than 3 months	-	-
(ii) In earmarked accounts		
- Unpaid dividend accounts	-	-
Net Cash and cash equivalents (as defined in Ind AS 7 Cash Flow Statements) included in note 9	**21.46**	**0.92**

This is the statement of cash flows referred to in our report of even date

Annexed notes form an integral part of these financial statements.

For A P L APOLLO TUBES COMPANY LLC

Pradeep Udick Chand Sharma
Manager
Place - Umm Al Quwain
Date - May 5, 2025

Notes to the financial statements

1(i) Company background

A P L Apollo Tubes Company LLC incorporated on December 7, 2022, having its registered office in Umm Al Quwain, UAE. The Company is a wholly owned subsidiary of APL Apollo Tubes Limited (the Holding Company) and is engaged in the business of production of ERW steel tubes and embossed sheets.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on March ..., 2025.

1(ii) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

(a) Statement of compliance

The financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time as notified under Section 133 of the Companies Act 2013 , the relevant provision of the Companies Act 2013 ("the Act")

(b) Basis of Preparation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Notes to the financial statements

(c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

Useful lives of Property, plant and equipment (‘PPE’)

The Company reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Fair value measurement of derivative and other financial instruments

The fair value of financial instruments, that are not traded in an active market, is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.

(d) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(e) Foreign currency translation

(i) **Functional and presentation currency**

The financial statements are presented in Dhiram (AED), which is functional and presentation currency.

Notes to the financial statements

(ii) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

(f) Revenue recognition

The revenue is recognised once the entity satisfied that performance obligation & control are transferred to the customers.

(i) **Sale of goods**

The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Revenues are shown net of allowances/ returns, value added tax and applicable discounts and allowances.

In contracts where the Company acts as an agent, the revenue is recorded at the net amount that the Company retains for its services.

(ii) **Interest income**

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

(iii) **Commission income**

Commission income is recognised when the servies are rendered.

Notes to the financial statements

(g) Income tax

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023. A rate of 9% will apply to taxable income exceeding a particular threshold to be prescribed by way of a Cabinet Decision (expected to be AED 375,000 based on information released by the Ministry of Finance), a rate of 0% will apply to taxable income not exceeding this threshold [and a rate of 0% on qualifying income of free zone entities]. In addition, there are several other decisions that are yet to be finalized by way of a Cabinet Decision that are significant in order for entities to determine their tax status and taxable income. Therefore, pending such important decisions, the Company has considered that the Law, as it currently stands, is not substantively enacted as at 31 December 2022 from the perspective of IAS 12 – Income Taxes. The Company shall continue to monitor the timing of the issuance of these critical Cabinet Decisions to determine their tax status and the application of IAS 12 – Income Taxes.The Company is currently in the process of assessing the possible impact on the financial statements, both from current and deferred tax perspective, once the Law becomes substantively enacted.

The entity has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under UAE Corporate Tax Laws. Since the law requires such information and documentation to be contemporaneous in nature, the Entity is in the process of updating the documentation of transactions with the related parties/ enterprises during the financial year 2024 and expects such records to be in existence latest by the due date as per the law. The management is of the opinion that its transactions with the related parties are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

(h) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. 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.

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 includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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.

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

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

As a lessee

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Notes to the financial statements

(i) Impairment of assets

At each balance sheet date ,the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).Where the assets does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

(j) Cash and cash equivalents and Cash Flow Statement

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

(k) Inventories

Raw materials, work in progress, stores, traded and finished goods

Inventories are valued at the lower of cost (First in First Out -FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Rejection and scrap

Rejection and scrap are valued at net realisable value.
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Property, plant and equipment and capital work-in-progress

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

The Company has a policy of capitalizing insurance spares having value more than or equal to Rupees 0.01 crore.

Property, plant and equipment acquired in business combination are recognised at fair value at the acquisition date. Subsequent costs are included in the assets carrying value or recognised as a separate assets as appropriate only when it is possible that future economic benefit associated with the item will flow to the Company.

Notes to the financial statements

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of the certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of various property, plant and equipment is as under:-
(a) Buildings- 30 years
(b) Plant and machinery used in manufacturing of pipe 20 years
(c) Other plant and machinery- 5 years
(d) Vehicles- 8 years
(e) Furniture and fixtures- 10 years
(f) Office equipment- 5 years
(g) Computer- 3 years

The residual values, useful lives and method of depreciation of Property, plant & equipment is reviewed at the end of each financial year and adjusted prospectively if appropriate.

(m) Earnings per share

Basic earnings per share is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(n) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Notes to the financial statements

(o) Contingent liabilities

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

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(p) Employee benefits

The Company provides end of service benefits to its expatriate employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service year.

(q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Notes to the financial statements

(r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(s) Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Investments and other financial assets

(i) **Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

The classification criteria of the Company for debt and equity instruments is provided as under:

(a) Debt instruments

Depending upon the business model of the Company, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Equity instruments

The equity instruments can be classified as:

- Equity instruments measured at fair value through profit or loss (‘FVTPL’)
- Equity instruments measured at fair value through other comprehensive income (‘FVTOCI’)

Equity instruments and derivatives are normally measured at FVTPL. However, on initial recognition, an entity may make an irrevocable election (on an instrument-by-instrument basis) to present in OCI the subsequent changes in the fair value of an investment in an equity instrument within the scope of Ind AS -109.

(ii) **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Notes to the financial statements

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit loss are measured through a loss allowance at an amount equal to the following:
(a) the 12-months expected credit losses (expected credit losses that result from default events on financial instrument that are possible within 12 months after reporting date); or

(b) Full lifetime expected credit losses (expected credit losses that result from those default events on the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) **Derecognition of financial assets**

A financial asset is derecognised only when:
- the Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes to the financial statements

B. Financial Liabilities

(i) **Classification**

The Company classifies its financial liabilities in the following measurement categories:
- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

(ii) **Measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:
Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost :
At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other income or finance costs.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Notes to the financial statements

(u) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(v) Segment information

The Company is engaged in the business of production of ERW steel tubes. As the Company's business activity primarily falls within a single business and geographical segment i.e manufacture of steel tubes, there are no disclosures required to be provided in terms of Ind AS 108 on 'Segment Reporting'.

1(iii) Recent Accounting Developments

MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material. 1

Notes to the financial statements

2 : Property, Plant and Equipment

(AED in Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of :		
Computer	0.12	0.06
Office Equipment	0.11	0.08
Vehicles	1.66	0.11
Furniture & Fixtures	0.35	0.28
Plant and Machinery	93.96	35.23
Building	68.26	43.54
	164.46	**79.30**

Particulars	Office equipments	Vehicles	Computers	Furniture & Fixtures	Plant and Machinery	Buildings	Total
Gross carrying value							
Opening balance as at April 01, 2023			-	-	-	-	-
Additions	-	-	-	-	-	-	-
Sales / transfer during the period	0.08	0.11	0.06	0.29	35.76	43.95	80.25
Balance at March 31, 2024	**0.08**	**0.11**	**0.06**	**0.29**	**35.76**	**43.95**	**80.25**
Additions	0.05	1.74	0.09	0.10	61.91	26.47	90.36
Sales / transfer during the year	-	-	-	-	-	-	-
Balance at March 31, 2025	**0.13**	**1.85**	**0.15**	**0.39**	**97.67**	**70.42**	**170.61**

Notes to the financial statements

Accumulated depreciation							
Opening balance as at April 01, 2023	-	-	-	-	-	-	**-**
Depreciation expense	-	-	-	0.01	0.53	0.41	**0.95**
Balance at March 31, 2024	**-**	**-**	**-**	**0.01**	**0.53**	**0.41**	**0.95**
Depreciation expense	0.02	0.19	0.03	0.03	3.18	1.75	5.20
Balance at March 31, 2025	**0.02**	**0.19**	**0.03**	**0.04**	**3.71**	**2.16**	**6.15**
Net carrying value							
Opening balance as at April 01, 2023		-	-	**-**	**-**	**-**	**-**
Additions	0.08	0.11	0.06	0.29	35.76	43.95	**80.25**
Sales / transfer during the year	-	-	**-**	**-**	**-**	**-**	**-**
Depreciation expense	-	-	-	(0.01)	(0.53)	(0.41)	**(0.95)**
Balance at March 31, 2024	**0.08**	**0.11**	**0.06**	**0.28**	**35.23**	**43.54**	**79.30**
Additions	0.05	1.74	0.09	0.10	61.91	26.47	90.36
Depreciation expense	0.02	0.19	0.03	0.03	3.18	1.75	5.20
Balance at March 31, 2025	**0.11**	**1.66**	**0.12**	**0.35**	**93.96**	**68.26**	**164.46**

Notes to the financial statements

3: Capital Work In Progress (CWIP)

Particulars	Building	Plant and machinery	Total
As at April 01, 2023	**21.32**	**0.14**	**21.46**
Add : Additions during the period	36.20	51.89	**88.09**
Less : Transfer to property, plant and equipment	(43.95)	(35.76)	(79.71)
Closing balance as at March 31, 2024	**13.57**	**16.27**	**29.84**
Add : Additions during the year	26.47	61.91	**88.38**
Less : Transfer to property, plant and equipment	(40.04)	(76.27)	**(116.31)**
Closing balance as at March 31, 2025	**-**	**1.91**	**1.91**

Ageing of Capital work in progress is as below :

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in Progress					
As at March 31,2025	1.91	-	-	-	**1.91**
As at March 31,2024	29.84	-	-	-	**29.84**

As on the Balance Sheet date , there are no capital work in progress whose completion is overdue or has exceeded the cost, based on approved plan.

4 Right of use assets and lease liabilities

(AED in Million)

Particulars	Category of ROU Asset Land	Total
As at April 01, 2023	-	-
Additions during the period	9.31	9.31
Amortisation expense capitalized during the year	(0.68)	(0.68)
Amortisation expense charged through profit and loss	(0.17)	(0.17)
Balance as at March 31, 2024	**8.46**	**8.46**
Additions during the year	-	-
Amortisation expense charged through profit and loss	(0.47)	(0.47)
Balance as at March 31, 2025	**7.99**	**7.99**

(i) The Company has taken leasehold land having lease term of 20 years. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

(ii) The following is the break-up of current and non-current lease liabilities as at March 31, 2025 and March 31, 2024 :

(AED in Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liability	0.28	0.26
Non-current lease liability	8.12	8.40
Total	**8.40**	**8.67**

(iii) The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024 :

(AED in Million)

Particulars	Year ended March 31, 2025	Period ended March 31, 2024
Balance at the beginning	8.67	-
Additions	-	9.31
Finance cost accrued during the year	0.63	1.15
Payment of lease liabilities	(0.90)	(1.79)
Balance at the end	**8.40**	**8.67**

The weighted average incremental borrowing rate applied to lease liabilities as at March 31, 2025 is 6.85 %.

(iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis :

(AED in Million)

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Less than one year	0.28	0.26
One to five years	1.74	1.26
More than five years	6.38	7.15
Total	**8.40**	**8.67**

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.

Rental expense recorded for short-term leases is AED 9 Million for the year ended March 31,2025 (March 31, 2024 : 9 Million).

5 Intangible assets

	Computer Software
Cost / deemed cost	
As at April 1, 2023	-
Additions	-
Disposal	-
Balance at March 31, 2024	**-**
Additions	0.10
Disposal	-
Balance at March 31, 2025	**0.10**
Amortisation	
As at April 1, 2023	
Amortisation expense	
Elimination on disposal	
Balance at March 31, 2024	
Amortisation expense	0.01
Elimination on disposal	
Balance at March 31, 2025	**0.01**
Net carrying value	
Balance at March 31, 2025	**0.09**
Balance at March 31, 2024	-

Notes to the financial statements

6 Other financial assets (Non-current)
(Unsecured, considered good)

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Security deposit	0.11	0.03
	Total	**0.11**	**0.03**

7 Other non current assets
(Unsecured, considered good)

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Capital advances	9.22	15.24
	Total	**9.22**	**15.24**

8 Inventories

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Finished goods (including stock-in-transit)	25.27	23.19
(b)	Raw material	32.65	28.15
(c)	Stock in trade	-	21.88
(d)	Rejection and scrap	0.57	0.04
(e)	Work in progress	5.16	4.40
(f)	Stores and spares	3.10	1.97
	Total	**66.75**	**79.63**

Notes:

(i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to AED 418.10 Million (March 31, 2024 : AED 105.96 Million).

(AED in Million)

		As at March 31, 2025	As at March 31, 2024
(ii)	**Details of stock-in-transit**		
	Finished goods	3.20	4.30
(iii)	Raw material inventory lying with third party.	-	0.70

(iv) The mode of valuation of inventories has been stated in note 1(iii)(m) of significant policies

(v) Inventories have been pledged as security towards Company's borrowings from banks

9 Trade receivables (Current)

(Unsecured)

(AED in million)

	Particulars	As at March 31,	As at March 31, 2024
(a)	Considered good		
	(i) Related parties	-	-
	(ii) Other than related parties	67.58	33.92
	Sub total	**67.58**	**33.92**
(b)	Considered doubtful (other than related parties)	-	-
	Less: Allowance for doubtful debts (expected credit loss allowance)	-	-
	Sub total	**-**	**-**
	Total	**67.58**	**33.92**

(i) The average credit period on sale of goods is 0-90 days. No interest is charged on the trade receivables for the amount overdue above the credit period. Customers who represent more than 10% of the total balance of trade receivables are as follows:

(AED in million)

Particulars	As at March 31, 2025
Cutomer A	14.12
	14.12
% of total trade receivables	20.90

(AED in million)

Particulars	**As at March 31, 2024**
Cutomer B	4.61
Cutomer C	3.40
	8.01
% of total trade receivables	23.60

(ii) In determining the allowance for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(1) Movements in expected credit loss is as below :

(AED in million)

Particulars	**As at March 31,**	**As at March 31, 2024**
Balance at the beginning of the year	-	-
Provison (written back) / Charge in statement of profit and loss	-	-
Utilised during the year	-	-
Balance at the end of the year	**-**	**-**

(2) Ageing of trade receivables and credit risk arising there from is as below :

(AED in million)

	As at March 31, 2025						
	Outstanding for following periods from due date of payment						
Particulars	**Not yet due**	**Less than Six months**	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade receivables - considered good	36.75	30.44	0.39	-	-	-	67.58
Undisputed trade receivables - cr	-	-	-	-	-	-	-
	36.75	**30.44**	**0.39**	**-**	**-**	**-**	**67.58**
Less : Allowance for credit loss							-
Net trade receivables							**67.58**

(AED in million)

	As at March 31, 2024						
	Outstanding for following periods from due date of payment						
Particulars	**Not yet due**	**Less than Six months**	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade receivables - co	-	33.92	-	-	-	-	33.92
Undisputed trade receivables - cr	-	-	-	-	-	-	-
	-	**33.92**	**-**	**-**	**-**	**-**	**33.92**
Less : Allowance for credit loss							-
Net trade receivables							**33.92**

(3) Ageing wise % of expected credit loss

Particulars	As at March 31,	As at March 31, 2024
Not yet due	-	-
Less than Six months	-	-
6 months- 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

(4) Trade receivables have been pledged as security towards borrowings from banks.

Note :
There are no outstanding debts due from directors or other officers of the Company.

10 Cash and cash equivalents

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Cash on hand	-	0.09
(b)	Balances with banks		
	- in current accounts	21.46	0.83
	Total	**21.46**	**0.92**

11 Loans (Current)
(Unsecured, considered good)

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Loans & advances to employees	0.98	0.95
	Total	**0.98**	**0.95**

12 Other current assets
(Unsecured, considered good)

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Claim receivable	0.09	0.74
(b)	Prepaid expense	1.69	0.75
(c)	Advance to suppliers	0.76	-
(d)	Advance to others	1.92	1.34
	Total	**4.46**	**2.83**

(AED in million, except otherwise stated)

	Particulars	As at March 31, 2025 Number of Shares	As at March 31, 2025 Amount	As at March 31, 2024 Number of Shares	As at March 31, 2024 Amount
12	**Equity**				
13(a)	**Equity share capital**				
(i)	**Authorised capital**				
	Equity shares of AED 10,000 each	7,500	75.00	7,500	75.00
		7,500	**75.00**	**7,500**	**75.00**
(ii)	**Issued capital**				
	Equity shares of AED 10,000 each	7,330	73.30	6,500	65.00
		7,330	**73.30**	**6,500**	**65.00**
(iii)	**Subscribed and fully paid up capital**				
	Equity shares of AED 10,000 each	7,330	73.30	6,500	65.00
		7,330	**73.30**	**6,500**	**65.00**

(1) **Reconciliation of the number of shares and amount outstanding as at March 31, 2025 and March 31, 2024**

Particulars	Number of shares		Amount	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Equity share capital				
Outstanding at the beginning of the year	6,500	30	65.00	0.30
Add: Issued during the year	830	6,470	8.30	64.70
Outstanding at the end of the year	**7,330**	**6,500**	**73.30**	**65.00**

(2) **Details of shares held by the holding Company :**

Particulars	**Number of shares As at March 31, 2025**	**Number of shares As at March 31, 2024**
APL Apollo Tubes Limited	7,330	6,500

(3) **Details of shares held by each shareholder holding more than 5% shares :-**

Name of shareholder	**As at March 31, 2025**		**As at March 31, 2024**	
	Number of shares held	**% holding**	**Number of shares held**	**% holding**
Equity shares with voting rights				
APL Apollo Tubes Limited	7,330	100%	6,500	100%

(4) **Details of shares held by promoters**

Name of Promoter	**As at March 31, 2025**		**As at March 31, 2024**	
	Number of shares held	**% holding**	**Number of shares held**	**% holding**
Equity shares with voting rights				
APL Apollo Tubes Limited	7,330	100%	6,500	100%

13(b) Other equity

(AED in Million)

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Securities Premium	1.69	-
Retained earnings	25.94	5.09
Total	**27.63**	**5.09**

(1) Securities Premium		
Balance at the beginning of the year	-	
Add: on issue share capital	1.69	
Balance at the end of the year	**1.69**	**-**

(2)	**Retained earnings**		
	Balance at the beginning of the year	5.09	(0.18)
	Add: Total comprehensive income for the year	20.85	5.27
	Balance at the end of the year	**25.94**	**5.09**

14 Borrowings

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	**From Banks**		
	Term Loans		
	- Secured (see note below)	33.71	45.07
(b)	**From Others**		
	- Unsecured (see note below)	-	40.00
	Total	**33.71**	**85.07**

Notes

Term Loan from Banks are secured as follows: *(AED in Million)*

Particulars	As at March 31, 2025		As at March 31, 2024	
	Non current borrowings	Current Maturities of non-current borrowings	Non current borrowings	Current Maturities of non-current borrowings
Term loan facilities are secured by exclusive charge on plant and machinery of the Company. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from August 2024 and ending in May 2028. Applicable Rate of Interest is 6.55% p.a. (March 31, 2024 : 6.55% p.a.)	12.38	5.50	17.88	4.13

Particulars	As at March 31, 2025		As at March 31, 2024	
	Non current borrowings	**Current Maturities of non-current borrowings**	**Non current borrowings**	**Current Maturities of non-current borrowings**
Term loan facilities are secured by leasehold mortgage over factory constructed in Sector 710, Block 22, Plot 9 to 26, Umm Dera, Umm Al Quwain, UAE. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 14 quarterly installments commencing from July 2025 and ending in October 2028. Applicable Rate of Interest is 6.90% p.a. (March 31, 2024 : 6.90% p.a.)	21.33	5.82	23.07	-
Term Loan from Others are as follows:				
During the previous year, the Company has taken unsecured loan from APL Apollo Tubes Limited, holding Company for meeting its capital requirements. Loan is repayable upto 5 years as and when funds are available with Company. Applicable rate of interest is 8.00 % p.a.	-	-	40.00	-

15 Provisions

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Provision for gratuity	0.37	0.16
	Total	**0.37**	**0.16**

16 Borrowings (Current)

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	**Loan repayable on demand**		
	- From banks (Secured)		
	(i) Working capital facilities	7.67	22.41
(b)	Current Maturity of non current borrowings (see note 14)	11.32	4.13
	Total	**18.99**	**26.54**

Nature of security :

Working Capital facilities are secured by first pari passu charge on entire present and future current assets of the company . Working Capital facilities are further secured by Corporate guarantee of APL Apollo Tubes Limited.

17 Trade payables

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Total outstanding dues of micro enterprises and small enterprises	-	-
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	175.19	50.65
	Total	**175.19**	**50.65**

Outstanding for following periods from date of transaction :

(AED in Million)

Particulars	As at March 31, 2025					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues	10.42	164.77	-	-	-	175.19
Disputed dues	-	-	-	-	-	-
	10.42	**164.77**	**-**	**-**	**-**	**175.19**

Outstanding for following periods from date of transaction :

(AED in Million)

Particulars	As at March 31, 2024					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues	2.57	48.08	-	-	-	50.65
Disputed dues	-	-	-	-	-	-
	2.57	**48.08**	**-**	**-**	**-**	**50.65**

18 Other financial liabilities

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Capital creditors	0.42	1.29
(b)	Retention money payable	-	4.53
(c)	Interest payable	0.39	2.15
		0.81	**7.97**

19 Other current liabilities

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Statutory remittances	3.13	0.55
(b)	Advance from customers	1.28	0.81
(c)	Employees dues	-	0.51
	Total	**4.41**	**1.87**

20 Provisions

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Provision for compensated absences	0.15	0.11
(b)	Provision for income tax	2.05	-
	Total	**2.20**	**0.11**

21 Revenue from Operations

(AED in Million)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Sale of Product	482.62	120.67
(b)	Other operating revenue (see note (ii) below)	11.31	1.25
	Total	**493.93**	**121.92**

Notes:

(i) **Reconciliation of revenue recognised with contract price :**

(AED in Million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contract price	483.52	120.76
Adjustments for:		
Discount & incentives	(0.90)	(0.09)
Revenue from operations	**482.62**	**120.67**

(ii) **Other operating revenue comprises**

Sale of scrap	11.30	1.21
Job work	0.01	0.04
	11.31	**1.25**

22 Other income

(AED in Million)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Gain on foreign currency transactions (net)	-	0.26
	Total	**-**	**0.26**

23 Cost of material consumed

(AED in Million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventories of raw material at the beginning of the year	28.15	-
Add: Purchases during the year	285.11	107.56
Less: Inventories of raw material as at the end of the year	(32.65)	(28.15)
Total	**280.61**	**79.41**

24 Change in inventories

(AED in Million)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	**Inventories at the end of the year:**		
	Finished goods	25.27	40.77
	Work in progress	5.16	4.40
	Rejection and scrap	0.57	0.04
		31.00	**45.21**
(b)	**Inventories at the beginning of the year:**		
	Finished goods	40.77	-
	Work in progress	4.40	-
	Rejection and scrap	0.04	-
		45.21	**-**
	Total	**14.21**	**(45.21)**

25 Employee benefit expenses

(AED in Million)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Salaries and Wages	10.59	1.82
(b)	Gratuity Expense	0.25	0.03
(c)	Staff Welfare Expenses	0.25	0.03
(d)	Share based payment to employee	0.24	-
	Total	**11.33**	**1.88**

During the year, the Company recognised an amount of AED 1.34 Million (Year ended March 31, 2024 AED 1.35 Million) as remuneration to key managerial personnel. The details of such remuneration is as below :-

(AED in Million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Short term employee benefits	1.20	1.21
(ii) Post employment benefits (Gratuity expense)	0.04	0.04
(iii) Other long term employee benefits (Leave encashment expense)	0.10	0.10
	1.34	**1.35**
Less: Capatalized during the year	**-**	**(0.95)**
	1.34	0.40

26 Finance costs

(AED in Million)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Interest expense :		
	(i) working capital facilities	1.77	0.38
	(ii) term loan	3.86	0.80
	(iii) on leases	0.63	0.22
	Total	**6.26**	**1.40**
(b)	Other borrowing cost	2.77	0.19
	Total	**9.03**	**1.59**

27 Depreciation and amortisation expense

(AED in Million)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment (see note 2)	5.20	0.95
Amortisation on intangible assets (see note 5)	0.01	-
Amortisation on right of use assets (see note 4)	0.47	0.17
Total	**5.68**	**1.12**

28 Other expenses

(AED in Million)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Consumption of store & spares	2.93	0.33
(b)	Repair and maintenance:		
	(i) Plant and machinery	0.48	-
(c)	Travelling and conveyance	0.74	0.19
(d)	Legal and professional expense (see note (i) below)	0.26	0.07
(e)	Job work charges	0.12	
(f)	Rent	0.54	0.21
(g)	Loss on foreign currency transactions (net)	0.16	-
(h)	Freight Outward expense	19.11	3.80
(i)	Sales Commission	0.38	0.09
(j)	Sales Promotion	0.45	0.21
(k)	Security	0.05	-
(l)	Power & fuel expense	3.39	0.74
(m)	Fees & taxes expense	0.34	0.86
(n)	Vehicle expenses	0.30	0.10
(o)	Miscellaneous expenses	0.57	0.09
	Total	**29.82**	**6.69**

Note :-

(i) Legal and professional charges include auditor's remuneration (excluding indirect taxes) as follows :

(a) To statutory auditors		
For audit (including quarterly limited reviews)	0.03	0.03
For other services	-	-
Reimbursement of expenses	-	-
Total	**0.03**	**0.03**

29 Contingent liabilities and commitments (to the extent not provided for)

(AED in Million)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	**Contingent Liabilities**		
	There is no contingent liabilities during the year (Previous year ended 31 March, 2024 Nil)		
(b)	**Commitments**		
(1)	Estimated amount of contracts remaining to be executed on capital account and not provided for		
	- Property, plant and equipment (net of capital advance)	13.59	2.76

30 Related party transactions

(a) Details of related parties:

Details of related parties	Name of related parties
(i) Holding Company	APL Apollo Tubes Limited
(ii) Fellow subsidiaries	APL Apollo Building Products Private Limited
(iii) Key Management Personnel (KMP)	Mr. Utkarsh Dwivedi (CEO)

(b) Transactions during the year

(AED in Million)

Particulars	Holding Company	Fellow Subsidiaries	Enterprises significantly influenced by KMP and their relatives	Total
Purchase of raw material & stock in trade (net of discounts) (including stock capitalised)				
APL Apollo Tubes Limited	44.48	-	-	44.48
	(47.59)	-	-	(47.59)
APL Apollo Building Products Private Limited	-	5.83	-	5.83
	-	(31.65)	-	(31.65)
	44.48	**5.83**	**-**	**50.31**
	(47.59)	**(31.65)**	**-**	**(79.24)**
Purchase of property, plant and equipment				
APL Apollo Tubes Limited	-	-	-	-
	(12.91)	-	-	(12.91)
	-	**-**	**-**	**-**
	(12.91)	**-**	**-**	**(12.91)**
Interest Expense (including amount capitalised)				
APL Apollo Tubes Limited	2.24	-	-	2.24
	(3.16)		-	(3.16)
	2.24	**-**	**-**	**2.24**
	(3.16)	**-**	**-**	**(3.16)**
Loan taken				
APL Apollo Tubes Limited	**-**			-
	(40.00)		-	(40.00)
	-	**-**	**-**	**-**
	(40.00)	**-**	**-**	**(40.00)**

Loan Repaid				
APL Apollo Tubes Limited	40.00	-	-	40.00
	-	-	-	-
	40.00	**-**	**-**	**40.00**
	-	**-**	**-**	**-**
Share based payment to employee				
APL Apollo Tubes Limited	0.24	-	-	0.24
	-	-	-	-
	0.24	**-**	**-**	**0.24**
	-	**-**	**-**	**-**
Other borrowing cost (Corporate Guarantee)				
APL Apollo Tubes Limited	1.64	-	-	1.64
	-	-	-	-
	1.64	**-**	**-**	**1.64**
	-	**-**	**-**	**-**
Salary Paid (including amount capitalised)				
Utkarsh Dwivedi	-	-	1.34	1.34
	-	-	(1.35)	(1.35)
	-	**-**	**1.34**	**1.34**
	-	**-**	**(1.35)**	**(1.35)**

(AED in Million)

	Particulars	**Holding Company**	**Fellow Subsidiaries**	**Enterprises significantly influenced by KMP and their relatives**	**Total**
(c)	**Balances outstanding at the end of the year**				
	Trade payable				
	APL Apollo Tubes Limited	-	-	-	-
		(7.23)	-	-	(7.23)
	APL Apollo Building Products Private Limited	-	-		-
		-	(13.60)	-	(13.60)
		-	**-**	**-**	**-**
		(7.23)	**(13.60)**	**-**	**(20.83)**
	Advance to supplier				
	APL Apollo Tubes Limited	0.22	-	-	0.22
		-	-	-	-
	APL Apollo Building Products Private Limited	-	0.55		0.55
		-	-	-	-
		0.22	**0.55**	**-**	**0.76**
		-	**-**	**-**	**-**

Notes to the financial statements

Interest Payable				
APL Apollo Tubes Limited	-			-
	(1.63)		-	(1.63)
	-	**-**	**-**	**-**
	(1.63)	**-**	**-**	**(1.63)**

Expenses payable				
APL Apollo Tubes Limited	1.88	-	-	-
	-	-	-	-
	1.88	**-**	**-**	**-**
	-	**-**	**-**	**-**

Loan Payable				
APL Apollo Tubes Limited	-	-	-	-
	(40.00)	-	-	(40.00)
	-	**-**	**-**	**-**
	(40.00)	**-**	**-**	**(40.00)**

Notes :

(i) Figures in the bracket represent figures for the period ended March 31, 2024 which are audited.

(ii) APL Apollo Tubes Limited, the holding Company has also given corporate guarantee for term loan and other credit facilities taken by the Company from banks.

30 Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2025 and March 31, 2024.

(AED in Million)

Particulars	As at March 31, 2025		As at March 31, 2024	
	FVTPL	**Amortised cost**	**FVTPL**	**Amortised cost**
Financial assets - Non Current				
Security deposit	-	0.11	-	0.03
Financial assets - Current				
Trade Receivables	-	67.58	-	33.92
Loans to employees	-	0.98	-	0.95
Cash and cash equivalents	-	21.46	-	0.92
Total financial assets	**-**	**90.13**	**-**	**35.82**
Financial liabilities - Non Current				
Borrowings	-	33.71	-	85.07
Lease liabilities	-	8.12	-	8.40
Financial liabilities -Current				
Borrowings	-	18.99	-	26.54
Lease liabilities	-	0.28	-	0.26
Trade payable	-	175.19	-	50.65
Capital Creditors	-	0.42	-	1.29
Retention money payable	-	-	-	4.53
Interest payable	-	0.39	-	2.15
Total financial liabilities	**-**	**237.10**	**-**	**178.90**

31 Financial risk management objectives

The Company’s activities expose it to market risk (including foreign currency risk and interest rate risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company’s risk management is carried out by a treasury department under policies approved by the Board of Directors, Company Treasury Department identifies, evaluates and hedges financial risks in close co-operation with the Company’s operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions foreign exchange risk.

(a) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(i) Foreign currency risk

The Company's functional currency in Dhiram (AED). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company’s the costs of imports, primarily in relation to raw material. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the AED and any relevant foreign currency result's in the increase in the Company's overall debt positions in AED terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result inreduction in the Company's receivable in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Company hedges its payable as when the exposure arises.

Details on derivative instruments and unhedged foreign currency exposures

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(AED in Millions)

Currency		As at March 31, 2025	As at March 31, 2024
Equivalent in Rupees in crore	-	-	-
Payables:			
USD		336,241	14,546,822
Equivalent amount in AED in million		1.23	53.42
Advance paid to vendors:			
USD		1,101,548	1,036,521
Equivalent amount in AED in million		4.05	3.81
EURO		401,100	2,633,892
Equivalent amount in AED in million		1.59	10.30
Trade receivables:			
USD		2,700,600	1,431,799
Equivalent amount in AED in million		9.92	5.26
EURO		4,566,403	1,101,100
Equivalent amount in AED in million		18.12	4.31
Advance Received from Customers:			
USD		43,774	66,501
Equivalent amount in AED in million		0.16	0.24
EURO		221,281	5,175
Equivalent amount in AED in million		0.88	0.02

Sensitivity
If AED is depreciated by 0.5% vis-s-a-vis foreign currency, the impact thereof on the profit and loss of the company are given below:

Particulars	Impact on profit	
	Year ended March 31,2025	Year ended March 31,2024
USD sensitivity		
AED/USD Increases by 0.5% (March 31, 2024 - 0.5%)	0.06	0.29
AED/USD Decrease by 0.5% (March 31, 2024 - 0.5%)	(0.06)	(0.29)
EURO sensitivity		
AED/EURO Increases by 0.5% (March 31, 2024 - 0.5%)	0.09	0.02
AED/EURO Decrease by 0.5% (March 31, 2024 - 0.5%)	(0.09)	(0.02)

(ii) 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 market interest rates. The company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally

(AED in Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings	52.70	71.61
Fixed rate borrowings	-	40.00
Total borrowings	**52.70**	**111.61**

As at the end of the reporting period, the company had the following variable rate borrowings:

Particulars	Amount	% of total loans
As at March 31,2025		
Bank overdrafts,bank loans Cash credit	52.70	100.00%
As at March 31,2024		
Bank overdrafts,bank loans Cash credit	71.61	64.16%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates

Particulars	Impact on profit	
	Year ended March 31,2025	Year ended March 31,2024
Interest rates – increase by 50 basis points (50 bps)	(0.26)	(0.36)
Interest rates – decrease by 50 basis points (50 bps)	0.26	0.36

(b) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company.

Company's trade receivables are generally categories into following categories:
1. Export customers
2. Local customers

In case of sale to export customers certain credit period is allowed. In order to mitigate credit risk, majority of the sales are secured by letter of credit, Cash advance against documents, etc.

In case of sale to local customers certain credit period is allowed. In order to mitigate credit risk, majority of the sales made to local customers are secured by way of letter of credit, post dated cheques (PDC).

Further, Company has an ongoing credit evaluation process in respect of customers who are allowed credit period.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

(c) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) Financing Arrangements: The position of undrawn borrowing facilities at the end of the reporting

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Floating Rate borrowings	21.68	14.13
Nature of Facility	Working Capital	Working Capital

(ii) Maturities of financial liabilities

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

(AED in Million)

Particulars	**Not later than 1 year**	**Between 1 and 5 years**	**Later than 5 years**	**Total**
Non-derivatives				
March 31, 2025				
Borrowings	18.99	85.07	-	52.70
Lease Liabilities	0.28	1.74	6.38	8.40
Trade payable	175.19	-	-	175.19
Capital Creditors	0.42	-	-	0.42
Retention money payable	-	-	-	-
Interest payable	0.39	-	-	0.39
Total non-derivative liabilit	**195.27**	**86.81**	**6.38**	**237.10**
Non-derivatives				
March 31, 2024				
Borrowings	26.54	85.07	-	111.61
Lease Liabilities	0.26	1.26	7.15	8.67
Trade payable	50.65	-	-	50.65
Capital Creditors	1.29	-	-	1.29
Retention money payable	4.53	-	-	4.53
Interest payable	2.15	-	-	2.15
Total non-derivative liabilit	**85.42**	**86.33**	**7.15**	**178.90**
Total non-derivative liabilit	**-**	**-**	-	**-**

33 Reconciliation of liabilities arising from financing activities

(AED in Million)

Particulars	Opening balance as at April 1 , 2023	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2024
Non-current borrowings	30.00	55.07	-	85.07
Current borrowings	-	26.54	-	26.54
Total liabilities from financing activities	**30.00**	**81.61**	**-**	**111.61**

(AED in Million)

Particulars	As at March 31, 2024	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2025
Non-current borrowings	85.07	(51.36)	-	33.71
Current borrowings	26.54	(7.55)	-	18.99
Total liabilities from financing activities	**111.61**	**(58.91)**	**-**	**52.70**

34 Capital Management

Risk Management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

(AED in Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Non current borrowings	33.71	85.07
Current borrowings	18.99	26.54
Less: Cash and cash equivalents	(21.46)	(0.92)
Total Debts	**31.23**	**110.69**
Total equity	**100.93**	**70.09**
Gearing Ratio	**0.31**	**1.58**

Equity inludes all capital and reserves of the Company that are managed as capital.

Investments includes non-current investment, current investment and margin-money deposit

35 Previous period figures have been recasted, re-grouped and reclassified, wherever necessary to confirm to the current year classification.

For A P L APOLLO TUBES COMPANY LLC

Pardeep Sharma

Umm Al Quwain U.A.E. A P L APOLLO TUBES COMPANY L.L.C.

Pradeep Udick Chand Sharma
Manager
Umm Al Quwain
May 05, 2025