



31st Annual Report 2024-2025

DILIGENT INDUSTRIES LIMITED



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COMPANY INFORMATION

Board of Directors

Mr. Bhanu Prakash Vankineni	: Managing Director
Mr. Kiran Kumar Vankineni	: Executive Director & CFO
Mrs. Phani Anupama Vankineni	: Non-Executive Non-Independent Director
Mr. Durga Prasad Vajjha	: Independent Director (w.e.f. 07/08/2024)
Mr. Lokeswararao Nelluri	: Independent Director
Mr. Mohammed Baba	: Independent Director

Key Managerial Personnel ("KMP")

Mr. Kiran Kumar Vankineni	: Chief Financial Officer
Mr. Ankit Singh	: Company Secretary & Compliance Officer

Board Committees

Audit Committee

Mr. Durga Prasad Vajjha	- Chairperson
Mr. Lokeswararao Nelluri	- Member
Mr. Mohammed Baba	- Member

Statutory Auditors

M/s. P. Suryanarayana & Co
Chartered Accountants
6-3-1092/93, Behind Shanthi Sikhara Apts
Raj Bhavan Road, Somajiguda
Hyderabad – 500 082.

Nomination & Remuneration Committee

Mr. Durga Prasad Vajjha	- Chairperson
Mr. Mohammed Baba	- Member
Mr. Lokeswararao Nelluri	- Member

Secretarial Auditors

M/s. Ganga Anil Kumar & Associates
3-548, 1st Floor, Javahar Vidya Nikethan School
Building, Undavalli Centre, Amaravati, AP – 522501

Stakeholders Relationship Committee

Mr. Lokeswararao Nelluri	- Chairperson
Mr. Mohammed Baba	- Member
Mr. Durga Prasad Vajjha	- Member

Registrars & Share Transfer Agent
Venture Capital & Corporate Investments Pvt. Ltd.
"AURUM", 4th & 5th Floors, Plot No.57, Jayabheri
Enclave Phase – II, Gachibowli, Hyderabad – 500032.
[Email: info@vccipl.com](mailto:info@vccipl.com)
[Website: www.vccipl.com](http://www.vccipl.com)

Factory & Registered Office

Dwarka Thirumala Road,
Denduluru Village and Mandal,
Eluru-534 432, Andhra Pradesh.
Email: diligentinvestors@gmail.com
Web: www.diligentindustries.com

CIN	-L15490AP1995PLC088116
ISIN	- INE650C01036
Listed on	- BSE Limited
Designated Depository	-CDSL

Bankers

ICICI Bank | HDFC | Bank of India | Axis Bank

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of **Diligent Industries Limited** will be held on **Tuesday, 30th September, 2025 at 11.30 AM** at the Registered Office of the Company at Dwarka Thirumala Road, Denduluru Village and Mandal, Eluru District, Andhra Pradesh– 534 432, to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1 - Adoption of Audited Standalone Financial Statements for the FY 2024-25.

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2025 together with the Reports of Board of Directors, Auditors and such other reports annexed thereon.

ITEM NO. 2-Appointment of a Director in place of a retiring Director.

To appoint a director in the place of Mr. Kirankumar Vankineni (DIN: 02696680) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

ITEM NO. 3: Appointment of M/s Ganga Anil Kumar & Associates, as Secretarial Auditors.

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

“RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013, and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s Ganga Anil Kumar & Associates, a sole proprietorship firm of Practicing Company Secretaries, (Firm Registration No. S2023AP952200), be and is hereby appointed as the Secretarial Auditors of the Company, for a term of five (5) consecutive financial years commencing from April 01, 2025 till March 31, 2030, at such remuneration as may be determined by the Board of Directors of the Company (including its Committee thereof) in consultation with the Secretarial Auditors.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

ITEM NO.4: Re-appointment of Sri Lokeswararao Nelluri (DIN: 08679768) as an Independent Director of the Company for a further term of 5 years.

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

“RESOLVED THAT Sri Lokeswararao Nelluri (DIN: 08679768), who was re-appointed by the Board of Directors as an Independent Director of the Company with effect from 15/09/2025, in terms of Section 149, 150, 152 and 161 of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company and who is eligible for re-appointment and who has consented to act as an Independent Director of the Company be and is hereby appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and other



applicable rules and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and the Articles of Association of the Company and the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the re-appointment of Sri **Lokeswararao Nelluri (DIN: 08679768)**, who meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect, be and is hereby approved, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) years with effect from 15/09/2025 to 14/09/2030.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to take such steps and to do all such acts, deeds, things as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO.5: Re-appointment of Sri Baba Mohammed (DIN: 08422704) as an Independent Director of the Company for a further term of 5 years.

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

"RESOLVED THAT Sri **Baba Mohammed (DIN: 08422704)**, who was re-appointed by the Board of Directors as an Independent Director of the Company with effect from 05/12/2025, in terms of Section 149, 150, 152 and 161 of the Companies Act, 2013 ("**the Act**") read with Articles of Association of the Company and who is eligible for re-appointment and who has consented to act as an Independent Director of the Company be and is hereby appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and the Articles of Association of the Company and the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the re-appointment of Sri **Baba Mohammed (DIN: 08422704)**, who meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect, be and is hereby approved, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) years with effect from 05/12/2025 to 04/12/2030.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to take such steps and to do all such acts, deeds, things as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO.6: Increase in the authorized share capital from Rs. 35 Crore to Rs. 40 Crore and consequential amendment to capital clause of the Memorandum of Association (MOA) of the Company.

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

"RESOLVED THAT pursuant to Section 13, 61(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, consent of the members be and is hereby accorded for the increase in the Authorized Share Capital of the Company from Rs. 35,00,00,000/- (Rupees Thirty-Five Crores Only) divided into 35,00,00,000 (Thirty-Five Crores) Equity Shares of Rs. 1/- (Rupee One Only) each to Rs. 40,00,00,000/- (Rupees Forty Crores Only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Rs. 1/- (Rupee One Only) each and that these shares shall rank pari passu in all respects with the existing equity shares.

FURTHER RESOLVED THAT the existing Clause V of the Memorandum of Association of the Company be and is hereby altered to read as follows:



Diligent Industries Limited

V. The Authorized Share Capital of the Company is Rs. 40,00,00,000/- (Rupees Forty Crores Only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Rs. 1/- (Rupee One Only) each.

FURTHER RESOLVED THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions and in connection with any matter incidental thereto.”

By order of the Board of Directors
For **Diligent Industries Limited**

Place: Denduluru
Date: 05.09.2025.

Sd/-
Mr. Ankit Singhal
Company Secretary & Compliance Officer
Membership No: A31318

Reg. Office: Dwarka Thirumala Road,
Denduluru Village and Mandal,
Eluru District, AP– 534 432.
CIN- L15490AP1995PLC088116
E Mail - diligentinvestors@gmail.com
Website: <https://www.diligentindustries.com>

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of him/her and such proxy need not be a member of the Company. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Proxies in order to be effective must be delivered at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email ID, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Venture Capital And Corporate Investments Private Limited, "AURUM", 4th & 5th Floors, Plot No.57, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad – 500032, by enclosing a photocopy of blank cancelled cheque of your bank account.
6. M/s. Venture capital and corporate investments private limited, "AURUM", 4th & 5th Floors, Plot No.57, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad – 500032, Phones: 040-23818475 Email: info@vccilindia.com is the **Registrar & Share Transfer Agent (STA / RTA)** of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
8. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in demat form must send the advice about the change in their address to their respective Depository Participants only and not to the company or Company's STA.
9. Members holding shares in physical form are informed to furnish their bank account details to the STA to have printed the same on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.
10. Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. up to the date of the meeting.
12. In case of joint holders attending the AGM, the members 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.
13. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting. Members are requested to come to the venue of the meeting well in advance for registration. No registration will be entertained after fifteen minutes from the scheduled time of the commencement of the meeting.



14. The annual report for the financial year 2024-25 is being sent through email to those members who have opted to receive electronic communication or who have registered their email addresses with the Company/depository participants. The annual report is also available on our website, i.e., <https://www.diligentindustries.com/investor-relations.html#annualreports>. The Notice of the AGM and Annual Report of the Company can also be accessed from the website of the Stock Exchange i.e., [BSE Limited at www.bseindia.com](https://www.bseindia.com). The letter with the web link of the annual report being sent to those members who have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2024-25, free of cost, upon sending a written request to the Compliance officer at Dwarka Thirumala Road, Denduluru Village and Mandal, Eluru District, Andhra Pradesh– 534 432 or at email ID at diligentinvestors@gmail.com.
15. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents of the Company i.e., Venture capital and corporate investments private limited.
16. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
17. Members may please note that 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 dividend account; exchange of securities certificate; sub-division 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, on the website of the Company's Registrar and Transfer Agents, Venture Capital and Corporate Investments Private Limited at <https://www.vccipl.com>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
18. Section 108 of the Companies Act, 2013, read with rules made there under and Sub-regulation (1) of Regulation 44 of SEBI (LODR) Regulations, 2015, requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings. Accordingly, the Company is pleased to offer e-voting facility, for all its members to enable them to cast their vote electronically.
19. In case a member desires to exercise his/her/its vote by using e-voting facility then he/she/it has to carefully follow the instructions as given for E-Voting. He/she/it can use the facility and log in any number of times till he/she/it has voted on the Resolution or till the end of the voting period whichever is earlier. The detailed instructions for E-Voting are given as part of this Notice.
20. Since E-Voting facility is provided to the Members pursuant to Sub-regulation (1) of Regulation 44 of SEBI (LODR) Regulations, 2015 and pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, as amended, the chairman shall call for voting by poll at the meeting and upon such call being made, the voting by show of hands will not be allowed at the meeting.



21. The results of the e-voting and result of the physical voting at the meeting will be declared within 2 Working days from the conclusion of the meeting and the results along with the scrutinizer's report shall be placed on the website of the Company.
22. **Cut-Off Date:** The voting rights of the members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on **Tuesday, 23rd Sep, 2025 being the cut-off date.**
23. The members of the Company, holding shares either in physical form or in dematerialized form, as on **Tuesday, 23rd Sep, 2025 being the cut-off date**, being the cutoff date, may cast their vote (for or against) electronically.
24. The facility for voting through poll shall be made available at the meeting and the members attending the meeting who have not already cast their vote electronically through e-voting shall be able to exercise their voting right at the Meeting.
25. The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
26. **Scrutinizer:** **Mr. Ganga Anil Kumar, (Membership No F11250 and CP No 26347)**, a Practicing Company Secretary has been appointed by the Board as **Scrutinizer** for the purpose of ascertaining the requisite majority for all the businesses in a fair and transparent manner. The results declared along with the scrutinizer's report shall submitted to the Exchange and simultaneously be placed on the website of the Company.
27. Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015, and Secretarial Standard on General Meetings (SS-2), with respect to director seeking appointment/re-appointment at the AGM, a brief profile of the Directors proposed to be appointed, re-appointed, is annexed to this notice as Annexure-I.
28. Pursuant to Regulation of SEBI (LODR) Regulations, 2015, Brief profile of the Auditors proposed to be appointed, is provided in the explanatory statement annexed to this notice.
29. The Proxy Form and the Attendance slip are enclosed with this notice.
30. Pursuant to Secretarial Standard on General Meetings (i.e. SS-2), the route map of the AGM Venue is mentioned in the last page of the report for the convenience of the members of the Company.

Instructions for E-VOTING

CDSL /NSDL e-Voting System – For e-voting during AGM

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

- (i) **Voting Period:** The voting period begins on **Saturday, 27th Sep, 2025 at 9:00 AM and ends on Monday, 29th Sep, 2025 at 5:00 PM.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday 23rd Sep, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) **Shareholders who have already voted through CDSL e-voting system prior to the meeting date, would not be entitled to vote at the meeting venue.**
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.



Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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 advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System My EASI.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.



Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period
	2) If the user is not registered for IDeAS e-Services; option to register is available at https://eservices.nsdl.com . Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 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. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use **Forget User ID** and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000
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(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote. **Diligent Industries Limited's EVSN is 250905105.**
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/



NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (x) Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- (xii) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on **“Click here to print”** option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password & enter the details as prompted by the system.**
- (xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; anilkumar@ananyalegal.com & diligentinvestors@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

CDSL E-voting Grievances

All grievances connected with the facility for voting by electronic means may be addressed to Central Depository Services (India) Limited (**CDSL**) using the following contact options.

Central Depository Services India Limited

A Wing, 34/35 Floor, Marathon Futurex,
Mafatlal Mill Compounds,
N M Joshi Marg, Lower Parel (East),
Mumbai - 400013
Tel: 022-62343333

e-Voting Helpdesk Timings

Monday - Friday: 10:00 AM to 6.30 PM
Toll Free: 1800-21-09911

If you have any queries or feedback regarding the e-Voting System you may mail CDSL at helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-62343626) or Ms. Asawari Kalokhe (022-62343624) or Mr. Rakesh Dalvi (022-62343611).



<https://www.evotingindia.com/homepage.jsp>

Diligent Industries Limited's EVSN is 250905105.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

The following Explanatory Statement sets out the relevant information as required by Section 102 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “**SEBI Listing Regulations**”) as may be amended, modified, replaced, substituted, re-stated and/or reissued from time to time:

Item No 3:

Pursuant to provisions of Section 204 of the Companies Act, 2013, and relevant rules thereunder, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations, 2015**”), every listed company is required to annex with its Board’s Report, a secretarial audit report, issued by a Practicing Company Secretary. For this purpose, the Board of Directors of the Company had appointed M/s Ganga Anil Kumar & Associates (“**GAKA**”), a firm of Practicing Company Secretaries, as Secretarial Auditors of the Company for the financial year 2024 and they have issued their report which is annexed to the report of the Board of Directors of the Company as a part of the Annual Report.

SEBI vide its notification dated December 12, 2024, amended the SEBI Listing Regulations, 2015. The amended regulations require companies to obtain shareholders’ approval for appointment of Secretarial Auditors, in addition to approval by the Board of Directors. Further, such Secretarial Auditor must be a peer reviewed company secretary and should not have incurred any of the disqualifications as specified by SEBI.

In light of the aforesaid, the Board of Directors of the Company, pursuant to the recommendations of the Audit Committee, has recommended appointment of GAKA, a firm of Practicing Company Secretaries, as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from April, 01 2025 till March 31, 2030.

GAKA has a rich experience and the team is mentored by a senior professional of repute who has worked with a large conglomerates and government undertakings.

Furthermore, in terms of the amended regulations, GAKA has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.

GAKA has confirmed that they are not disqualified from being appointed as Secretarial Auditors and that they have no conflict of interest. GAKA has further furnished a declaration that they have not taken up any prohibited non-secretarial audit assignments for the Company.

The Board shall decide the remuneration for obtaining the secretarial audit certificate from time to time. The Company would also obtain certifications which are to be mandatorily received from the Secretarial Auditors under various statutory regulations from time to time, for which the auditors will be remunerated separately on mutually agreed terms. The Board of Directors and the Audit Committee shall approve the remuneration of the Secretarial Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this resolution.

Hence, the Board recommends the Ordinary Resolution set out at item number 3 of the notice for approval by the members.

Item no. 4 & 5:

In accordance with the provisions of Section 149 read with schedule IV to the Companies Act, 2013, and based on the recommendation of Nomination and Remuneration Committee, the board of the directors of the Company recommends the re-appointment of Sri LOKESWARARAO NELLURI, DIN-08679768 and Sri BABA MOHAMMED, DIN-08422704, as Non-executive Independent Director on the Board of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013, whose office is not liable to retire by rotation and with effect from 15/09/2025 and 05/12/2025 respectively.

The re-appointment of the above Directors shall be effective upon approval by the members in the Meeting. The re-appointment shall be effective upon approval by the members in the meeting and the company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Companies Act, 2013 proposing the candidature of the above Directors for the office of Director of the Company.

Both the Directors are not disqualified from being re-appointed as directors in terms of section 164 of the companies act, 2013 and has given consent to act as Director.

The Board after considering the past experience and expertise of both the Directors recommends passing of Special Resolutions in connection with their appointments as an Independent Directors for a term of five consecutive years with effect from 15/09/2025 and 05/12/2025 respectively for the approval by the members of the Company.

Except Sri LOKESWARARAO NELLURI, DIN-08679768 and Sri BABA MOHAMMED, DIN-08422704, being appointees and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 & 5 of the accompanying Notice of the AGM. Both the proposed Directors are not relatives each other or not related to any Director of the Company.

The Board of Directors recommends the resolutions in relation to the appointments of Sri LOKESWARARAO NELLURI, DIN-08679768 and Sri BABA MOHAMMED, DIN-08422704, as Non-Executive Independent Directors of the Company as set out in Item No. 4 & 5 respectively, by way of Special Resolutions.

Item no. 6:

In order to facilitate the further capital requirements of the Company for its expansion and capital needs, if any, it is proposed by the management to increase the Authorized Share Capital from **Rs. 35,00,00,000/-** (Rupees Thirty-Five Crores Only) divided into 35,00,00,000 (Thirty-Five Crores) Equity Shares of Rs. 1/- (Rupee One Only) each to **Rs. 40,00,00,000/-** (Rupees Forty Crores Only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Rs. 1/- (Rupee One Only) each.

The increase in the Authorized Share Capital as aforesaid would entail consequential alteration of the existing Clause V of the Memorandum of Association of the Company.

The altered Memorandum of Association shall be available for inspection at the Registered Office of the Company during business hours.

Therefore, the Board of Directors recommends the proposed requisite resolutions as requested in the proposed resolutions for your approval.

The Board recommends passing of the resolution as set out at Item No. 6 as an **Ordinary Resolution**.



Diligent Industries Limited

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution mentioned at Item No. 6 except to the extent of their shareholding in the Company.

By order of the Board of Directors
For **Diligent Industries Limited**

Place: Denduluru
Date: 05.09.2025.

Sd/-
Mr. Ankit Singhal
Company Secretary & Compliance Officer
Membership No: A31318

Reg. Office: Dwarka Thirumala Road,
Denduluru Village and Mandal,
Eluru District, AP– 534 432.

CIN- L15490AP1995PLC088116

E Mail - diligentinvestors@gmail.com

Website: <https://www.diligentindustries.com>

Annexure-I
Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting.

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India]

Name of the Director	Mr. Kirankumar Vankineni	Mr. Lokeswararao Nelluri	Mr. Mohammed Baba
DIN	02696680	08679768	08422704
Date of Birth	23-02-1964	15-07-1988	31-01-1996
Date of first appointment in the Board	14-08-2015	14-09-2020	04-12-2020
Relationship with other Directors	Own brother of Mr. Bhanu Prakash Vankineni, the MD of the Company.	None	None
Expertise in specific functional areas:	He has overall experience of 27 years plus in the chemical engineering, Business Administration, management and marketing of agriculture products and agro processing.	Sri Lokeswararao Nelluri done his Graduation in Science and MBA. Has rich experience of 10 years in the fields of Accounting, Finance, Banking, Administration.	Mr.Mohammed Baba done his Graduation. Having a rich experience of 7 years in the fields of Accounts, Finance and Management and Secretarial.
Qualifications	B. E	B. Sc & MBA	Graduate
Details of Remuneration sought to be paid and the remuneration last drawn by such person.	Rs. 4.8 Lakhs p.a.	Nil	Nil
Nature of appointment (appointment/re-appointment)	Retires by rotation and offers himself for re-appointment.	Re-Appointment to the office of Independent Director.	Re-Appointment to the office of Independent Director.
Board Membership of other Companies as on March 31, 2025	NIL	Nil	1. Sai Retail India Limited 2. Genesis IBRC India Limited
Chairman/Member of the Committee of the Board of Directors of Diligent Industries Limited as on March 31, 2025.	Nil	03	03
Chairman/Member of the Committee of Directors of other companies in which			



he is a director as on March 31, 2025.			
a) Audit Committee	NIL	01	02
b) Stakeholders' Relationship	NIL	01	02
c) Nomination and Remuneration Committee	NIL	01	02
Number of shares held in the Company as on March 31, 2025.	1,11,75,000	Nil	Nil
Number of meetings attended during the year	7/7	7/7	7/7

DIRECTORS' REPORT

To
The Members
Diligent Industries Limited

Your directors have pleasure in presenting herewith the 31st Annual Report on the business of Your Company together with the Audited Accounts for the financial year ended 31st March, 2025.

FINANCIAL SUMMARY:

(Rs. In Lakhs, except EPS Data)

PARTICULARS	Financial Year 2024-25	Financial Year 2023-24
Total Income	14,358.09	12394.95
Total Expenditure	14,009.39	12112.95
Profit/(Loss) before Depreciation & Financial Charges	766.75	635.73
Depreciation	157.08	123.66
Financial Charges	260.97	230.07
Profit/Loss Before Tax	348.70	282.00
Prior period items	-	-
Provision for tax	98.42	86.00
Deferred tax	(1.22)	(6.66)
Net Profit/(Loss)	251.49	202.67
EPS (INR)	0.17	0.18

REVIEW OF OPERATIONS:

With the objective of strengthening its market presence, stabilizing operations, enhancing competitiveness, and expanding reach, the Company is focusing on both trading and processing of edible oils, including refining activities. This strategic move is expected to enhance the Company's visibility and reputation in the sector, thereby enabling it to generate sustainable income from refinery operations in the future. During the year under review, however, the high price volatility in trading led to a cautious approach, resulting in restrained trading volumes as reported.

The ongoing Ukraine-Russia war has disrupted global supply chains, leading to higher prices of crude oil, edible oils, fertilizers, and other commodities. Since India imports a significant portion of these items, the conflict has caused inflationary pressures, increased import bills, and affected trade balances. However, India is also exploring alternative sourcing and strengthening domestic production to minimize long-term impacts.

India continues to be the largest importer of edible oils globally. Key growth drivers such as rising disposable incomes, rapid urbanization, evolving dietary preferences, and the expansion of the food processing industry are fueling demand in the domestic market. Against this backdrop, the Company is well-positioned on the right growth trajectory and is poised to capitalize on these opportunities, ensuring healthy revenue generation in the years to come.

Profitability Analysis

Particulars	FY 2024-25	FY 2023-24	Growth/Change
PBDIT (<i>Profit before Depreciation & Interest</i>)	₹766.75 L	₹635.73 L	↑ 20.6%
Depreciation	₹157.08 L	₹123.66 L	↑ 27.1%
Financial Charges	₹260.97 L	₹230.07 L	↑ 13.5%

Particulars	FY 2024-25	FY 2023-24	Growth/Change
Profit Before Tax (PBT)	₹348.70 L	₹282.00 L	↑ 23.6%
Provision for Tax	₹98.42 L	₹86.00 L	↑ 14.4%
Deferred Tax	₹(1.22) L	₹(6.66) L	Lower
Net Profit	₹251.49 L	₹202.67 L	↑ 24.1%
EPS	₹0.17	₹0.18	-

Overall Financial Health

Revenue Growth: Strong year-on-year revenue growth of 15.8%.

Cost Control: Revenue grew strongly during the year, and despite a proportionate increase in expenses, the Company achieved healthy improvement in overall profitability.

Profitability:

- Operating profits (PBDIT) grew 20.6%, indicating operational efficiency.
- Increased depreciation reflects the Company's continued investment in strengthening its asset base.
- Higher financial charges indicate strategic investments supported by additional funding to drive growth.

Net Profit: Increased by 24.1%, showing an overall positive performance.

EPS: The slight dip in EPS is due to an increase in share capital from a recent rights issue, supporting the Company's growth and expansion plans.

Positive Indicators:

- Strong revenue growth.
- Improvement in profit margins before tax.
- Healthy net profit growth.

The affairs of the Company are conducted in accordance with the accepted business practices and within the purview of the applicable legislations. Your directors feel that your company will achieve better results in the coming years.

CHANGE IN NATURE OF BUSINESS:

During the year under review, the Company has further enhanced its refinery facilities and continues to undertake upgradation initiatives to improve operational efficiency. Apart from these developments, there has been no significant change in the nature of business carried out by the Company. The management remains focused on the refining of edible oils as a key strategy for ensuring long-term sustainability in the industry, along with trading and processing of edible oils and allied agricultural products. Additionally, the Company is evaluating opportunities to venture into agro-processing in the near future to diversify its business portfolio.

LISTING:

The Company has been listed at BSE alone w.e.f. 11-10-1995. The stock exchange symbol for shareholders identity is DILIGENT.

DIVIDEND:

With an interest to re-invest the profits, the Directors of your Company did not recommend any dividend for the Financial Year 2024-25.

TRANSFER TO RESERVES:

The profit after tax for the period has been transferred to the reserve & surplus in the balance sheet / other equity schedule in the balance sheet.

SHARE CAPITAL AND ALLOTMENTS

During the year under review, the Authorized Share Capital of the Company was increased from ₹24,00,00,000/- to ₹35,00,00,000/- to facilitate the proposed Rights Issue. Pursuant to the completion of the Rights Issue, as detailed below, the Issued and Paid-up Share Capital of the Company stands at ₹23,84,30,766/-, comprising 23,84,30,766 Equity Shares of ₹1/- each. The aforesaid increase in the Authorized Share Capital and the consequential amendments to the Capital Clause of the Memorandum of Association ("**MOA**") were duly approved by the members of the Company at the Extraordinary General Meeting ("**EGM**") held on 09th October, 2024.

Rights issue.

During the year under review, the Company successfully completed a Rights Issue of Equity Shares which was approved by the Board on 29/05/2024 to existing equity shareholders in the ratio of 6 Equity Shares for every 5 Equity Shares held on the record date i.e. 24/10/2024. The issue opened on Monday, November 11, 2024 and closed on Monday, December 09, 2024, and the shares were allotted on Thursday, December 19, 2024.

The Objects of the Issue were:

1. Adjustment of Unsecured Loans against the Rights Entitlement of the Promoters.
2. Towards meeting working capital requirements; and
3. General Corporate Purposes.

The unsecured loans aggregating to ₹ 2674.53 Lakhs as on 31.03.2024 of Mr. V Bhanuprakash & Mrs. Phani Anupama, the Promoters & Directors of the Company, were Adjusted against the Rights Entitlement of the respective Promoters & Directors.

Pursuant to the Letter of Offer dated October 16, 2024 the Company issued and allotted 12,40,70,766 rights equity shares to the eligible equity shareholders including promoters on 19/12/2024 at a price Rs. 3.60/- each including premium of Rs. 2.60/- per equity share. Accordingly, the Company had raised capital of Rs. 44,66,54,757.60/- from the rights issue.

The above stated rights issue equity shares were listed and permitted to trade on the BSE Stock Exchange with effect from Thursday, December 26, 2024.

Accordingly, the rights issue net proceeds were completely utilized / adjusted by the quarter ended on 30th June, 2025 as per the objects, terms and conditions specified in the Letter of Offer dated October 16, 2024.

Change in Shareholding Pattern

Pursuant to the Rights Issue, there has been a change in the shareholding pattern of the Company. The updated shareholding structure has been filed with the stock exchanges in compliance with Regulation 31 of SEBI (LODR) Regulations, 2015.

Compliance Confirmation

The Board of Directors confirms that:

The Rights Issue was carried out in compliance with the applicable provisions of the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the SEBI (LODR) Regulations, 2015, and other applicable rules and regulations.

All necessary approvals, filings, and disclosures relating to the Rights Issue have been made with the Registrar of Companies, SEBI, and the respective Stock Exchanges.

The proceeds from the Rights Issue have been utilized strictly for the purposes as disclosed in the Letter of Offer.

Further details regarding the rights issue can be found in **Note No. 40** of the Notes to the Financial Statements as of March 31, 2025. Kindly refer to the same.

DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Your Board consists of Six (6) Directors including Three Independent Non- Executive Directors and One Non-Executive Non- Independent Director. None of the Directors of the Company are disqualified under the Provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All independent Directors have provided confirmations as contemplated under Section 149(7) of the Companies Act 2013 stating that they meet the criteria of independence, as provided in Section 149(6) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Appointments / Re-appointments:

During the year under review, pursuant to Section 152(6) Mr. KIRAN KUMAR VANKINENI (DIN: 02696680) is being retired by rotation and being eligible he himself offer for reappointment. Therefore, members may appointment him as Executive Director in the ensuring Annual General meeting.

Mr. SRINIVAS BABU EDUPUGANTI, (DIN-03637508) one of the Independent Directors of the Company ceased to be Independent Director of the Company in view of end of term of his office as an Independent Director w.e.f. 30/09/2024.

Therefore, pursuant to the provisions of Sections 152, 160 and all other applicable provisions contained under the Companies Act, 2013 ("Act"), and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company received a notice in writing from a member under Section 160(1) of the Act proposing Mr. Sri Durga Prasad Vajjha (DIN: 10275174) to the office of the Independent Director of the Company, and also recommended by the Nomination and Remuneration Committee. Therefore, the Board in its meeting held on 07/08/2024 ("Effective Date"), appointed him for a period of five years from effective date to the office of Independent Director of the Company and the same was approved by the members in the last AGM held on 30th August, 2024.

The term of office of Sri Lokeswararao Nelluri (DIN: 08679768) & Sri Baba Mohammed (DIN: 08422704) as an Independent Directors of the Company ending on 14/09/2025 and 04/12/2025 respectively. Therefore, the Board in its meeting held on 05/09/2025, re-appointed Sri Lokeswararao Nelluri (DIN: 08679768) & Sri Baba Mohammed (DIN: 08422704) as an Independent Director of the Company for a further term of 5 years in terms of Section 149 of the Companies Act, 2013, whose office is not liable to retire by rotation and with effect from 15/09/2025 and 05/12/2025 respectively subject to members approval in the ensuing AGM. Accordingly, your board recommends the approval of the members for the above stated re-appointments by way of special resolutions.

FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an Annual Evaluation of its own performance and has devised a Policy on evaluation of performance of Board of Directors, Committees and Individual Directors, pursuant to the provisions of the Act, the Corporate Governance requirements and as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Extract of the Policy on Evaluation of Performance of the Board, its committees and individual Directors, is available on the website of the Company at <http://www.diligentindustries.com/investor-relations.html>.

In a separate meeting of independent directors held on February 14, 2025, the performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, considering the views of Executive directors and non-executive directors. The same was discussed in the Board meeting that followed, at which the performance of the Board, its committees and individual directors was also discussed.

The performance of the Board was evaluated by the Independent Directors, after seeking inputs from all the directors on the basis of the criteria such as the Board's composition, structure, effectiveness of Board processes, information and functioning, etc.

The Independent Directors reviewed the performance of the individual directors based on the criteria such as the contribution of the individual director to the Board like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Evaluation by Board (Other than Independent Directors):

In accordance with Regulation 17(10) of SEBI Listing Regulations, the entire Board of Directors of the Company shall evaluate the performance of Independent Directors of the Company. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Criteria for Performance Evaluation:

- a. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.
- b. Adherence to the Code of Conduct in letter and in spirit by the Independent Directors.
- c. Bringing objectivity and independence of view to the Board's discussions in relation to the Company's strategy, performance, and risk management.
- d. Statutory Compliance and ensuring high standards of financial probity and Corporate Governance.
- e. Responsibility towards requirements under the Companies Act, 2013, Responsibilities of the Board and Accountability under the Director's Responsibility Statement.

Familiarization Programmes for Independent Directors:

All Independent Directors inducted into the Board attended an orientation program. The Familiarization Policy of the Company is available on its website <https://www.diligentindustries.com/investor-relations.html>. A familiarization program for the Independent Directors was also held in its separate meeting.

The following are the familiarization programmes held during the year.

S. No	Name of the Programme	Directors attended	Duration of the Programme	Date
1	Updates under Companies Act, 2013 and SEBI LODR regulations, 2015 and Board Evaluation Process.	1. Mr. Lokeswararao Nelluri 2. Mr. Mohammed Baba	4 Hrs	29/05/2024
2	Updates on Corporate Governance and Role of Independent Director.	1. Mr. Durga Prasad Vajjha 2. Mr. Lokeswararao Nelluri 3. Mr. Mohammed Baba	3 Hrs	13/11/2024
3	Updates on GST, IT and Risk Management.	1. Mr. Durga Prasad Vajjha 2. Mr. Lokeswararao Nelluri 3. Mr. Mohammed Baba	2 Hrs	14/02/2025

INDEPENDENT DIRECTORS' DECLARATION

Each of the Independent Directors of the Company have submitted declaration, pursuant to Section 149(7) of the Companies Act, 2013 ("the Act"), stating that they meet the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16 of the SEBI (LODR) Regulations, 2015.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors confirm that:

- i) In preparation of annual accounts for the financial year ended 31st March, 2025 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) 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 true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2025 and of the profit and loss of the Company for the year;
- iii) The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a 'going concern' basis;
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS & REPORT:

The Board in its meeting held on 03rd May, 2024 appointed M/s. P. Suryanarayana & Co. FRN: 009288S, as the Statutory Auditors of the Company to fill the casual vacancy caused due to the resignation of M/s NSVR &

Associates LLP, Chartered Accountants, (Firm Registration No.008801S) vide their letters dated 06th March, 2024.

Further, the members of the Company in the Extraordinary General Meeting (“EGM”) held on 27th May, 2024 approved the appointment of M/s. P. Suryanarayana & Co., Chartered Accountants (ICAI Firm Registration No. 009288S), as the Statutory Auditors of the Company to fill the casual vacancy caused on account of resignation of M/s. NSVR & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 008801S/S200060), therefore they held office from the conclusion of the above stated Extraordinary General Meeting and continued to hold the office till the conclusion of the 30th Annual General Meeting of the Company held on 30/08/2024.

Thereafter, your Board in its meeting held on 07/08/2024 appointed M/s. P. Suryanarayana & Co., as the Statutory Auditors of the Company for a period of 5 years from FY 24-25 to 28-29 and the same was approved by the members in the 30th AGM held on 30/08/2024.

Accordingly, M/s. P. Suryanarayana & Co., will hold the office as the Statutory Auditors of the Company till the FY 28-29. The Statutory Audit Report 2025 contains the following observations, reservations or adverse remarks and otherwise it is self-explanatory.

- i. Delays in remittance of PF, ESI & TDS - Streamlined its processes and strengthened internal controls to ensure that all statutory dues are deposited within the prescribed timelines going forward.
- ii. Income-Tax Liabilities - The Company is evaluating the possibilities of filing appeals wherever possible, and other due shall be paid soon.
- iii. Not recognized provision for Gratuity - The management is in the process of evaluating the liability and will take necessary steps to recognize the provision in the books of accounts.

SECRETARIAL AUDITORS & REPORT:

M/s. Ganga Anil Kumar & Associates (“GAKA”), Practicing Company Secretaries, were appointed to conduct the secretarial audit of the Company for the financial year 2024-25, as required under Section 204 of the Companies Act, 2013 and Rules there-under. The secretarial audit report for FY 2024-25 forms part of the Annual Report as **Annexure-II** to the Board's report. The Secretarial Audit Report does not contain any reservations, qualifications or adverse remarks and is self-explanatory.

Further, in terms of the SEBI (Listing Obligations & Disclosure Requirements) (Third Amendment) Regulation, 2024, the Board has recommended appointment of GAKA as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from April 01, 2025 till March 31, 2030. The appointment will be subject to shareholder's approval at the ensuing AGM.

Therefore, your Board recommends the appointment of GAKA as stated in the AGM Notice.

INTERNAL AUDIT

In terms of Sec. 138 of the Companies Act, 2013 internal auditor(s) of the company have been appointed and the Internal Auditor of the company directly reports to the Audit Committee.

COST RECORDS & AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is maintaining cost records as specified by the Central Government and conduct a cost audit for the applicable financial year as and when applicable.

The Company has maintained the required cost records in compliance with the provisions of the Act, and the Cost Audit Report for the applicable financial year shall be filed with the Ministry of Corporate Affairs within the prescribed timelines as and when applicable.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Management has set-up a system to monitor and evaluates the efficacy and adequacy of internal control system in the Company on regular basis, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the audit reports the units undertake corrective action in their respective areas and strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board periodically.

The Board of Directors of the Company have adopted various policies like Related Party Transactions policy, Whistle Blower Policy, policy to determine material subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the Board of Directors is of the opinion that the Company's internal financial controls were adequate and effective during the FY 2024-25.

RISK MANAGEMENT:

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report.

The Board has framed a Risk Management Policy, inter alia, identifying various elements of risks faced by the Company which, in the Board's opinion, may threaten its existence and providing measures to control and mitigate such risks. The said Policy is posted on the Company's website www.diligentindustries.com.

ANNUAL RETURN:

In accordance with the provisions of Section 92 of the Companies Act, 2013, the Annual Return for the FY 2024-25 will be placed in the website of the Company at <https://www.diligentindustries.com/investor-relations.html>

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the criteria laid down in the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable to your Company during the current financial year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO

Information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as **Annexure – III**.

OTHER DISCLOSURES:

Board Meetings

During the year under review seven Board Meetings were held. For further details, please refer Corporate Governance Report which forms part of this Annual Report.

Committees of Board

Your company has the following committees namely:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

The constitution of all the committees is as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The details of the Constitution are mentioned in Corporate Governance Report, which forms part of this Annual Report.

The Board constituted Rights Issue Committee on 29/05/2024 and the committee accordingly met and completed the responsibilities entrusted to it for successful completion of the Rights Issue. The Rights Issue Committee meetings were held on 12/06/2024, 16/10/2024, 14/11/2024 and 19/12/2024.

CORPORATE GOVERNANCE

The Report on Corporate Governance as stipulated in Regulation 34(3) of SEBI (LODR) Regulations, 2015 and other applicable Regulations is attached hereto as a part of this report as **Annexure – IX**

MANAGEMENT DISCUSSION AND ANALYSIS

A brief note on the Management discussion and analysis for the year is annexed as **Annexure - VIII**

VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or Ethics Policy and to provide adequate safeguards against victimization of persons who use such mechanism and to provide direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at <http://www.diligentindustries.com/investor-relations.html>.

REMUNERATION RATIO OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL/ EMPLOYEES:

Statement showing disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as **Annexure – IV**.

PARTICULARS OF EMPLOYEES

No employee of your Company is in receipt of remuneration during the financial year under review as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of balances of the Loans, guarantees and investments if any covered under Section 186 of the Companies Act, 2013 are given in the notes to the financial statements pertaining to the year under review.

No Loans, guarantees and investments made / provided during the year under review covered under Section 186. The Company disinvested its equity shares in GENESIS IBRC INDIA LIMITED, a BSE Listed company during the year. Entire 30,00,000 equity shares of 10/- each were sold by way of Off Market sale on 06/03/2025 and necessary disclosures were filed with BSE in terms of Regulation 29(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 within stipulated time ("The SAST

Regulations").

SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES:

The Company has no subsidiaries, joint venture, associate companies during the year under review.

RELATED PARTY TRANSACTIONS:

Related party transactions entered during the financial year under review are disclosed in the Financial Statements of the Company for the financial year ended 31st March, 2025. These transactions were entered at an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. **Form AOC-2**, containing a note on the aforesaid related party transactions is enclosed herewith as **Annexure – VI**.

Related Party Disclosures, as per Schedule V of SEBI (LODR) Regulations, 2015 are enclosed herewith as **Annexure-VII**.

The policy on materiality of Related Party Transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at <http://www.diligentindustries.com/investor-relations.html>.

HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered, and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

The Company has zero tolerance for sexual harassment at workplace. Further details pertaining to the same, as required to be disclosed, are furnished in the Corporate Governance Report annexed hereunder.

DISCLOSURES UNDER THE MATERNITY BENEFIT ACT, 1961:

As per the Companies (Accounts) Second Amendment Rules, 2025, the Board Report requires a formal compliance statement confirming adherence to the Maternity Benefit Act, 1961.

The Company affirms that it has complied, wherever applicable, with all applicable provisions of the Maternity Benefit Act, 1961, including the grant of paid maternity leave, provision of nursing breaks, and other benefits as applicable to the Company. Where required, creche facilities have been made available in accordance with Section 11A of the Act. The Company remains committed to providing a safe, equitable, and supportive workplace for women employees during and after pregnancy.

During the year under review, there were no request received, hence the compliance with the provisions will

not arise.

GREEN INITIATIVE IN CORPORATE GOVERNANCE:

The Ministry of Corporate Affairs (MCA) has undertaken green initiative in Corporate Governance by allowing paperless compliances by the Companies and permitted the service of Annual Reports and documents to the shareholders through electronic mode subject to certain conditions and the Company continues to send Annual Reports and other communications in electronic mode to the members who have registered their email addresses with the Company/RTA.

TRANSFER OF SHARES TO IEPF

As per Section 124(6) of the Act, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund (IEPF) of the Central Government. During the year under review no such instances.

GENERAL:

1. Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- II. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- III. Neither the Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from any of its subsidiaries.
- IV. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- V. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and date of report.
- VI. No frauds were reported by the auditors during the year under review.
- VII. There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- VIII. There was no instance of onetime settlement with any Bank or Financial Institution.

2. The Company has complied with Secretarial Standards, i.e. SS-1 and SS-2 relating to Meetings of the Board of Directors and General Meetings respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

POLICIES & CODE OF CONDUCT:

The Company has adopted and implemented all mandatory and statutory policies as required under the applicable laws, including but not limited to the provisions of the Companies Act, 2013 and the relevant SEBI Regulations etc and the same are being reviewed and updated from time to time. These policies are made available on the Company's website for the information and benefit of all stakeholders. The same can be accessed through the following weblinks:

- [Terms & Conditions of appointment of Independent Directors](#)
- [Code of conduct of Board & Senior Management Personnel](#)
- [Vigil Mechanism and Whistle Blower Policy](#)
- [Criteria - Payments to Non-Executive Directors](#)
- [Policy - Related Party Transactions](#)
- [Policy - 'Material Subsidiaries'- Not Applicable](#)
- [Policy - Determination of Materiality of Events or Information](#)
- [Dividend Distribution Policy](#)
- [Code of Insider Trading](#)
- [Nomination & Remuneration Policy](#)

- [Policy on Preservation of Documents](#)
- [Risk Management Policy](#)
- [Sustainability Policy](#)
- [Whistle Blower Policy](#)
- [All other policies](#)

ACKNOWLEDGEMENTS:

Your directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

**By order of the Board of Directors
For Diligent Industries Limited**

Place: Denduluru

Date: 05.09.2025

Sd/-
Phani Anupama Vankineni
Director, DIN: 00935032

Sd/-
Bhanu Prakash Vankineni
Managing Director, DIN: 00919910

Reg. Office: Dwarka Thirumala Road,
Denduluru Village and Mandal,
Eluru District, AP– 534 432.

CIN- L15490AP1995PLC088116

E Mail - diligentinvestors@gmail.com

Website: <https://www.diligentindustries.com>



SECRETARIAL AUDIT REPORT
For the Financial Year ended on 31st March 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Diligent Industries Limited
DwarakaThirumala Road, Denduluru (V & M),
Eluru Dist, Andhra Pradesh- 534432, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Diligent Industries Limited** (hereinafter called the “**Company**”) having its registered office at Dwaraka Thirumala Road Denduluru (V & M), Eluru Dist, Andhra Pradesh- 534432. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company 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 2024-2025 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under, as applicable
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018. (not applicable during the audit period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (not applicable during the audit period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable during the audit period)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable during the audit period) and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable during the audit period) and
 - i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; not applicable during the review period.; and



- j) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- k) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- l) The SEBI (Listing Obligations & Disclosure Requirements) 2015, entered into by the Company with Stock Exchange; **As Applicable;**

Other specifically applicable laws to the Company:

- 1. National Oil Seeds and Vegetable Oils Development Board Act, 1983;
- 2. Food Safety and Standards Act, 2006.
- 3. Indian Boilers Act, 1923.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that:

- During the year under review there was proper balance in the composition of the Board of Directors of the Company. There were changes in the composition of the Board of Directors that took place during the period under review. The same were carried out as per the applicable provisions of the Companies Act, 2013 and SEBI Regulations.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except a few instances where shorter notices were obtained and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs, except the following.

As per our examination of the records and representation of the management, we hereby state that:

- i. During the year under review, the Authorized Share Capital of the Company was increased from ₹24,00,00,000/- to ₹35,00,00,000/- to facilitate the proposed Rights Issue. This increase and the corresponding amendments to the Capital Clause of the Memorandum of Association (MOA) were duly approved by the members at the Extraordinary General Meeting (EGM) held on 09th October 2024.
- ii. The Board of Directors approved the Rights Issue on 29th May 2024, offering 6 Equity Shares for every 5 Equity Shares held on the record date i.e 24th October 2024. The Rights Issue opened on 11th November 2024 and closed on 09th December 2024, and the allotment of shares was completed on 19th December 2024.
- iii. Pursuant to the Letter of Offer dated 16th October 2024, the Company issued and allotted 12,40,70,766 equity shares at an issue price of ₹3.60 per share (including a premium of ₹2.60 per share), thereby raising ₹44,66,54,757.60/-.



Diligent Industries Limited

- iv. Unsecured loans amounting to ₹2,649.29 lakhs from Mr. V. Bhanuprakash and Mrs. Phani Anupama, Promoters & Directors, were adjusted against their Rights Entitlements.
 - v. The Rights Issue shares were listed and permitted for trading on the BSE with effect from 26th December 2024.
 - vi. The net proceeds of the Rights Issue were fully utilized / adjusted by 30th June 2025, strictly in accordance with the objects and terms specified in the Letter of Offer.
 - vii. Following the completion of the Rights Issue, the Issued and Paid-up Share Capital of the Company stands at ₹23,84,30,766/-, comprising 23,84,30,766 equity shares of face value ₹1/- each.
- We further report that no prosecutions were initiated and no fines or penalties were imposed for the year, under the Companies Act, the SEBI Act, the SCRA or other SEBI Regulations, on the Company or its directors and officers except a few instances of payment of additional fee to MCA.

We further report that:

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

**For Ganga Anil Kumar & Associates
Practicing Company Secretaries
FRN- S2023AP952200**

Place: Amaravati
Date: 03.09.2025

**Sd/-
CS Ganga Anil Kumar, Proprietor
ICSI M. No. F11250 & CP No. 26347
UDIN: F011250G001151312
Peer Review Unique Code - I2022AP2433800**

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

To
The Members,
Diligent Industries Limited
DwarakaThirumala Road, Denduluru (V & M),
Eluru Dist, Andhra Pradesh- 534432, India.

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

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Ganga Anil Kumar & Associates
Practicing Company Secretaries
FRN- S2023AP952200

Place: Amaravati
Date: 03.09.2025

Sd/-
CS Ganga Anil Kumar, Proprietor
ICSI M. No. F11250 & CP No. 26347
UDIN: F011250G001151312
Peer Review Unique Code - I2022AP2433800



ANNEXURE - III

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

(A) CONSERVATION OF ENERGY-

- (i) The steps taken or impact on conservation of energy; - The Company is constantly trying to optimally utilize the power by using techniques like Techtronic blasts, LED Lights, reactive power, Motor Staggering and soft starter Etc.
- (ii) The steps taken by the Company for utilizing alternate sources of energy;
- (iii) The capital investment on energy conservation equipment's;

(B) TECHNOLOGY ABSORPTION- N.A.

- (i) The efforts made towards technology absorption;
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) The details of technology imported;
 - (b) The year of import;
 - (c) Whether the technology has been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
- (iv) The expenditure incurred on Research and Development.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO- NIL

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

**By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED**

Place: Denduluru

Date: 05.09.2025

Sd/-

**Phani Anupama Vankineni
Director, DIN: 00935032**

Sd/-

**Bhanu Prakash Vankineni
Managing Director, DIN: 00919910**

Reg. Office: Dwarka Thirumala Road,
Denduluru Village and Mandal,
Eluru District, AP- 534 432.

CIN- L15490AP1995PLC088116

E Mail - diligentinvestors@gmail.com

Website: <https://www.diligentindustries.com>

PARTICULARS OF EMPLOYEES
[Pursuant to Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i) The percentage of increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25.

Remuneration, among directors, is paid only to Mr. Kiran Kumar Vankineni as Executive Director of the Company. Remaining Directors are not in receipt of any remuneration other than sitting fees.

S. No	Name of Director / Company Secretary	Remuneration 2024-25	Remuneration 2023-24	Percentage Change (%)
1	Bhanu Prakash Vankineni	Foregone	Foregone	NIL
2	Kiran Kumar Vankineni	4.80 L	4.8 L	NIL
3	Ankit Singhal (w.e.f. 01/06/2023)	2.64 L	2.2 L	20%

- ii) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No	Name of Director/KMP and Designation	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	The Percentage increase in remuneration of each director, CFO, CEO in the financial year
1.	Bhanu Prakash Vankineni	Foregone (During the year no remuneration was paid)	NIL
2.	Kiran Kumar Vankineni	2.37 X	NIL
3.	Ankit Singhal (w.e.f. 01/06/2023)	1.30 X	20%

Note: Here 'X' is a median remuneration of the permanent employees is Rs. 2.02 Lakh per annum.

- iii) In the financial year, there was an increase of NIL % in the median remuneration of employees;
- iv) There were 18 permanent employees on the rolls of Company as on March 31, 2025;
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2024-25 was NIL % whereas the decrease/ increase in the managerial remuneration for the same financial year was NIL%.
- vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- vii) Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**PARTICULARS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN****(Amount in Lakhs)**

S. No	Employee name	Designation	Educational qualification	Age	Experience	Date of Joining	Gross remuneration paid (Per Annum)	Previous employment and designation, If any	No. Shares held, if any	Whether relative to director or manager
1	Inti Lakshmi Narayana	Plant In-charge	I.T.I	54	28	04-01-2008	3.01	NA	Nil	No
2	V.Satish	Lab In-charge	Graduate	43	19	04-01-2008	4.82	Private Job, Lab Technician	Nil	No
3	P.Sattibabu	Boiler In-charge	Intermediate	42	13	01-06-2016	3.19	Private Job, Boiler Operator	Nil	No
4	R.Gurumoorthy	Plant In-charge	Intermediate	29	7	01-05-2021	6.03	NA	Nil	No
5	K.V.Ramprasad	Factory In-charge	Intermediate	46	23	19-03-2008	1.81	NA	Nil	No
6	R.M.S.Sunil Kumar	Driver	10 th Class	35	13	01-01-2021	1.66	Private Job.	Nil	No
7	Nakka Chandra Sekhara Rao	Accounts Staff	PG	47	14	01-01-2021	2.08	Private Job, Jr. Accountant.	Nil	No
8	P.M.D.Praveen	Office Staff	Graduate	33	11	01-09-2014	2.26	NA	Nil	No
9	Kella Sai Narayana	Accounts Staff	Graduate	37	6	07-04-2008	1.93	-	Nil	No
10	Alluboina Vijaya Lakshmi	Accounts Staff	Graduate	35	10	01-08-2022	2.10	NA	Nil	No

viii) During the year under review, no employee was in receipt of remuneration exceeding one crore and two lakh rupees for the reporting year and no employee was paid for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.

**By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED**

**Place: Denduluru
Date: 05.09.2025**

**Sd/-
Phani Anupama Vankineni
Director, DIN: 00935032**

**Sd/-
Bhanu Prakash Vankineni
Managing Director, DIN: 00919910**

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statements of
subsidiaries/associate companies/joint ventures:**

Part- “A”: Subsidiaries

The Company has no subsidiaries.

Part- “B”: Associates and Joint Ventures

The Company has no Associates and Joint Ventures.

By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED

Place: Denduluru
Date: 05.09.2025

Sd/-
Phani Anupama Vankineni
Director, DIN: 00935032

Sd/-
Bhanu Prakash Vankineni
Managing Director, DIN: 00919910

ANNEXURE - VI
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2025, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis during the year ended 31st March, 2025 are as follows:

Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Amount (Rs. in Lakhs)
Loan & Mr. Bhanu Prakash Vankineni	Managing Director	On Demand	Unsecured Loan repaid	(1,450.18)
Loan & Mrs. Phani Anupama Vankineni	Director	On Demand	Unsecured Loan repaid	(391.00)
Purchase of Goods, Other income & Aditya Rice Mill	Enterprises owned or significantly influenced by key management personnel or their relatives	As mutually agreed from time to time.	Ordinary Course of Business	Purchase of Goods- 11,196.27 Other Income - 0.96
Sale of Goods & Eway Lipids Private. Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	As mutually agreed from time to time.	Ordinary Course of Business	Sale of Goods- 6,515.89
Sales, Purchases & Adithya Commercials India Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives	As mutually agreed from time to time.	Ordinary Course of Business	Sales - 234.22 Purchases - 2,554.44

**By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED**

Place: Denduluru

Date: 05.09.2025

**Sd/-
Phani Anupama Vankineni
Director, DIN: 00935032**

**Sd/-
Bhanu Prakash Vankineni
Managing Director, DIN: 00919910**



Related Party Disclosure as per Schedule V of SEBI (LODR) Regulations, 2015

(Amount in Lakhs)

Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Transaction for 2024-25	Closing Balance as on 31 st March, 2025
Loan repaid to Mr. Bhanu Prakash Vankineni	Managing Director	As mutually agreed,	Unsecured Loan	(1,450.18)	(702.74)
Loan repaid to Mrs. Phani Anupama Vankinei	Director	As mutually agreed,	Unsecured Loan	(391.00)	(105.37)
Sales & E-Way Lipids Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives	As mutually agreed,	Ordinary Course of Business	6,515.89	(699.75)
Sales and Purchases: a. Adithya Rice Mill b. Adithya Commercials India Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives	As mutually agreed,	Ordinary Course of Business	11,197.23 2,788.66	3,418.59 433.15

By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED

Place: Denduluru

Date: 05.09.2025

Sd/-

Phani Anupama Vankineni
Director, DIN: 00935032

Sd/-

Bhanu Prakash Vankineni
Managing Director, DIN: 00919910

MANAGEMENT DISCUSSION & ANALYSIS

I. Industry structure and development:

The history of edible oils in India dates back centuries, with a rich tradition of oilseed cultivation and oil extraction. India is one of the oldest producers of edible oils in the world, with ancient texts mentioning the extraction of oils from various seeds and nuts.

Traditionally, the Indian subcontinent has been a major producer of oilseeds, including mustard, groundnut, sesame, and sunflower. Each region of India has its own set of preferred cooking oils based on availability and culinary traditions. For example, mustard oil is commonly used in North India, while coconut oil is popular in the southern states.

The liberalization of the Indian economy in the early 1990s had a significant impact on the edible oil sector. It led to an influx of foreign investments and the entry of multinational corporations into the market. This period also saw the emergence of branded and packaged edible oils, changing the way consumers purchased and consumed oils.

The Edible Oils market covers any type of oil that is extracted from plants and nuts and is used for cooking and food preparation. Growing demand for edible oil and rapid growth and expansion in the food sector is expected to enhance the growth of the edible oil market. Also, the emerging application of corn oil in industries is projected to provide immense market opportunities in the upcoming period. Canola oil is a healthier and cheaper alternative to olive oil because of its lowest fat content, around 6 percent among all other type of edible oils. As a result of various benefits of edible oil, an increase in the demand for this oil ultimately drives the market growth.

- Revenue in the Edible Oils market amounts to US\$34.75bn in 2024. The market is expected to grow annually by 4.94% (CAGR 2024-2029).
- In global comparison, most revenue is generated in India (US\$34,750m in 2024).
- In relation to total population figures, per person revenues of US\$24.10 are generated in 2024.
- In the Edible Oils market, volume is expected to amount to 7.92bn kg by 2029. The Edible Oils market is expected to show a volume growth of 1.3% in 2025.
- The average volume per person in the Edible Oils market is expected to amount to 5.20 kg in 2024.
- India Edible Oil Market to Grow with a CAGR of 1.5% through 2028

The edible oils market is expected to reach USD 190.88 billion by 2030, which is USD 102.37 billion in 2022, registering a CAGR of 8.10% during the forecast period of 2023 to 2030. In addition to the insights on market scenarios such as market value, growth rate, segmentation, geographical coverage, and major players.

According to the TechSci Research report, "India Edible Oil Market – Industry Size, Share, Trends, Competition, Opportunity, and Forecast, 2019-2029F", the India Edible Oil market stood at USD 4.2 billion in 2023 and is anticipated to grow with a CAGR of 1.5% in the forecast period, 2025-2029. The India edible oil market is a critical and dynamic component of the country's food and agricultural sector. It plays a vital role in meeting the dietary needs of India's vast and diverse population, making it one of the most significant segments of the Indian economy.



II. Strengths/Opportunities:

- a. A well-established supplier in the edible oil segment, in operation and manufacturing a diverse range of edible oils covering refined castor oil, rice bran oil, palm oil, cottonseed oil, groundnut oil and other vegetable oils.
- b. The promoters are having more than a decade of experience in the business of edible as well as non-edible oils.
- c. The Company has its extensive marketing and distribution network which reaches out the customers in India.
- d. The Company's focus is on Healthy edible oils which include rice bran oil and vegetable oil as they are more preferred with increasing health consciousness in the country – edible oil segment is growing at a CAGR of 10% to 15% and as such health friendly oils are growing at a CAGR of over 20% in India. This creates a big opportunity for the company to make its existing local brands popular on a national scale.

III. Weaknesses / Risks and concern:

- Business Risk:

The Edible Oil Industry is exposed to significant threats that arise because of price volatilities, regulatory uncertainties and raw material availability concerns. It also faces stiff challenges in marketing its products since there is little product differentiation, and assured off-take or long-term contracts are few and far between. The industry also has a high credit risk, which arises from its widespread debtor base and the trading nature of its operations. Solvent extraction units face huge raw material availability risks since oilseed imports are minimal and largely restricted. Hence, the domestic extraction industry has to depend solely on the domestic crop, which, in turn, depends on monsoons, crop yields, and area under cultivation, minimum support prices and other financial incentives announced by the government. Apart from its highly seasonal nature, oilseed production fluctuates widely because of these variables. Moreover, nearly 35 percent of domestic oil consumption is dependent on imports. Hence, global demand-supply dynamics too have a key bearing on domestic realizations with domestic prices increasingly aligning themselves to international ones. Since international oil prices continue to exhibit highly volatile patterns, they affect domestic players. Although the industry offers a natural hedge to some extent since input and output prices are correlated, any adverse movement in prices could make the business unviable because of the industry is extremely thin bottom-line. The domestic Edible Oil Industry also faces significant regulatory risks as evident in the Government's increasing interventions through frequent changes in customs and excise duty structures and international trade-related regulations (import and export restrictions). These changes have a far-reaching impact on players since the consumers' high price sensitivity leads to shifts in the demand pattern among various edible oils. As a result, one oil category often expands at the cost of another.

- Government Policies:

The policies announced by the Government have been progressive and are expected to remain likewise in future, and have generally taken an equitable view towards various stakeholders, including domestic farmers, industry, consumers etc. Government policies play an important role in the businesses of your Company.

- Risk Mitigation Practices

Availability Risk:



Industry players maintain adequate stocks to achieve optimal capacity utilization during the offseason, making their operations highly working capital-intensive and raising stockholding costs. This practice also increases price risk to some extent, since the industry could face volatility between the procurement of the inputs and the sale of the outputs, impacting margins. Companies also prefer to be located close to raw material sources.

- **Price Risk:**

Companies use risk mitigation tools such as agro-commodity futures to manage price risk. Globally, commodity exchanges like the Chicago Board of Trade (CBOT) have significantly higher volumes than the equity exchanges in the country, but domestic exchanges have low volumes and have traditionally been technologically inferior to their international counterparts. Nationwide commodity exchanges have come up recently such as the National Commodity and Derivatives Exchange (NCDEX) and Multi-Commodity Exchange (MCX), which are trying to match international standards of connectivity and scalability. Nevertheless, a significant proportion of domestic players still do not hedge their positions, leading to high volatility in margins. Companies also use forward currency covers for imports and exports to hedge against currency risks. Besides, big players are looking at branding and retailing of edible oils since this offers higher realizations and greater pricing flexibility than bulk oils. This, however, entails considerable investments in a marketing and distribution network and requires a reasonable size of operation, which small-unorganized players may not possess.

- **Regulatory Risk:**

Some of the Edible Oil players are diversifying their operations across more than one oil category to insulate themselves from any demand substitution due to relative duty changes. Also, some companies have set up import-based refining plants in areas that offer tax breaks such as Kandla Port in Gujarat to save on customs duty, apart from enjoying cost economies because of their proximity to the input source.

- **Credit Risk:**

On an average, players provide a credit period of 2 to 4 weeks. While this is specific to a player's internal credit policy, a high debtor turnover is desirable. Additional incentives such as cash discounts are also a common feature in the business. Companies also enter into letter of credit-based contracts for exports of DOC and other products.

- **Risk Management Policy:**

The Company, by adopting a Risk Management Policy, has ensured the awareness of its standards for risk taking while conducting business. The aim of this policy is not to eliminate risk. It is to assist personnel to manage the risks involved in all activities to maximize opportunities and minimize adverse consequences.

IV. Outlook:

The Russia-Ukraine war has had an immense impact on the edible oil market and once again highlighted India's vulnerability to the global edible market vagaries. Even before the war, global vegetable oil supplies had tightened due to a drought in South America which resulted in the reduction of soybean yield.

The India edible oil market size reached 24.3 million Tons in 2022. Looking forward, IMARC Group expects the market to reach 26.7 million Tons by 2028, exhibiting a growth rate (CAGR) of 1.55% during 2023-2028. India currently represents the world's largest importer of edible oil in the world.



Compared to a base value of USD 464.48 billion in 2022, Grand View Research projects that the edible oil and fats market will grow at a CAGR (2023-2030) of 7.5% to create an edible oil market size of USD 831.10 billion in 2030.

Imports:

The country has to rely on imports to meet the gap between demand and supply. Import of edible oil is under Open General License. In order to harmonize the interests of farmers, processors and consumers and at the same time, regulate large import of edible oils to the extent possible, import duty structure on edible oils is reviewed from time to time.

In a bid to control the continuous rise in the cooking oil prices since past one year, the Central Government has cut the basic duty on Crude Palm Oil, Crude Soyabean Oil and Crude Sunflower Oil from 2.5% to Nil. The Agri- cess on these Oils has been brought to 5%. This duty has been extended upto 31st March, 2025. The basic duty on Refined Soyabean oil and Refined Sunflower Oil has been reduced to 17.5% from 32.5% and the basic duty on Refined Palm Oils has been reduced from 17.5% to 12.5%.

Import Duty of Refined Soyabean oil and Refined Sunflower Oil has been reduced to 17.5% from 12.5% on 14th June 2023. This duty has been extended up to 31st March, 2025. The Government has extended the free import of Refined Palm Oils till further orders.

V. Internal Control System and its Adequacy:

DIL has well-established processes and clearly-defined roles and responsibilities for people at various levels. This, coupled with adequate internal information systems embedded in business automation software, ensures proper information flow for the decision-making process. Adherence to these processes is ensured through frequent internal audits. The Executive Committees monitors business operations through regular reviews of performance vis-a-vis budgets. An extensive program of internal audit conducted by the internal audit team, reviewed by the Audit Committee, and requisite guidelines and procedures augment the internal controls. The internal control system is designed to ensure that financial and other records are reliable for preparing financial statements and other information. These procedures ensure that all transactions are properly reported and classified in the financial records.

VI. Financial Performance with respect to operational Performance:

During the year under review, the management concentrated on the optimum utilization of working capital resources and better financial management along with debtors as it could save interest costs. However, non-availability of raw-materials timely affected the margins severely. The Company continues to concentrate on better working capital management as other overheads could not be controlled.

VII. Human Relations and Industry Relations:

The Company continued to make significant progress on strengthening HR Processes and Practices to build organization for current as well as future sustainability during the year. The Company focuses on providing individual development and growth in a professional work culture that ensures high performance. The Company has concentrated on enhancing capability of employees that ultimately helps achieving better standards of operations. The Company organizes various Seminars for the up gradation of Employees. Moreover, to enhance the skills of Employees various Training programs are also arranged by the Company



VIII. Ratio Analysis:

During the year under review, there have been no significant changes in the key financial ratios in comparison with FY 2024-25. The key ratios are available in the schedules to the Financial Statements.

IX. Cautionary Statement

Some of the statements contained in this report related to objectives, outlook and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Factors that could make significant difference to the Company's operations including economic developments, government regulations, patent and tax laws and related factors.

The company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

Source:

1. <https://www.statista.com>
2. <https://www.linkedin.com>
3. The TechSci Research Report

By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED

Place: Denduluru

Date: 05.09.2025

Sd/-

Phani Anupama Vankineni
Director, DIN: 00935032

Sd/-

Bhanu Prakash Vankineni
Managing Director, DIN: 00919910

CORPORATE GOVERNANCE REPORT

(Pursuant to Schedule V C of the SEBI(LODR) Regulations, 2015)

The Company's shares are listed on BSE Limited. The Corporate Governance Report has been prepared in accordance with Regulation 34 read with Schedule V C of the of the SEBI (LODR) Regulations, 2015.

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to the highest standards of Corporate Governance Practices. The Company relies on the strong Corporate Governance systems and policies of business for healthy growth, accountability and transparency. Good Corporate Governance will certainly benefit the Board and Management to carry out the objectives effectively for the benefit of the company and its shareholders. The code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company. In addition to compliance with regulatory requirements, the Company endeavors to ensure that the highest standards of ethical conduct are maintained throughout the organization.

2. BOARD OF DIRECTORS

The Board of Directors along with its committees provides focus and guidance to the Company's Management as well as directs and monitors the performance of the Company.

The Board presently comprises of Six (6) Directors, having rich and vast experience with specialized skills in their respective fields, out of which Four (4) are Non-Executive Directors. The Company has an Executive Chairman who is also the Managing Director of the Company and the key Promoter. The Board consists of 3 Independent Directors. The composition of Board of Directors is in conformity with the Regulation 17 of the SEBI (LODR) Regulations, 2015 ('the Listing Regulations'), the provisions of Section 149 of the Companies Act, 2013 ('Act') and all other applicable provisions / regulations of the Act / Regulations.

All the Directors on the Board of the Company have made necessary declarations / disclosures regarding their other Directorships, along with Committee positions held by them in other Companies. The composition of the Board and category of Directors is as follows:

Composition of Board and Category of Directors:

Name of the Director	Category	Designation	No of Shares held in the Company
Bhanu Prakash Vankineni	Executive Director (Promoter)	Managing Director	10,61,40,600
Phani Anupama Vankineni	Non-Executive Non-Independent Director	Director	1,46,92,000
Kiran Kumar Vankineni	Executive Director	Director	1,11,75,000
Srinivas Babu Edupuganti*	Non-Executive Director	Independent Director	Nil
Lokeswararao Nelluri	Non-Executive Director	Independent Director	Nil
Baba Mohammed	Non-Executive Director	Independent Director	Nil



Durga Prasad Vajjha**	Non-executive Director	Independent Director	Nil
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*Mr. Srinivas Babu Edupuganti's term of independent director expired on 30th September, 2024.

**Mr. Durga Prasad Vajjha was appointed as Independent Director on 07th day of August, 2024 by the Board and approved by the members in the 30th AGM held on 30/08/2025.

The Details of attendance of Directors at the AGM, Board Meetings with the particulars of their Directorship and Chairmanship/Membership of Board/Committees in other Companies are as under:

Name of the Director	No of Board Meetings during the Year 2024-2025 and attendance.		Attendance at last AGM held on 30-08-2024	No of Directorships held in other Companies@	Committee Memberships and Chairmanships in other Companies [#]		Name of the Other Listed Companies and Category of Directorship
	Held	Attended			Membership	Chairmanship	
Bhanu Prakash Vankineni Managing Director	7	7	Yes	-	NIL	NIL	NIL
Phani Anupama Vankineni Executive Director	7	7	Yes	-	NIL	NIL	NIL
Kiran Kumar Vankineni Executive Director	7	7	Yes	-	NIL	NIL	NIL
Srinivas Babu Edupuganti* Independent Director	5	5	Yes	-	NIL	NIL	NIL
Lokeswararao Nelluri Independent Director	7	7	Yes	-	NIL	NIL	NIL
Mohammed Baba Independent Director	7	7	YES	5	3	3	Genesis IBRC India Limited & Sai Retail India Limited, Independent Director.
Durga Prasad Vajjha**	3	3	YES	3	6	NIL	DRS Cargo Movers Limited, Independent Director.

*Mr. Srinivas Babu Edupuganti's term of independent director expired on 30th September, 2024.

**Mr. Durga Prasad Vajjha was appointed as Independent Director on 07th day of August, 2024 by the Board and approved by the members in the 30th AGM held on 30/08/2025.

@ Excluding Directorship in Foreign Companies and Section 8 Companies.



Only Membership of Audit and Stakeholder Relationship Committees are considered.

Relationship among Directors:

In accordance with the provisions of Section 2(77) of the Companies Act, 2013 and rules made there-under, Mr. Bhanu Prakash Vankineni, Managing Director Mrs. Phani Anupama Vankineni and Mr. Kiran Kumar Vankineni belong to promoter group and are related to each other. Further, none of the other directors are related to each other.

As per the disclosures given by the respective directors, no director is a member of more than ten committees and Chairman of more than five committees, as specified in Regulation 26 of Listing Regulations, across all the Companies in which he / she is a director. Further, no director is acting as Independent Director of more than Seven Listed Companies, and if a Whole Time Director of Listed Company, not more than three Listed companies.

None of the Independent Directors are Promoters or related to Promoters. They do not have a pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company. None of the independent directors of the Company is a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director. In the opinion of the Board, all the independent directors fulfill the conditions specified in the Companies Act, 2013, including amendments there under and SEBI Listing Regulations, 2015, as amended from time to time, and are independent of the management.

Pursuant to section 150 read with of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Companies Act, 2013, your Company's Independent Directors have registered themselves on the portal of "Indian Institute of Corporate Affairs" as Independent Director within the prescribed timelines.

The Matrix presenting the director area of expertise against the experience is specified as follows:

Name of the Director	Designation	Experience	Field of Expertise
Bhanu Prakash Vankineni	Managing Director	36	Strategic Business Planning, Business development.
Phani Anupama Vankineni	Director	31	Administrative Functions.
Kiran Kumar Vankineni	Director	25	Expertise in the field of engineering and has sound technical knowledge and experience.
Srinivas Babu Edupuganti	Independent Director	30	Accounts, Legal, Finance and Governance matters.
Lokeswararao Nelluri	Independent Director	10	Business Administration and Direct & Indirect taxes, audit and assurances.
Mohammed Baba	Independent Director	7	Finance, accounts & legal affairs.
Durga Prasad Vajjha	Independent Director	21	Banking, Legal, Accounts, finance, Secretarial and Governance matters.

The Company is in compliance with Section 203 read with Sections 2(19) & 2(51) of the Companies Act, 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, including any statutory modification(s) or re-enactment(s) thereof.

Meeting of the Board of Directors:

During the financial year 2024-25, Seven (7) Board Meetings were held on 03/05/2024, 29/05/2024, 07/08/2024, 14/08/2024, 12/09/2024, 13/11/2024 and 14/02/2025. The maximum gap between two consecutive meetings did not exceed One Hundred and Twenty Days (120). The necessary quorum was present for all the meetings.

Independent Directors:

During the period under review, no Independent Director has resigned before the expiry of his tenure.

Meeting of Independent Directors:

A separate meeting of Independent Directors was held on 14th February, 2025, inter alia, to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairman and to assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The terms and conditions for appointment of Independent Directors are detailed in the Company's policy on Terms & Conditions for appointment of Independent Directors which can be accessed at [Terms & Conditions of appointment of Independent Directors](#).

In the opinion of the Board the Independent Directors fulfill the conditions specified in Regulation 25 of Listing Regulations read with Schedule IV of the Companies Act, 2013 and are of Independent of the Management.

Familiarization Programme imparted to Independent Directors:

The Company conducted Familiarization program for the Independent Directors to familiarize them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business mode of the Company and Internal procedures and controls etc.

The familiarization programs for the Independent Directors were held as mentioned in the Board Report above. Please refer the same. The Familiarization Programmes of the Directors are also available on the website and can be accessed at <https://www.diligentindustries.com/investor-relations.html>.

Code of Conduct for Directors and Senior Management:

The Company has framed a Code of Conduct for its Directors and Senior Management Personnel and revised it as per the requirements of the statute. The said code is hosted on the Company's website (www.diligentindustries.com) [Code of conduct of Board & Senior Management Personnel](#). The Code of Conduct is applicable to all Directors and Senior Management of the Company. All the members of the Board and Senior Management of the Company have confirmed compliance with their respective Code of Conduct for the financial year ended 31st March, 2025.

Further, a declaration signed by the Managing Director stating the compliance of Code of Conduct by the Board of Directors and Senior Management is annexed hereto and forms part of this Report.

3. COMMITTEES OF BOARD:**A. Audit Committee:**



The Board constituted a Qualified and Independent Audit Committee comprising of three directors as members of the Committee in which two thirds of the members are independent directors in accordance with the Regulation 18 of SEBI (LODR) Regulations 2015, and Section 177 of the Companies Act, 2013.

The Committee is empowered with the roles and powers as prescribed under Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

i. Powers of the Audit committee:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Such powers as may be prescribed under the Companies Act-2013 and SEBI Listing Regulations

ii. Role of the Audit committee:

- a) Oversight of company financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending to the board, the appointment and re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
- c) Approval of payments to statutory auditors for any other services rendered by them.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matter 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.
 - Review of draft auditor's report, in particular qualifications / remarks / observations made by the auditors on the financial statements.
 - Management Discussion and analysis of financial conditions and results of operations.
 - Review of statement of significant related party transactions submitted by the management.
 - Review of management letters / Letters of internal control weakness issued by the statutory auditors.
 - Review of internal audit reports relating to internal control weaknesses.
 - Review of appointment, removal and terms of remuneration of the chief Internal auditor.
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - Review of the financial statements of subsidiary companies.
 - Review and monitor the auditor's independence and performance and effectiveness of audit process.
 - Approval or any subsequent modification of transactions of the company with related parties and omnibus approval (In the manner specified under SEBI Listing Regulations) for related party transactions proposed to be entered into by the company subject to such conditions/ criteria as may be prescribed, provided that only those members of the committee, who are independent directors, shall approve related party transactions.
 - Scrutiny of inter corporate loans and investments.



- Valuation of assets and undertakings of the company, whenever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- To look into reasons for substantial default in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing with the management, the statement of uses / applications 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 public issue or Rights issue and making appropriate recommendations to the board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal audit systems.
- 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.
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the risk management policies, practices and the findings of any internal investigations by the 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.
- 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.
- To review the functioning of the whistle Blower mechanism.
- Approval of appointment / re-appointment / Remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications and experience & background, etc. of the candidate.
- Carrying out any other function as may be mentioned in the terms and reference of the audit committee. The audit committee discharges its functions and obligations on regular basis and on the occurrence of the events.
- Formulating a policy on Related party transactions, which shall include materiality of related party transactions and definition of material modifications of related party transactions.
- Reviewing, at least on quarterly basis, the details of related party transactions entered into by the company pursuant to each of the omnibus approvals given.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 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 concerns.

Composition of Audit Committee:

The composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

S. No	Name of the Director	Category	Nature of Directorship	No. of meetings held during the year	No. of meetings attended
1	*Srinivas Babu Edupuganti	Chairperson & Member	Independent Director	4	2
2	Lokeswararao Nelluri	Member	Independent Director	4	4
3	Mohammed Baba	Member	Independent Director	4	4



4	**Durga Prasad Vajjha	Chairperson & Member	Independent Director	4	3
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*Mr. Srinivas Babu Edupugnati's term of independent director expired on 30th September, 2024.

**Mr. Durga Prasad Vajjha was appointed as Independent Director on 07th day of August, 2024 by the Board and approved by the members in the 30th AGM held on 30/08/2025.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the company.

The Managing Director, Chief Financial Officer, Sr. Mgr. Finance, Statutory Auditors and Internal Auditors are also invited to the meetings, as required, to brief the Committee Meetings. The Company Secretary acts as the Secretary of the Committee.

During the year, four meetings of the Audit Committee were held and the said meetings were held on 29/05/2024, 14/08/2024, 13/11/2024 and 14/02/2025. The gap between two audit Committee meetings did not exceed one hundred and twenty days (120). The necessary quorum was present at all the meetings.

B. Nomination & Remuneration Committee:

The Committee is empowered with the roles and powers as prescribed under Regulation 19 of SEBI (LODR) Regulations, 2015 as amended from time to time, Section 178 of the Companies Act, 2013 and in the Nomination and Remuneration policy of the Company. The Committee also acts in terms of reference and directions of the Board from time to time.

i. The terms of reference of the Remuneration Committee are as follows:

- Formulation of criteria for determining Qualifications, Positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration of the directors, Key Managerial Personnel and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may
 - ✓ use the services of an external agencies, if required;
 - ✓ consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - ✓ consider the time commitments of the candidates.:
- Formulation of criteria for evaluation of independent directors and the board.
- Devising a policy on Board Diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board their appointment and removal.
- To Recommend / Review remuneration of Key Managerial personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. Salary, benefits, Bonus, Stock Options, Pensions, etc.
- Recommendation of any fee / Compensation if any, to be paid to non-executive directors including independent directors of the board.
- Payment / revision of remuneration payable to managerial personnel



- While approving the remuneration, the committee shall take into account financial position of the company, trend in the industry, qualification, experience and past performance of the appointee.
- The committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the company and shareholders.
- Any other functions / Powers / duties as may be entrusted by the board from time to time.

The company has adopted a policy relating to the nomination & remuneration for directors, key managerial personnel and other employees of the company which is disclosed on the website of the company. Click here for [Nomination & Remuneration Policy](#).

The Nomination and Remuneration Committee comprises of Three (3) Non-Executive Directors. The present composition and attendance of the Nomination and Remuneration Committee is as follows:

S. No	Name of the Director	Category	Nature of Directorship	No. of meetings held during the year	No. of meetings attended
1	Srinivas Babu Edupuganti*	Chairperson & Member	Independent Director	3	2
2	Lokeswararao Nelluri	Member	Independent Director	3	3
3	Mohammed Baba	Member	Independent Director	3	3
4	Durga Prasad Vajjha**	Chairperson & Member	Independent	3	2

*Mr. Srinivas Babu Edupuganti's term of independent director expired on 30th September, 2024.

**Mr. Durga Prasad Vajjha was appointed as Independent Director on 07th day of August, 2024 by the Board and approved by the members in the 30th AGM held on 30/08/2025.

During the year, three meetings of Nomination and Remuneration Committee were held and the said meetings were held on 03/05/2024, 07/08/2024 and 14/02/2025.

The role of the NRC is as specified under Schedule II Part (D) of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013. Apart from this NRC reviews profiles & experience, performance appraisals and recommends the remuneration package payable to Executive Director(s) and other Senior Executives in the top-level management of the Company and other elements of their appointment and gives its recommendations to the Board and acts in terms of reference of the Board from time to time.

Nomination and Remuneration Policy:

The Company's Remuneration policy as applicable to Directors, Key Managerial Persons and other Senior Management Personnel of the Company is annexed as **Annexure-X** to the Board's Report.

The details of remuneration and commission paid during the year to the Managing Director, is as follows:

Category of Payment	Amount in Rs.
a. Fixed Component	NIL
b. Performance Lined Incentives	
Allowances, Perquisites & others	-
Commission	-
Company's Contribution to PF	-



Perks	
Total	NIL

Compensation paid to Non-Executive Directors and their shareholding is as follows:

Name of the Director	Designation	Sitting fees Paid (Rs.)	No. of shares held on 31-03-2025
Phani Anupama Vankineni	Non- Executive Non-Independent Director	Nil	1,46,92,000
Srinivas Babu Edupuganti*	Independent Director	Nil	Nil
Lokeswararao Nelluri	Independent Director	Nil	Nil
Mohammed Baba	Independent Director	Nil	Nil
Durga Prasad Vajjha**	Independent Director	Nil	Nil

*Mr. Srinivas Babu Edupuganti's term of independent director expired on 30th September, 2024.

**Mr. Durga Prasad Vajjha was appointed as Independent Director on 07th day of August, 2024 by the Board and approved by the members in the 30th AGM held on 30/08/2025.

Other than the sitting fees to Non-Executive Directors, there was no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its Directors / Employees.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has recommended the guidelines for evaluation of Independent Directors. It largely includes:

- The qualification and experience of Independent Directors
- The ground work that the Independent Directors prepare before attending the meeting to enable them in giving valuable inputs during meeting.
- The exposure of the Independent Directors in different areas of risk the entity faces and advises them to mitigate the same.

C. Stakeholders Relationship Committee (SRC):

The Stakeholders' Relationship Committee has been formed in compliance of Regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178(5) of the Companies Act, 2013. The Committee comprises of all Non-Executive Independent Directors.

The terms of reference of the Investor Grievance & Share Transfer Committee are as follows:

To supervise and ensure:

Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

(i) Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, nonreceipt of declared dividends etc;

(ii) Issue of duplicate / split / consolidated share certificates;

(iii) Allotment and listing of shares;

(iv) Review of cases for refusal of transfer / transmission of shares and debentures;

(v) Reference to statutory and regulatory authorities regarding investor grievances;

(vi) And to otherwise ensure proper and timely attendance and Redressal of investor queries and grievances.



Composition of Shareholder and Investor Grievance Committee is as follows:

S. No.	Name of the Director	Category	Nature of Directorship	No of Meetings held during the year	No. of Meetings attended
1	Srinivas Babu Edupuganti*	Member	Independent Director	1	NA
2	Lokeswararao Nelluri	Chairperson & Member	Independent Director	1	1
3	Mohammed Baba	Member	Independent Director	1	1
4	Durga Prasad Vajjha**	Member	Independent Director	1	1

*Mr. Srinivas Babu Edupuganti's term of independent director expired on 30th September, 2024.

**Mr. Durga Prasad Vajjha was appointed as Independent Director on 07th day of August, 2024 by the Board and approved by the members in the 30th AGM held on 30/08/2025.

During the year, one meeting of Stakeholders Relationship Committee was held and the said meetings were held on 14.02.2025.

The Stakeholders Relations Committee of the Board is empowered to oversee the redressal of investor's complaints pertaining to share transfer, non-receipt of Annual Reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with SEBI (LODR) Regulations, 2015, the Board authorized the Registrar and Transfer Agent (RTA) of the Company i.e. **Venture Capital and Corporate Investments Private Limited**, to process the requests for transfer and transmission of shares. All the investors' Complaints, which cannot be settled at the level RTA and the Compliance officer, will be placed before the Committee for final settlement.

There were no pending share transfers and un-resolved shareholders' grievances pertaining to the Financial Year ended 31st March, 2025.

Name and designation of Compliance Officer:

Name of Compliance Officer

Mr. Ankit Singhal

: Company Secretary & Compliance Officer (Appointed w.e.f. 01.06.2023)

Email- id for investor grievances

: diligentinvestors@gmail.com

Number of Shareholders' complaints received so far

: During the year ended 31st March, 2025, the Company has not received any complaints and as a result, there were no pending complaints as at the year end.

No of pending Complaints

: NIL

No of complaints not solved to the satisfaction Of shareholders

: NIL

4. Certificate from Practicing Company Secretary for Non-disqualification of Directors:

M/s. Ganga Anil Kumar & Associates, Practicing Company Secretaries, has given a certificate 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 the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

5. **M/s P. Suryanarayana & Co., Chartered Accountants, (Firm Registration No.009288S) have been appointed as the Statutory Auditors of the Company. Particulars of payment to Statutory Auditors on a consolidated basis is given as follows:**

(Amount in INR)	
Particulars	Amount
a) Statutory Audit	2,50,000
b) Tax Audit	20,000
Total	2,70,000

During the year under review, the Statutory Auditors have rendered only audited and tax audit related services.

6. **Constitution of Internal Complaints Committee:**

Your Company has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace and has duly constituted an Internal Complaints Committee (ICC) as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure pertaining to the complaints are given hereunder:

No of Complaints received during the year	NIL
No of Complaints disposed off during the year	NIL
No of Complaints pending for more than ninety (90) days	NIL
No of Complaints pending as on end of financial year	NIL

7. **General Body Meetings:**

i. Annual General Meetings:

Financial year ended	Date & Time	Venue	Special Resolution*
2023-2024	30 th August, 2024 at 11.30 AM	Dwarka Thirumala Road, Denduluru Village and Mandal, Eluru- 534 432, A.P.	1. Appointment of Sri Durga Prasad Vajjha (DIN: 10275174) as Non-Executive Independent Director of the Company.
2022-2023	30 th September, 2023	Dwarka Thirumala Road, Denduluru Village and Mandal, Eluru- 534 432, A.P.	Nil
2021-2022	30 th September, 2022	Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari – 534 432, A.P.	1. Borrowing Powers of the Company and Creation of Charge /Providing of Security.

* All special resolutions set out in the notices of AGM/EGM were passed by the shareholders with requisite majority.

ii. Special Resolution passed in last year through postal ballot.

No Special Resolution has been passed by the Company through postal ballot or otherwise during the year under review, except the following resolutions passed by e-voting / voting:

Extraordinary General Meeting (“EGM”) held on Monday, May 27th, 2024 at 11.00 AM

1. Re-appointment of Mr. Bhanu Prakash Vankineni (DIN: 00919910) as Managing Director of the Company.
2. Re-appointment of Mr. Kiran Kumar Vankineni (DIN: 02696680) as Executive Director of the Company.

iii. No Special Resolution is proposed to be passed by the Company through postal ballot at the ensuing Annual General Meeting except the following resolutions proposed to be passed by e-voting / voting:

1. Re-appointment of Sri Baba Mohammed (DIN: 08422704) as an Independent Director of the Company for a further term of 5 years.
2. Re-appointment of Sri Lokeswararao Nelluri (DIN: 08679768) as an Independent Director of the Company for a further term of 5 years.

8. DISCLOSURES

a. Disclosures on Materially Significant Related Party Transactions

- There were no materially significant related party transactions compared to the business volume of the Company during the year conflicting with the interest of the Company.
- The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company and can be accessed at <https://www.diligentindustries.com/investor-relations.html>. Click here for the same [Policy - Related Party Transactions](#)

b. Details of Non-Compliance and Penalties

- The Company has paid additional fees to MCA in certain instances.
- Refer Note No. 29 of the Notes to the Financial Statements as at March 31, 2025 for Contingent liabilities and commitments.

c. The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no person has been denied access to the Chairman of the Audit Committee.

- The Whistle Blower Policy of the Company is also posted on the website of the Company at <https://www.diligentindustries.com/investor-relations.html> or click here [Vigil Mechanism and Whistle Blower Policy](#).

d. The Company is in compliance of all the mandatory requirements of Corporate Governance as enumerated in Regulation 17 to 27 of SEBI (LODR) Regulations, 2015 and regulation 46(2)(b) to (i) of SEBI (LODR) Regulations, 2015 and is in the process of complying with non-mandatory requirements as envisaged under Regulation 27 read with Schedule II of SEBI (LODR) Regulations, 2015.

e. The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (**IND-AS**) pursuant to the Companies (Indian Accounting Standards) Rules, 2015 as applicable to the Company from the financial year 2019-20.

f. There are no instances where recommendations of the Committees have not been adopted by the Board of Directors during the period under review.



g. The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that the executive management control risks through means of a properly defined framework.

h. Regulation 16(1) (c) of the SEBI Listing Regulations, 2015 defines a “material non-listed Indian subsidiary” as an unlisted subsidiary, incorporated in India, whose income or net-worth (i.e. paid up capital and free reserves) exceeds 10% of the consolidated income or net worth respectively of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Under this definition, the Company did not have any “material non-listed Indian subsidiary” during the year under review.

The policy for determining ‘material’ subsidiary posted on the website of the Company under Investors Section at: <https://www.diligentindustries.com/investor-relations.html> or click here [Policy - ‘Material Subsidiaries’ - Not Applicable](#)

i. Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has framed a Code of Conduct for regulating, monitoring and preventing Insider Trading. The Code has been formulated towards achieving compliance with the new regulations and is designed to maintain the highest ethical standards of trading in securities of the Company by persons to whom it is applicable.

The Code of Conduct is posted on the website of the Company under Investors Section at: <https://www.diligentindustries.com/investor-relations.html> or click here [Code of Insider Trading](#).

j. There are no shares lying in Demat Suspense Account.

k. CEO/CFO Certification

A compliance certificate under Regulation 17(8) of SEBI (LODR) Regulations, 2015 signed by the Company’s Managing Director and CFO is annexed to this Report.

l. Compliance Certificate

Compliance certificate for Corporate Governance from Practicing Company Secretary of the Company is annexed hereto and forms part of this report.

9. MEANS OF COMMUNICATION

A. Quarterly and half-yearly reports are published in two Newspapers- one in English and one in Telugu.

B. The financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and simultaneously displayed on the Company’s website <https://www.diligentindustries.com/investor-relations.html>. The Secretarial Department serves to inform the investors by providing key and timely information like details of Directors, Financial results, Shareholding pattern, etc.

C. The Company is also displaying official news announcements on its website at <https://www.diligentindustries.com/investor-relations.html>.

D. Management Discussion and Analysis forms part of this Annual Report and attached to the Board Report.



E. All the Presentations made to Institutional Investors/analyst are displayed on the Company's website and can be accessed under Investors section at <https://www.diligentindustries.com/investor-relations.html>. However, no presentations were made to Institutional Investors/Analysts during the reporting period.

10. GENERAL SHAREHOLDER'S INFORMATION

i) Annual General Meeting

Date and Time	Tuesday, 30 th September, 2025 at 11.30 AM
Venue	Dwarka Thirumala Road, Denduluru Village and Mandal, Eluru Dist, A.P.-534 432
Last Date of Proxy forms submission	02:00PM on 28th September, 2025

- ii) Financial Year : 1st April, 2024 to 31st March, 2025
- iii) Book Closure : 24th September, 2025 to 30th September, 2025.
- iv) Dividend Payment Date : N.A.
- v) Listing on Stock Exchange : BSE Limited
- vi) Stock Code

Name of the Stock Exchange	Scrip Code
Bombay Stock Exchange Limited	531153
Demat ISIN No. for NSDL & CDSL	INE650C01036

The listing fees for the year 2024-25 was paid.

vii) Market Price Data & Share Performance of the Company:

The monthly High, Low and trading volumes of the Companies Equity Shares during the last financial year 2024-2025 at BSE Limited are given below:

Month	Bombay Stock Exchange Limited (BSE)		
	High (Rs.)	Low (Rs.)	Volume
April, 2024	6.25	4.51	20,32,593
May, 2024	6.13	5.02	17,94,760
June, 2024	6.34	5.11	21,13,952
July, 2024	7.14	5.13	1,16,13,513
August, 2024	6.36	4.91	53,71,245
September, 2024	6.30	5.00	1,00,61,093
October, 2024	5.30	3.88	71,42,317
November, 2024	5.12	3.75	1,22,39,442
December, 2024	4.90	3.08	2,56,23,975
January, 2025	3.71	2.19	1,11,27,551
February, 2025	2.45	1.73	1,17,69,789
March, 2025	1.85	1.58	77,60,882

During the reporting period, there are no instances of suspension of trade in the securities of the Company

viii) All Services relating to share transfer/transmissions and information may be addressed to:

Registrar and Share Transfer Agent

M/s. Venture Capital and Corporate Investments Private Limited,

“AURUM”, 4th & 5th Floors, Plot No.57,
 Jayabheri Enclave Phase – II,
 Gachibowli, Hyderabad – 500032.
 Landline: 040-23818475/35164940.
 Email: info@vccilindia.com
 Website: www.vccipl.com

The Company periodically audits the operations of share transfer agent.

ix) Share Transfer System

Share Transfers / transmission requests shall be lodged with the Registrar at the above-said address. The share transfers are generally processed by our Registrars within 15 days from the date of receipt provided the documents are complete in all respects.

The SEBI has debarred the transfer of shares in physical form w.e.f. 01st April, 2019. Any investor desirous of transferring shares (which are in physical form) after 01st April, 2019 can do so only after shares are dematerialized vide SEBI Circular LIST/COMP/15/2018.

Pursuant to old Regulation 40(9) of SEBI (LODR) Regulations, a certificate on half-yearly basis, had been given by a Practicing Company Secretary due compliance of shares transfer formalities. However, this requirement was omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024.

x) Distribution of Equity Shares as on 31st March, 2025.

Nominal Value	Holders		Amount	
	Number	% To Total	In Rs	% To Total
Up to - 500	14125	66.17	1533233	0.64
501 - 1000	2130	9.98	1816807	0.76
1001 - 2000	1441	6.75	2241113	0.94
2001 - 3000	760	3.56	1955575	0.82
3001 - 4000	394	1.85	1433277	0.6
4001 - 5000	747	3.5	3637969	1.53
5001 - 10000	927	4.34	7148697	3
10001 and above	823	3.86	218664095	91.71
Total	21347	100	238430766	100

xi) Shareholding Pattern as on 31st March, 2025.

Category	No. of Shares held	% of Capital
Indian Promoters	15,13,77,600	63.49



Diligent Industries Limited

Banks, Financial institutions, Insurance Companies & Mutual Funds	0	0
Foreign Institutional Investors	0	0
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	4,32,70,512	18.15
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	4,23,84,385	17.78
NRIs /OCBs/ FCBs	9,36,079	0.39
Bodies Corporate	4,62,190	0.19
Total	23,84,30,766	100

xii) Dematerialization of shares and liquidity

The Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) limited (CDSL) for dematerialization facility. As on 31st March, 2025, 97.28% of the Company's Equity shares are in dematerialized form. The ISIN NO. / Code for the Company's Equity Shares is INE650C01036 / 531153. Shareholders can open an account with any of the depository participants registered with any of these depositories.

xiii) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities; hence same are not applicable to Company.

xiv) Since the Company does not have debt instruments or fixed deposit program, obtaining of credit rating is not required.

xv) Plant Locations

Dwaraka Thirumala Road, Denduluru Village and Mandal, Eluru Dist, AP- 534 432.

xvi) Address for Correspondence

Mr. Bhanu Prakash Vankineni, Managing Director,
Diligent Industries Limited
Denduluru Village and Mandal,
West Godavari – 534 432
Andhra Pradesh.

**By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED**

Place: Denduluru

Date: 05.09.2025

**Sd/-
Bhanu Prakash Vankineni
Managing Director
DIN: 00919910**

**Sd/-
Phani Anupama Vankineni
Director
DIN: 00935032**



**Managing Director's and CFO's Certification
(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)**

To
The Board of Directors

We, Bhanu Prakash Vankineni, Managing Director and Kiran Kumar Vankineni, Chief Financial Officer of Diligent Industries Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement of Diligent Industries Limited for the year ended 31st March, 2025 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 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.
2. 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 in violation of Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee:
 - a) Significant changes in internal control over financial reporting during the year.
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - c) That there have been no instances of significant fraud of which we have become aware, involving of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Place: Denduluru
Date: 05.09.2025

SD/-
Kiran Kumar Vankineni
Chief Financial Officer

Sd/-
Bhanu Prakash Vankineni
Managing Director



Diligent Industries Limited

**Declaration regarding compliance by Board Members and Senior Management
Personnel with the Company's Code of Conduct**

I, Bhanu Prakash Vankineni, Managing Director, hereby declare that the Company has received the declarations from all the Board Members and Senior Management Personnel affirming compliance with Code of Conduct for Members of the Board and Senior Management for the year ended 31st March, 2025.

Place: Denduluru

Date: 05.09.2025

Sd/-

Bhanu Prakash Vankineni

Managing Director

DIN: 00919910



NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of Diligent Industries Limited (“**the Company**”) is required to ensure that the shareholders remain informed about and repose confidence in the management of the Company. To harmonize the aspirations of human resources with the goals of the Company and in terms of the provisions of the Companies Act, 2013 (“**the Act**”) and the Rules made thereunder and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“**the Listing Regulations**”), as amended from time to time, this Policy on nomination and remuneration of the Directors (including Non-Executive Directors), Key Managerial Personnel (“**KMP**”) and Senior Management of the Company has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors. This Policy shall act as a guideline for determining, inter-alia, the qualifications, positive attributes and independence of a director and matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors (including non-executive directors), Key Managerial Personnel and Senior Management Personnel.

2. OBJECTIVE OF THE POLICY

(a) The objective of this Policy is to outline a framework to ensure that the Company’s remuneration levels are aligned with industry practices and are sufficient to attract and retain competent director(s) on the Board, KMP(s) and Senior Management Personnel of the quality required by Diligent Industries Limited, allowing fair rewards for the achievement of key deliverables and enhanced performance. The key objectives of this Policy include:

- (i) guiding the Board in relation to appointment and removal of Director(s), Key Managerial Personnel and Senior Management;
- (ii) evaluating the performance of the members of the Board and assisting in providing necessary report to the Board for further evaluation of itself, its committees and individual directors.
- (iii) recommending to the Board the remuneration payable to the Director(s) and setting forth a policy for determining the remuneration payable to KMP and Senior Management Personnel.

(b) While determining the remuneration of the Director(s) (including Non-Executive Directors) and KMPs and Senior Management Personnel, regard should be had to the prevailing market conditions, business performance and practices in comparable companies, the financial and commercial health of the Company and also to prevailing laws and government/ other guidelines, to ensure that the pay structures are appropriately aligned and the levels of remuneration remain appropriate.

(c) While designing the remuneration package it should be ensured that:

- (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate persons of the quality required to run the Company successfully;
- (ii) there is a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(d) Some part of the remuneration package may be linked to the achievement of corporate performance targets of the Company and a strong alignment of interest with stakeholders.

(e) The Nomination and Remuneration Committee may consult with the Chairman of the Board as it deems appropriate.

The Committee shall observe the set of principles and objectives as envisaged under the Act (including Section 178 thereof), the Rules framed thereunder and the Listing Regulations including, inter-alia, the principles pertaining to determining qualifications, positives attributes, integrity and independence.

(f) In this context, the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors through circulation on 08th December, 2014.

3. EFFECTIVE DATE

This Policy shall be effective from the date of its adoption by the Board.

4. DEFINITIONS

(a) In this Policy, unless the context otherwise requires:

(i) 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the Directors of the Company.

(ii) 'Committee' means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

(iii) 'Company' means "DILIGENT INDUSTRIES LIMITED".

(iv) 'Independent Director' means a director referred to in Section 149(6) of the Companies Act, 2013 read with Regulation 16 of the Listing Regulations.

(v) 'Key Managerial Personnel' (**KMP**) shall have the meaning as prescribed to it in the Act and the Rules made thereunder.

(vi) 'Non-Executive Directors' include Independent Directors.

(vii) 'Policy' means the Nomination and Remuneration Policy.

(viii) 'Senior Management Personnel' for this purpose shall mean personnel of the Company who are members of its core management team, excluding the Board of Directors. It would comprise all the members of the management one level below the Board, including the functional heads.

(b) Unless the context otherwise requires, the words and expressions used in this Policy and not defined herein but defined in the Act and/ or the Listing Regulations, as may be amended from time to time, shall have the meaning respectively assigned to them therein.

5. APPLICABILITY

This Policy is applicable to:

- (i) Directors, including Non- Executive Directors
- (ii) Key Managerial Personnel
- (iii) Senior Management Personnel

6. MEMBERSHIP



- (a) The Committee shall consist of such number of directors as is required under the applicable laws.
- (b) Membership of the Committee shall be disclosed in the Annual Report and on the website of the Company.
- (c) The terms of the Committee shall be continuous unless terminated by the Board of Directors.

7. CHAIRMAN

- (a) The Chairman of the Committee shall be an Independent Director.
- (b) The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Committee but shall not be the Chairman of the Committee.
- (c) The Chairman of the Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

8. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such intervals as may be required.

9. COMMITTEE MEMBERS' INTERESTS

- (a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (b) The Committee may invite such executives as it considers appropriate to be present at the meetings of the Committee.

10. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

11. QUORUM

The quorum necessary for transacting business at a meeting of the Committee shall be two members or one-third of the members of the Committee; whichever is greater.

12. VOTING

- (a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of the members present. Any such decision shall, for all purposes, be deemed a decision of the Committee.
- (b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

13. RESPONSIBILITY OF THE COMMITTEE

- (a) The Committee is responsible for:
 - (i) formulating the criteria for determining the qualifications, positive attributes and independence of a Director for the purpose of this Policy;



- (ii) advising the Board on issues concerning the principles of remuneration and other terms of employment, including remuneration of the Directors (including Non-Executive Directors), KMPs and the Senior Management;
- (iii) monitoring and evaluating the programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), KMPs and the Senior Management;
- (iv) monitoring and evaluating the application of this Policy;
- (v) monitoring and evaluating current remuneration structures and levels in the Company; and
- (vi) any other responsibility as determined by the Board.

14. APPOINTMENT OF DIRECTORS, KMP OR SENIOR MANAGEMENT PERSONNEL

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP and/or Senior Management Personnel.
- (b) A person should possess adequate qualifications, expertise and experience for the position in which he/ she is considered to be appointed. The Committee shall have the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- (c) Appointment of Directors, KMPs and Senior Management Personnel is subject to compliance of provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (d) The appointment of a Director or a KMP, as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

15. REMUNERATION

- (i) The remuneration/ compensation/ commission, etc. to the Directors will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission, etc. shall be subject to the prior/post approval of the shareholders of the, wherever required.
- (ii) The remuneration and commission to be paid to Directors shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- (iii) Increments to the existing remuneration/ compensation structure of the Directors shall be recommended by the Committee to the Board which should be within the slabs approved by the shareholders, in the case of Directors.
- (iv) Where any insurance is taken by the Company on behalf of its Directors for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such Director. Provided that, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of his/her remuneration.

(A) Remuneration to Executive Directors:

Fixed pay:

- Executive Director(s) shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee, in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force.



- The break-up of the pay scale and quantum of perquisites, including employer's contribution to provident fund, pension scheme, medical expenses, club fees, etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders, wherever required.

Variable components:

- The Executive Directors may be paid performance-linked commission within the overall limits as approved by the Shareholders.

(B) Remuneration to Directors other than Executive Directors:

Sitting Fees:

- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee.

(C) Remuneration to KMP and Senior Management Personnel:

(i) The remuneration payable to the KMP and Senior Management Personnel, including their increments, will be determined by the Committee and approved by the Board of Directors.

(ii) Where any insurance is taken by the Company on behalf of its KMP and Senior Management Personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of his/her remuneration.

Remuneration:

Fixed pay:

- The KMP and Senior Management shall be eligible for monthly remuneration as may be recommended by the Committee and approved by the Board, in accordance with the statutory provisions of the Companies Act, 2013 and the Rules made thereunder for the time being in force.
- The break-up of the pay scale and quantum of perquisites, including employer's contribution to PF, pension scheme, medical expenses, club fees, etc. shall be approved by the Board.

Variable components:

- Based on their performance, the KMPs and Senior Management Personnel will be paid incentives.

16. POLICY ON BOARD DIVERSITY

(a) The Board of Directors shall have an optimum combination of Directors from the different areas/ fields [like production, management, quality assurance, finance, sales and marketing, research and development, human resources, etc.] or as may be considered appropriate.

(b) The Board shall have at least one member who has accounting or related financial management expertise.

17. REMOVAL

The Committee may recommend to the Board, with reasons recorded in writing, the removal of Director(s), KMP(s) and Senior Management subject to the compliance of the applicable provisions of the Act, the Rules made thereunder.

18. DISCLOSURE OF INFORMATION

This Policy shall be disclosed in the Board's report.

19. DEVIATION FROM THE POLICY

The Board may, in individual or collective case, deviate from this Policy, in its absolute discretion, if there are particular reasons to do so. In the event of any departure from the Policy, the Board shall record the reasons for such departure in the Board's minutes.

20. AMENDMENTS TO THE POLICY

The Board of Directors, on its own and/ or as per the recommendations of Nomination and Remuneration Committee, can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Diligent Industries Ltd.

We have examined the compliance of the conditions of Corporate Governance by Diligent Industries Limited (hereinafter referred to as “**the Company**”) for the financial year ended on 31st March 2025, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, 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.

We conducted our examination of the Corporate Governance Report in accordance with the established systems and procedures selected by us depending on our judgement, including assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but are not limited to, verification of secretarial records and other information of the Company, as we deem necessary to arrive at an opinion.

Based on the procedures performed by us as mentioned above and according to the information and explanations provided to us, we are of the opinion that the Company has complied with the Conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended 31st March, 2025.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

**For Ganga Anil Kumar & Associates
Practicing Company Secretaries
FRN- S2023AP952200**

Place: Amaravati
Date: 03.09.2025

**Sd/-
CS Ganga Anil Kumar, Proprietor
ICSI M. No. F11250 & CP No. 26347
UDIN: F011250G001151257
Peer Review Unique Code - I2022AP2433800**

CERTIFICATE ON 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,
DILIGENT INDUSTRIES LIMITED
Dwaraka Thirumala Road, Denduluru Village and Mandal,
West Godavari, AP- 534432

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DILIGENT INDUSTRIES LIMITED having CIN: L15490AP1995PLC088116 and having registered office at Dwaraka Thirumala Road, Denduluru Village and Mandal, West Godavari, AP- 534 432 (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 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 verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

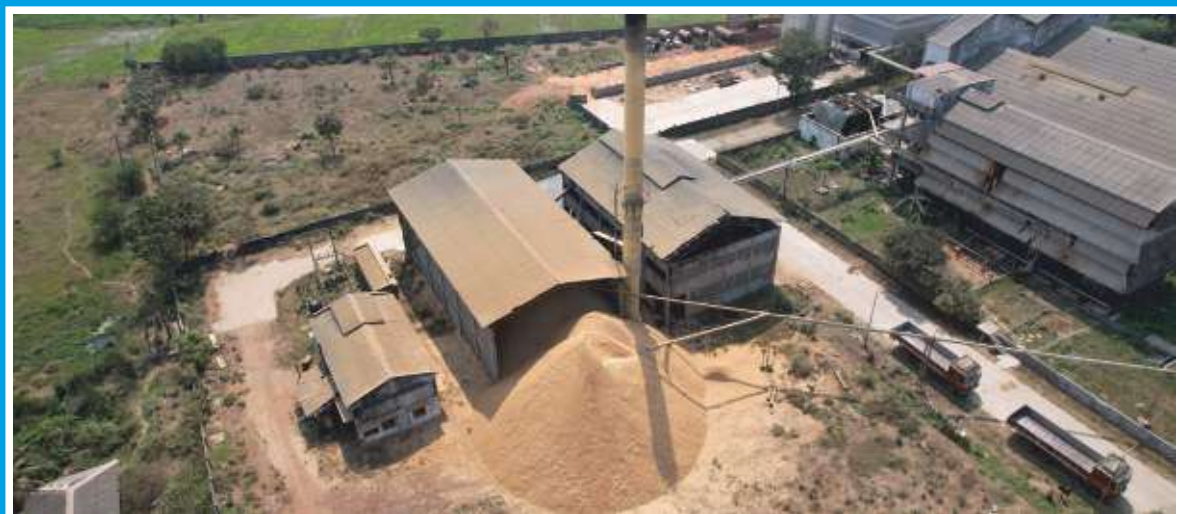
S. No.	Name of Director	Nature / Category of Directorship	DIN
1	Bhanu Prakash Vankineni	Managing Director	00919910
2	Kiran Kumar Vankineni	Executive Director	02696680
3	Phani Anupama Vankineni	Non- Executive Director	00935032
4	Srinivas Babu Edupuganti	Independent Director	03637508
5	Lokeswararao Nelluri	Independent Director	08679768
6	Mohammed Baba	Independent Director	08422704
7	Durga Prasad Vajjha	Independent Director	10275174

Ensuring eligibility 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 future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ganga Anil Kumar & Associates
Practicing Company Secretaries
FRN- S2023AP952200

Place: Amaravati
Date: 03.09.2025

Sd/-
CS Ganga Anil Kumar, Proprietor
ICSI M. No. F11250 & CP No. 26347
UDIN: F011250G001150894
Peer Review Unique Code - I2022AP2433800





Independent auditor's report

To the Members of M/s Diligent Industries Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of M/s Diligent Industries Limited ("**the Company**"), which comprise the balance sheet as at March 31, 2025, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("**the Act**") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of income and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Key audit matters

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

Key Audit Matter	How our audit addressed the key audit matter
As at 31 March 2025, the Company's inventories amounted to ₹ 3973.63 Lacs, which is significant to the financial statements. The Company is engaged in the extraction of Edible Rice Bran Oil (ERBO) and Rice Bran Oil (RBO) from rice bran, along with production of de-oiled rice bran and other by-products. The valuation of inventories is considered a key audit matter due to the following reasons:	Our procedures included, but were not limited to: (i) Evaluating the Company's accounting policies for inventory valuation for compliance with Ind AS 2, Inventories. (ii) Testing the design, implementation and operating effectiveness of controls over recording and valuation of inventories. (iii) Assessing the methodology adopted by management for allocation of production costs between ERBO, RBO and de-oiled rice bran, and testing, on a sample basis, the accuracy of underlying

(i) Cost allocation complexities: The extraction process yields both oil and de-oiled bran. Determining an appropriate basis for apportioning joint production costs between primary and by-products involves significant judgment. (ii) Quality and specification factors: The realizable value of extracted oil and by-products may vary depending on quality parameters and customer specifications. Given the magnitude of inventory balances and the degree of judgment involved in valuation, this area was considered to be of most significance in our audit.	computations. (iv) Comparing, on a sample basis, the carrying values of inventories with subsequent selling prices (net of selling costs) and market data, to assess whether they are stated at the lower of cost and NRV. Based on the audit procedures performed, we found the assumptions and judgments used by management in determining the valuation of inventories to be reasonable.
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Other Information

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

Our opinion on the financial statements does not cover the other information and we will 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, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control 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 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 management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. 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 of the current period 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.

Other Matter

13. The financial statements of the Company for the year ended March 31, 2024 were audited by predecessor auditor under the Companies Act, 2013 who, vide their report dated May 29, 2024 expressed an unmodified opinion on those financial statements.

Our opinion is not qualified in respect of these matters.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. 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 except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (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 in its financial statements – Refer Note 29 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.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 42(k) to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 42(k) to the financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The Company has not declared or paid any dividend during the year.

(vi) Based on our examination, the Company has used accounting software Tally Prime and is in the process of establishing necessary controls and maintaining documentation regarding audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For P. SURYANARAYANA & CO.,
Chartered Accountants,
(Firm Registration No.009288S)

(P. SURYANARAYANA)
Partner
Membership No.201195
UDIN – 25201195BMJNFS8871

Place: Hyderabad
Date: May 30, 2025

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(g) of the Independent Auditors' Report of even date to the members of M/s Diligent Industries Limited on the financial statements for the year ended March 31, 2025

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(g) of the Independent Auditors' Report of even date to the members of M/s Diligent Industries Limited on the financial statements for the year ended March 31, 2025

Page 2 of 2

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to 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 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 financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For P. SURYANARAYANA & CO.,
Chartered Accountants,
(Firm Registration No.009288S)

(P. SURYANARAYANA)
Partner
Membership No.201195
UDIN – 25201195BMJNFS8871

Place: Hyderabad
Date: May 30, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of M/s Diligent Industries Limited on the financial statements as of and for the year ended March 31, 2025.

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this clause is not applicable.
- (b) The Property, plant and equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, plant and equipment during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder and the Company has appropriately disclosed the details in Note 40(d) to its financial statements.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year the company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly statements with such banks, which are in agreement with the books of account; reviewed by us for the quarter ended June 30, 2024, September 30, 2024, December 31, 2024 and audited by us for the year ended March 31, 2025 (Also refer Note 41 to the financial statements).
- iii. (a) The Company has not made any investments, granted secured / unsecured loans / advance in the nature of loans, or stood guarantee or provided security to any parties covered in the register maintained under Section 189 of the Companies Act. Hence reporting under Clause 3(iii) of the Order is not applicable.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of specified products of the Company, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- vii. (a) According to the information and explanations given to us and the records examined by us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Customs Duty, Value Added Tax, Cess and other statutory dues, as applicable, with the appropriate authorities. However, there have been delays in remittance of Provident Fund and Employees' State Insurance dues. Further, the Company has not deposited the dues relating to Tax Deducted at Source with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no undisputed statutory dues including Provident Fund, Employees' State Insurance, Goods and Services Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues outstanding as at the balance sheet date for a period of more than six months from the date they became payable, except for the following undisputed income-tax liabilities which have not been deposited with the appropriate authorities within the prescribed timelines, as detailed below:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the undisputed payment is pending
Income tax Act, 1961	Income tax liability u/s 154 of the IT Act, 1961	1,99,870	FY 2017-18	Income tax Department
Income tax Act, 1961	Income tax liability u/s 143(1) of the IT Act, 1961	21,16,780	FY 2018-19	Income tax Department
Income tax Act, 1961	Income tax liability u/s 154 of the IT Act, 1961	28,21,740	FY 2019-20	Income tax Department
Income tax Act, 1961	Income tax liability u/s 143(1) of the IT Act, 1961	44,71,000	FY 2020-21	Income tax Department
Income tax Act, 1961	Income tax liability u/s 143(1) of the IT Act, 1961	95,89,830	FY 2022-23	Income tax Department
Income tax Act, 1961	Income tax liability u/s 143(1) of the IT Act, 1961	1,19,72,290	FY 2023-24	Income tax Department
Income tax Act, 1961	Liability under TDS	4,04,263	FY 2020-21	Income tax Department
Income tax Act, 1961	Liability under TDS	5,34,567	FY 2022-23	Income tax Department
Income tax Act, 1961	Liability under TDS	3,30,482	FY 2023-24	Income tax Department
Income tax Act, 1961	Liability under TDS	1,67,000	FY 2024-25	Income tax Department

According to the information and explanations given to us and based on our examination of the records, the Company has not recognized provision for gratuity in accordance with the requirements of the Payment of Gratuity Act, 1972. In the absence of an actuarial valuation, the quantification of such liability and the consequent impact, if any, on the financial statements could not be determined.

Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates to	Amount (₹ in Lacs)	Amount unpaid (₹ in Lacs)
Income tax Act, 1961	Income Tax	Income tax Department	FY 2022-23	1027.17	1027.17
Income tax Act, 1961	Interest on Income Tax	Income tax Department	FY 2017-18 to FY 2022-23	137.05	137.05
Income Tax Act, 1961	Interest on Tax Deducted at Source	Income tax Department	FY 2020-21 to FY 2024-25	14.36	14.36

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been previously recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained (Also refer Note 42(n) to the financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the reporting under the clause (ix)(f) is not applicable as the company has no subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion, money raised by way of rights issue of equity shares during the year have been applied by the Company for the purposes for which they were raised (Refer Note 40). The Company has not raised moneys by way of initial public offer/ further public offer through debt instruments during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has an Internal Audit system commensurate with the size and nature of its business. We have considered the Internal audit reports for the year under audit, issued to the company during the year when performing our audit.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediate preceding financial year.

- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 39 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For P.SURYANARAYANA & CO.,
Chartered Accountants,
(Firm Registration No.009288S)

(P.SURYANARAYANA)
Partner
Membership No.201195
UDIN – 25201195BMJNFS8871
Place: Hyderabad
Date: May 30, 2025

Diligent Industries Limited

CIN : L15490AP1995PLC088116

Address : Dwaraka Thirumala Road, Denduluru Village, West Godavari, Andhra Pradesh - 534001

Balance Sheet as at March 31, 2025
(All amounts are in INR Lakhs, except otherwise stated)

Particulars	Note No.	As at Mar 31, 2025	As at Mar 31, 2024
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	1,232.12	1,075.67
(b) Capital work-in-progress	3	225.57	174.85
(c) Deferred Tax Assets (Net)	4	41.09	39.87
(d) Financial assets			
(i) Non-current investments	5	-	300.00
(e) Other non-current assets	6	759.94	759.94
		2,258.71	2,350.34
2 Current assets			
(a) Inventories	7	3,973.63	2,280.79
(b) Financial assets			
(i) Trade receivables	8	839.41	4,726.48
(ii) Cash and cash equivalents	9	66.94	42.51
(iii) Loans	10	25.93	33.36
(iv) Other financial assets	11	90.00	-
(c) Other current assets	12	4,174.63	2,121.56
		9,170.54	9,204.71
Total Assets		11,429.25	11,555.05
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	2,384.31	1,143.60
(b) Other equity	14	4,066.51	649.57
		6,450.82	1,793.17
2 Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	659.02	627.77
		659.02	627.77
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	2,977.95	5,078.23
(ii) Trade payables	17	-	-
-Dues to Micro and small enterprises		-	-
-Others		134.90	97.02
(iii) Other financial liabilities	18	48.12	35.23
(b) Other current liabilities	19	1,075.04	3,685.75
(c) Current tax liabilities (Net)	20	83.41	237.89
		4,319.41	9,134.11
Total Equity and Liabilities		11,429.25	11,555.05
Corporate information and material accounting policies 1 & 2			
The accompanying notes are an integral part of the financial statements			
As per our audit report of even date		For and on behalf of the board	
For P Suryanarayana & Co.,			
Chartered Accountants			
		Bhanu Prakash Vankineni	Phani Anupama Vankineni
		Director	Director
P. Suryanarayana		DIN:00919910	DIN: 00935032
Partner			
Membership No. 201195			
F. No. 009288S			
Place: Hyderabad		Vankineni Kiran Kumar	Ankit Singhal
Date: 30th May, 2025		Chief Financial Officer	Company Secretary

Diligent Industries Limited

CIN : L15490AP1995PLC088116

Address : Dwaraka Thirumala Road, Denduluru Village, West Godavari, Andhra Pradesh - 534001

Statement of Profit and loss for the year ended March 31, 2025
(All amounts are in INR Lakhs, except otherwise stated)

	Particulars	Note No.	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
	INCOME			
I	Revenue from operations	21	14,355.70	12,229.10
II	Other income	22	2.39	165.85
III	Total Income (I+II)		14,358.09	12,394.95
IV	EXPENSES			
(a)	Cost of Materials Consumed	23	14,572.06	12,631.58
(b)	Changes in inventories	24	(1,440.65)	(1,128.30)
(c)	Employee benefit expense	25	51.55	52.53
(d)	Finance costs	26	260.97	229.78
(e)	Depreciation and amortization expense	3	157.08	123.66
(f)	Other expenses	27	408.38	203.71
	Total expenses (IV)		14,009.39	12,112.95
V	Profit before exceptional items and tax (III-IV)		348.70	282.00
VI	Exceptional Items			
VII	Profit before tax (V-VI)		348.70	282.00
VIII	Tax expense:		97.21	79.34
(a)	Current Tax		98.42	86.00
(b)	Deferred Tax	4	(1.22)	(6.66)
IX	Profit for the year (VII-VIII)		251.49	202.67
X	Other Comprehensive Income			
A)	Items that will not be reclassified to profit or loss		-	-
a)	Remeasurements of the defined benefit plans		-	-
b)	Income tax relating to Items that will not be reclassified to profit or loss		-	-
	Other comprehensive income for the year, net of tax		-	-
XI	Total comprehensive income for the year (IX+X)		251.49	202.67
XII	Earnings per equity share	28		
(a)	Basic earnings per share of ₹ 1/- each		0.17	0.18
(b)	Diluted earnings per share of ₹ 1/- each		0.17	0.18

The accompanying notes are an integral part of the financial statements

As per our audit report of even date

For and on behalf of the board

For P Suryanarayana & Co.,

Chartered Accountants

Bhanu Prakash Vankineni

Director

DIN:00919910

P. Suryanarayana

Partner

Membership No. 201195

F. No. 009288S

Place: Hyderabad

Date: 30th May, 2025

Vankineni Kiran Kumar

Chief Financial Officer

Phani Anupama Vankineni

Director

DIN: 00935032

Ankit Singhal

Company Secretary

Diligent Industries Limited

Statement of cash flows for the year ended March 31, 2025

(All amounts are in INR Lakhs, except otherwise stated)

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
A) Cash Flows from Operating Activities		
Net profit before tax and exceptional items	348.70	282.00
Adjustments for :		
Depreciation on property, plant and equipment	157.08	123.66
(Profit)/ Loss on sale of Property, Plant and Equipment	0.61	-
Other Income	(2.39)	(165.85)
Interest expense	260.97	229.78
Operating profit before working capital changes	764.98	469.59
Adjustments for working capital changes in :		
Inventories	(1,692.84)	(431.88)
Other Current financial and non Current financial asset	4,104.50	(246.37)
Other current liabilities	(2,863.61)	1,348.31
Other financial liabilities	50.77	-
Other Current and non-current assets	(2,053.06)	(1,816.93)
Cash generated from operations	(1,689.26)	(677.29)
Income tax paid	-	1.97
Net Cash generated from/(used in) operating activities	(1,689.26)	(675.32)
B) Cash flows from Investing Activities		
Sale/ (Purchase) of Property, Plant and Equipment/CWIP (incl. capital advances)	(364.85)	(123.89)
Other income	2.39	165.85
Net Cash generated from/(used in) Investing Activities	(362.46)	41.96
C) Cash flows from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	4,406.16	-
Increase/ (Decrease) in Short-term borrowings	(2,069.04)	886.70
Interest paid and effect of foreign exchange	(260.97)	(229.78)
Net Cash Flow from/(used in) Financing Activities	2,076.16	656.92
Net change in cash and cash equivalents (A + B + C)	24.43	23.56
Cash and Cash equivalents at the beginning of the year	42.51	18.95
Cash and Cash equivalents at the end of the year (refer note 9)	66.94	42.51

The accompanying notes are an integral part of the financial statements

As per our audit report of even date

For and on behalf of the board

For P Suryanarayana & Co.,

Chartered Accountants

P. Suryanarayana

Partner

Membership No. 201195

F. No. 009288S

Place: Hyderabad

Date: 30th May, 2025

Bhanu Prakash Vankineni

Director

DIN:00919910

Phani Anupama Vankineni

Director

DIN: 00935032

Vankineni Kiran Kumar

Chief Financial Officer

Ankit Singhal

Company Secretary

Diligent Industries Limited

Address : Dwaraka Thirumala Road, Denduluru Village, West Godavari, Andhra Pradesh - 534001

Notes to the Financial Statements as at March 31, 2025**1 Corporate information**

Diligent Industries Limited (the company) is a Public limited company incorporated and domiciled in India and has its registered office at Dwaraka Thirumala Road, Denduluru Village, West Godavari, Andhra Pradesh - 534001. The company is mainly engaged in the activity of manufacturing of Edible Rice Bran Oil. The material accounting policies in the preparation of the financial statements are set out below.

2 Basis of preparation, measurement and material accounting policies**2.1 Basis of preparation and measurement****(a) Statement of compliance with Ind AS**

The financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting standards) Rules, 2015, and other relevant provisions of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III), as applicable to the financial statements.

Accounting policies have been consistently applied to all the years presented 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. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to the current year's presentation.

(b) Basis of measurement

These financial statements have been prepared on accrual basis and under historical cost convention, except for the following items (refer to individual accounting policies for detail):

- i. Certain financial instruments - Fair value through profit or loss
- ii. Net defined benefit asset / (liability) - Fair value of plan assets less present value of defined benefit obligation
- iii. Share-based payments - Fair value

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

(c) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR) which is also the functional and presentation currency of the Company. All the amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest Lakhs, upto two decimal places as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "\$" in the relevant notes to these financial statements.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currencies using the spot rates at the date when the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Diligent Industries Limited

Address : Dwaraka Thirumala Road, Denduluru Village, West Godavari, Andhra Pradesh - 534001

Notes to the Financial Statements as at March 31, 2025**(d) Use of estimates**

The preparation of financial statements in conformity with principles of Ind AS requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

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

(e) Classification into current and non-current:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

Diligent Industries Limited

Address : Dwaraka Thirumala Road, Denduluru Village, West Godavari, Andhra Pradesh - 534001

Notes to the Financial Statements as at March 31, 2025**Summary of material accounting policies****2.2 Property, plant and equipment**

Property, plant and equipment ("PPE") are stated at cost of acquisition or construction, less accumulated depreciation and accumulated impairment loss, if any. The cost comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any expenditure directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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 derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is provided on a pro-rata basis on the Written Down Value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life, residual values and the depreciation method are reviewed at the end of each reporting period, with effect of any change in estimate accounted for on a prospective basis.

The useful life of assets are as follows:

Asset	Useful lives
Building	30 Years
Plant and equipment	15 years
Electrical installation and equipment	10 years
Office equipment	5 years
Computer	3 years
Furniture and fixtures	10 years
Data Processing Units - Office equipment	6 years
Vehicles	8 years

In case of a revision of useful lives, the unamortized depreciable amount is charged over the revised remaining useful life.

Diligent Industries Limited

Address : Dwaraka Thirumala Road, Denduluru Village, West Godavari, Andhra Pradesh - 534001

Notes to the Financial Statements as at March 31, 2025**2.3 Intangible assets**

Intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises its purchase price and directly attributable cost of preparing the asset for its intended use. Amortization is recognised on a written down value basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and the amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.4 Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment losses are recognised in the statement of profit and loss.

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Notes to the Financial Statements as at March 31, 2025**2.5 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use asset at the lease commencement date (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.4 Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the year in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

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Notes to the Financial Statements as at March 31, 2025**2.6 Fair value measurement**

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Diligent Industries Limited

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Notes to the Financial Statements as at March 31, 2025**2.7 Inventories**

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the Weighted Average Cost method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Stores and spares, that do not qualify to be recognised as property, plant and equipment or consumed as indirect materials in the manufacturing process.

The Cost of raw materials, stores and consumables has been determined by using FIFO method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.8 Revenue Recognition**Revenue from contract with customers**

The Company derives revenues primarily from sale of manufactured goods. Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- i. the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- ii. the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii. the Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Other income - Interest income

Interest income is recognized using the effective interest method. Interest income is included under the head "other income" in the statement of profit and loss.

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Notes to the Financial Statements as at March 31, 2025**2.9 Retirement and other employee benefits****Defined contribution plan**

The Company's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions.

Defined benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability/(asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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Notes to the Financial Statements as at March 31, 2025**2.10 Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Monetary Government grants related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

2.11 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in determination of the net profit or loss for the year.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management yearly evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the Company intends to settle the asset and liability on a net basis.

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Notes to the Financial Statements as at March 31, 2025**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.12 Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is 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 there is a reliable estimate 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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Contingent liability is a possible obligation that arises from past events and 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 is a present obligation that arises from past event but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

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

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Notes to the Financial Statements as at March 31, 2025**2.13 Financial instruments**

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.

Financial assets**Initial recognition and measurement:**

Financial assets are recognised at fair value or transaction price at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) or fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

All financial assets are recognised initially at fair value plus, (in the case of financial assets not recorded at fair value through consolidated statement of profit or loss) transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed off in the statement of profit & loss. Trade receivable that does not contain a significant financing component are measured at transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

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Notes to the Financial Statements as at March 31, 2025**Subsequent measurement:****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 those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition and impairment losses (if any) are recognised directly in profit or loss. The Company's financial assets subsequently measured at amortised cost includes trade receivables, loans and certain other financial assets etc.

Fair value through other comprehensive income (FVOCI): 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 FVOCI. Movements in the carrying amount are taken through OCI except for the recognition of impairment gains or losses, interest income 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.

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 is recognised in profit or loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's summary statements of assets and liabilities) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Diligent Industries Limited

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Notes to the Financial Statements as at March 31, 2025**Financial liabilities and equity**

An instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Dividend paid on equity instruments are directly reduced from equity.

Financial liabilities**Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost: Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss as finance costs.

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 recognized amounts and there is an intention to settle on a net basis or realize the assets and settle liabilities 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.

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Notes to the Financial Statements as at March 31, 2025**2.14 Investments in the nature of equity in subsidiaries**

The Company has elected to recognise its investments in equity instruments in subsidiaries at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Company controls an investee if and only if it has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the returns.

2.15 Cash and cash equivalents and Cash flow statement

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand, short-term deposits having a original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby net profits before tax are adjusted for the effects of the transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.16 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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Notes to the Financial Statements as at March 31, 2025

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.17 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

2.18 Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

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

- a. The Company based its assumptions and estimates on parameters available when the financial statement were prepared.
- b. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Contingent liabilities

The Company uses significant judgements to assess contingent liabilities. 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.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques and inputs to be used. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of Investment in subsidiaries

The Company assesses the carrying amounts of investment in subsidiaries and joint venture to determine whether there is any indication that those investments have suffered an impairment loss. Where the carrying amount of investments exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in statement of profit and loss.

Diligent Industries Limited

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Notes to the Financial Statements as at March 31, 2025**Deferred tax recognition**

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments

2.19 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard) Amendment Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments relating to existing standards applicable to the Company.

Diligent Industries Limited**Statement of changes in equity**

(All amounts are in INR Lakhs, except otherwise stated)

a. Equity share capital

Particulars	Notes	Amount
Balance as at April 01, 2023	13	1,143.60
Changes in equity share capital due to prior period errors		-
Restated balance as at April 01, 2023		-
Changes in equity share capital during the year		-
Balance as at March 31, 2024	13	1,143.60
Changes in equity share capital due to prior period errors		-
Restated balance as at Apr 01, 2023		-
Changes in equity share capital during the year		1,240.71
Balance as at March 31, 2025	13	2,384.31

b. Other equity

Particulars	Notes	Reserves and surplus			Total Equity
		Securities premium	Capital Reserve	Retained Earnings	
Balance as at April 01, 2023	10	-	58.16	388.74	446.90
Profit for the year (Net)		-	-	202.67	202.67
Issue of equity shares		-	-	-	-
Other comprehensive income for the year		-	-	-	-
Balance as at March 31, 2024	10	-	58.16	591.41	649.57
Other Adjustments		-	-	-	-
Profit for the year (Net)		-	-	251.49	251.49
Issue of equity shares		3,165.46	-	-	3,165.46
Other comprehensive income for the year		-	-	-	-
Balance as at March 31, 2025	10	3,165.46	58.16	842.90	4,066.51

The accompanying notes are an integral part of the financial statements

As per our audit report of even date

For and on behalf of the board

For P Suryanarayana & Co.,

Chartered Accountants

P. Suryanarayana

Partner

Membership No. 201195

F. No. 009288S

Place: Hyderabad

Date: 30th May, 2025

Bhanu Prakash Vankineni

Director

DIN:00919910

Vankineni Kiran Kumar

Chief Financial Officer

Phani Anupama Vankineni

Director

DIN: 00935032

Ankit Singhal

Company Secretary

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

Note No. 3**Property, Plant and Equipment**

Description of Asset	Land	Building	Plant and Machinery	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital Work-In-Progress
Gross Carrying Amount									
As at 01 April 2023	221.86	704.47	749.23	12.90	4.15	117.83	34.73	1,845.17	90.76
Additions	-	2.16	0.06	0.69	-	36.89		39.79	84.10
Disposals/adjustments	-	-	-	-	-	-		-	-
Closing Gross Carrying Amount (A)	221.86	706.63	749.29	13.59	4.15	154.72	34.73	1,884.96	174.85
Accumulated Depreciation and Impairment									
Opening accumulated depreciation	-	239.79	327.30	9.22	3.77	78.29	27.26	685.63	-
Depreciation charge for the year	-	24.54	75.33	0.83	0.10	20.59	2.28	123.66	-
Disposals/adjustments/Impairment	-	-	-	-	-	-		-	-
Closing accumulated depreciation and Impairment as at Mar 31, 2024 (B)	-	264.33	402.63	10.05	3.86	98.88	29.53	809.29	-
Net Carrying Amount as at Mar 31, 2024 (A-B)	221.86	442.29	346.67	3.54	0.28	55.83	5.19	1,075.67	174.85

Diligent Industries Limited
Notes to the Financial Statements as at March 31, 2025
(All amounts are in INR Lakhs, except otherwise stated)

Description of Asset	Land	Building	Plant and Machinery	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital Work-In-Progress
Gross Carrying Amount									
As at 01 April 2024	221.86	706.63	749.29	13.59	4.15	154.72	34.73	1,884.96	174.85
Additions	-	-	9.39	-	0.77	308.13	0.24	318.54	50.71
Disposals/adjustments	-	-	-	-	-	(34.89)	-	(34.89)	-
Closing Gross Carrying Amount (C)	221.86	706.63	758.69	13.59	4.92	427.95	34.97	2,168.60	225.57
Accumulated Depreciation and Impairment									
Opening accumulated depreciation	-	264.33	402.63	10.05	3.86	98.88	29.53	809.29	-
Depreciation charge for the year	-	24.95	62.31	0.38	0.47	67.04	1.94	157.08	-
Disposals/adjustments/Impairment	-	-	-	-	-	(29.89)	-	(29.89)	-
Closing accumulated depreciation and Impairment as at Mar 31, 2025 (D)	-	289.28	464.93	10.42	4.34	136.03	31.47	936.48	-
Net Carrying Amount as at Mar 31, 2025 (C-D)	221.86	417.34	293.75	3.17	0.58	291.92	3.50	1,232.12	225.57

(i) Property, plant and equipment mortgaged as security

The entire movable and immovable property, plant and equipment are mortgaged as security to ICIC bank against the term loan availed;

(ii) Contractual obligations

Nil

(iii) Capital work-in-progress

The ageing of Capital work-in progress as on 31-Mar-2025

CWIP Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 years	Total
Projects in Progress	50.71	84.09	90.76	0.00	225.57
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00

The ageing of Capital work-in progress as on 31-Mar-2024

CWIP Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 years	Total
Projects in Progress	84.09	90.76	0.00	0.00	174.85
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00

Note No. 4 Deferred Tax Assets (Net)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Deferred tax (liabilities) / assets in relation to:		
Opening Balance	39.87	33.21
a) Difference between written down value of property, plant and equipment, intangible assets and capital work-in-progress as per books of accounts and income tax	1.22	6.66
Balance as at the year end	41.09	39.87

Note No. 5

Non-current investments

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Quoted Investment in Equity Instruments		
Genesis IBRC India Limited	-	300.00
Nil (March 31, 2024: 300.00 Lacs - 30,00,000 shares of INR. 10 each fully paid up)		
	-	300.00

Aggregate amount of quoted investments	-	300.00
Aggregate market value of quoted investments	-	300.00
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

Note No. 6 Other non-current assets

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(a) Advances for purchase of property, plant and equipment	690.00	690.00
(b) Deposits with govt. authorities	69.91	69.91
(c) Telephone Deposit	0.03	0.03
Total	759.94	759.94

Note No. 7 Inventories

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(a) Raw Material	386.24	111.84
(b) Finished Goods	3,525.20	2,084.54
(c) Stores, Spares and Packing Material	62.20	84.41
Total	3,974	2,280.79

Inventories are hypothecated as security against current borrowings, details of which have been disclosed in Note 16. For mode of valuation of inventories refer Note 2.7 of Accounting Policies.

Diligent Industries Limited
Notes to the Financial Statements as at March 31, 2025
(All amounts are in INR Lakhs, except otherwise stated)

Note No. 8 Trade receivables

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Considered good - Unsecured	839.41	4,726.48
Trade receivables which have significant increase in credit risk		
Trade Receivables – Credit impaired	-	-
Less: Allowance for Credit Impaired	-	-
Total	839.41	4,726.48

Ageing of Trade Receivables is provided in Note No. 30

Note No. 9 Cash and cash equivalents

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(a) Balance with banks		
-In Current Accounts	3.19	1.88
(b) Cash on hand	63.74	40.63
Total	66.94	42.51

Note No. 10 Loans

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Employee loans - at amortised cost	25.93	33.36
Total	25.93	33.36
Break-up of security details		
Loans considered good – unsecured	25.93	33.36

Note No. 11 Other financial assets

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Unsecured, considered good		
Other receivables	90.00	-
Total	90.00	-

Note No. 12 Other current assets

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(a) Balances with statutory authorities	-	15.09
(b) Advance to Suppliers , unsecured, considered good	4,123.93	2,061.42
(c) Prepaid Expenses, unsecured, considered good	13.19	7.52
(d) Other current Assets	37.51	37.52
Total	4,174.63	2,121.56

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Note No. 13
Equity share capital

(i) Authorised equity share capital

Particulars	Number of Shares	Amount
As at 01st Apr, 2023	12,00,00,000	1,200.00
Movement during the year	-	-
As at 31st Mar, 2024	12,00,00,000	1,200.00
Movement during the year	23,00,00,000	2,300.00
As at 31st Mar, 2025	35,00,00,000	3,500.00

(ii) Movement in paid-up equity share capital

Particulars	Number of Shares	Amount
As at 01st Apr, 2023	11,43,60,000	1,143.60
Movement during the year	-	-
As at 31st Mar, 2024	11,43,60,000	1,143.60
Movement during the year	12,40,70,766	1,240.71
As at 31st Mar, 2025	23,84,30,766	2,384.31

Terms and Rights attached to Equity Shares

The Company has one class of equity shares having a par value of INR.1/- each (Previous Years: INR 1). Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholders holding more than 5% shares and shareholding of Promoters

For the period ended March 31, 2025

Name of the Shareholder / Promoter	Number of shares	% holding	% Change during the year
Vankineni Bhanu Prakash - Promoter	10,61,40,600	44.52%	7.05%
Vankineni Phani Anupama - Promoter	1,46,92,000	6.16%	2.93%
Srinivasa Rao Paturi	1,26,67,000	5.31%	-2.56%
Vankineni Ratnakumari	1,26,10,000	5.29%	-5.74%
Vankineni Kiran Kumar - Promoter	1,11,75,000	4.69%	0.99%
Vankineni Vijaya Lakshmi - Promoter	21,45,000	0.90%	-0.98%

For the year(s) ended March 31, 2024

Name of the Shareholder / Promoter	Number of shares	% holding	% Change during the year
Vankineni Bhanu Prakash - Promoter	4,28,48,000	37.47%	0%
Vankineni Ratnakumari - Promoter	1,26,10,000	11.03%	0%
Srinivasa Rao Paturi	90,00,000	7.87%	0%
Vankineni Kiran Kumar - Promoter	42,25,000	3.69%	0%
Kalagara Savithri - Promoter	42,25,000	3.69%	0%
Vankineni Phani Anupama - Promoter	36,92,000	3.23%	0%
Vankineni Vijaya Lakshmi - Promoter	21,45,000	1.88%	0%
Vankineni Padma Kumari - Promoter	3,90,000	0.34%	0%

(iv) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: Nil

Diligent Industries Limited
Notes to the Financial Statements as at March 31, 2025
(All amounts are in INR Lakhs, except otherwise stated)

Note No. 14 Other equity

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(a) Securities premium (refer movement below)	3,165.46	-
(b) Retained Earnings including OCI (refer movement below)	842.90	591.41
(c) Capital Reserve	58.16	58.16
	4,066.51	649.57

(a) Securities premium

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Opening Balance	-	-
Additions	3,225.84	-
Less: Adjustment for Share Issue Expenses	(60.38)	-
Closing Balance	3,165.46	-

During the financial year 2024-25, the Company completed a rights issue of 12,40,70,766 equity shares of ₹1 each at an issue price of ₹3.60 per equity share, pursuant to the Letter of Offer dated October 16, 2024 and in accordance with the basis of allotment approved by BSE Limited, the designated stock exchange. The aggregate share issue expenses of ₹60.38 lakhs incurred in connection with the rights issue have been adjusted against the securities premium account in accordance with the Ind AS 32.

(b) Retained Earnings

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Opening Balance	591.41	388.74
Other Adjustments	-	-
Balance after above adjustments	591.41	388.74
Net profit for the year	251.49	202.67
	842.90	591.41
OCI on Gratuity and Leave Encashment	-	-
Deferred Tax on OCI portion	-	-
Closing balance	842.90	591.41

Note No. 15 Financial liabilities non-current borrowings

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Secured - Long Term Loans from banks		
(a) Term loans from banks*	428.30	591.23
(b) Vehicle loans from banks*	230.72	36.55
Total	659.02	627.77

*For details of Security, interest and terms of repayment Refer Note 32

Note No. 16 Financial liabilities current borrowings

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
a) Secured Loans		
(i) Working Capital Borrowings*	1,940.88	1,701.17
(ii) Current Maturities of Long Term Debt		
- Vehicle Loans	58.06	17.20
- Term Loans	162.93	162.93
b) Unsecured Loans		
(i) Loans from Related Parties**	808.10	2,649.29
(ii) Loans from Others*	7.98	547.65
Total	2,977.95	5,078.23

*For details of Security, interest and terms of repayment Refer Note 32

**Loans from Related Parties and Others carry Nil rate of Interest and are repayable on demand

* Loans from Others are repayable on demand. Rate of Interest : 10% per annum

Diligent Industries Limited
Notes to the Financial Statements as at March 31, 2025
(All amounts are in INR Lakhs, except otherwise stated)

Note No. 17 Trade payables

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Trade Payables to third parties		
- Due to micro, small and medium enterprises	-	-
- Others	134.90	97.02
Total	134.90	97.02

***Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

(a) Principal amount remaining unpaid to any supplier as at year end	-	-
(b) Interest due on above and remaining unpaid as at year end	-	-
(c) Principal/interest amount paid beyond the appointed day during the year	-	-
(d) Interest paid on payments made beyond the appointed day during the year u/s 16 of MSMED Act, 2006	-	-
(e) Interest due and Payable on payments made beyond the appointed day during the year other than MSMED Act, 2006	-	-
(f) Interest remaining due and payable for the period of delay in earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**Ageing of Trade Payables is provided in Note No. 31

Note No. 18 Other financial liabilities

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(a) Employee benefits payable	2.48	2.44
(b) Audit Fees Payable	4.86	4.86
(b) Outstanding expenses	40.78	27.93
Total	48.12	35.23

Note No. 19 Other current liabilities

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(a) Statutory dues payable	323.84	63.08
(b) Advances received from customers	751.20	3,622.67
Total	1,075.04	3,685.75

Note No. 20 Current tax liabilities (Net)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Current tax assets		
(a) Current tax liabilities (Net of TDS Receivable, Advance Tax)	83.41	237.89
Total	83.41	237.89

Note No. 21 Revenue from operations

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
(a) Sale of products		
- Product Sales	14,355.70	12,229.10
Total	14,355.70	12,229.10

Company adopted Ind AS 115 "Revenue from Contracts with Customers". Refer note 2(e) for the accounting policies followed pursuant to adoption of Ind AS 115. The adoption of Ind AS 115 did not have any material impact.

Note No. 22 Other income

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
(a) Interest Income		
- on Electricity Deposit	1.43	1.43
(b) Site Rent Received	0.96	0.96
(c) Other non-operating income	-	163.46
Total	2.39	165.85

Note No. 23 Cost of Materials Consumed

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
Opening Stock at the beginning of the year	111.84	803.18
Add: Purchases	14,816.15	11,892.98
Add: Consumables	30.31	47.25
Less: Closing Stock at the end of the year	386.24	111.84
Total	14,572.06	12,631.58

Note No. 24 Changes in inventories

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
Changes in inventories		
Stock at the end of the year		
Finished Goods	3,525.20	2,084.54
Stock at the beginning of the year		
Finished Goods	2,084.54	956.24
Total changes in inventories	(1,440.65)	(1,128.30)

Note No. 25 Employee benefit expense

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
(a) Salaries and Wages	42.44	43.09
(b) Managerial Remuneration	4.80	4.80
(c) Staff Welfare Expenses	0.39	0.45
(d) Contribution to Provident Fund & ESI	3.92	4.19
Total	51.55	52.53

Note No. 26 Finance costs

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
(a) Interest on borrowings	228.77	196.40
(b) Interest on others	27.82	26.75
Other Borrowing Costs		
(c) Processing Charges	4.38	6.63
Total	260.97	229.78

Note No. 27 Other expenses

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
(a) Audit fees		
- For Statutory Audit	2.50	2.46
- For Tax Audit	0.20	0.20
(b) Advertisement Expenses	6.26	0.18
(c) Commission Expenses	0.17	-
(d) Bank Charges	10.40	0.29
(e) Discount, Quality and Rate Differences	0.00	1.80
(f) Insurance Expenses	8.86	6.25
(g) Labour work Expenses	37.70	35.00
(h) Loss on Sale of Assets	0.61	-
(i) Office Maintenance Expenses	2.08	2.41
(j) Packing Material	0.11	0.08
(k) Postage and Courier Charges	0.01	0.02
(l) Power and Fuel Expenses	226.58	98.02
(m) Printing and Stationery	1.67	0.22
(n) Production Expenses	17.14	16.22
(o) Professional Charges	1.30	-
(p) Rates and Taxes	47.86	20.76
(q) Repairs and Maintenance - Plant and Machinery	2.03	7.64
(r) Security Charges	3.96	3.63
(s) Telephone and Internet charges	0.71	0.83
(t) Transportation Expenses	18.78	2.33
(u) Travelling Expenses	0.42	0.10
(v) Vehicle Maintenance	19.02	5.26
Total	408.38	203.71

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

Note No. 28**Earnings per equity share**

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
Profit after tax	251.49	202.67
Add / Less: Dividend tax	-	-
Profit after tax attributable for equity share holders	251.49	202.67
Number of equity shares (nos.)	23,84,30,766	11,43,60,000
Weighted Average Number of Equity Shares Outstanding	14,93,71,750	11,43,60,000
Face value of equity share (in INR rupees)	INR 1.00	INR 1.00
Earnings per share (in INR rupees)		
Basic	0.17	0.18
Diluted	0.17	0.18

Note No. 29**Contingent liabilities and commitments****(a) Contingent liabilities**

The Company is subject to proceedings under the Income-tax Act, 1961 in respect of certain assessment years. While the principal tax demands, wherever applicable, are disclosed separately, the potential liability towards interest on such demands is contingent in nature. Based on legal advice and the status of the proceedings, the management believes that no provision is required at this stage. The amount of such interest, being dependent upon the final outcome and subject to computation by the tax authorities, is presently not ascertainable;

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
Income Tax (Principal Demand)		
FY 2022-23	1,027.17	-
Income Tax (Interest)		
FY 2017-18	1.12	0.88
FY 2018-19	12.07	9.53
FY 2019-20	10.72	7.34
FY 2020-21	12.07	6.71
FY 2022-23	101.08	-
Tax Deducted at Source (Interest)		
FY 2020-21	4.04	3.05
FY 2022-23	5.35	3.04
FY 2023-24	3.30	0.88
FY 2024-25	1.67	-
	1,178.58	31.42

(b) Commitments

Particulars	For the year ended Mar 31,	For the year ended Mar 31,
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	-	-
Estimated amount of contracts remaining to be executed on account of other purchase commitments	-	-
Net Capital Commitments	-	-
Total (a) + (b)	1,178.58	31.42

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Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

Note No. 30 Trade Receivables Ageing Schedule

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(i) Undisputed Trade receivables – considered good		
Not Due	-	-
Less than 6 Months	660.40	4,492.59
6 Months - 1 Year	0.43	97.41
1-2 Years	74.99	20.57
2-3 Years	18.15	65.83
More than 3 Years	85.44	50.08
Total	839.41	4,726.48

*Refer Note No. 8 - Trade Receivables

Note No. 31 Trade payables Ageing Schedule

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(i) MSME		
(ii) Others		
Not Due	-	-
Less than 1 year	65.97	17.57
1-2 years	-	-
2-3 years	-	79.45
More than 3 years	68.93	-
Total	134.90	97.02

*Refer Note No. 17 - Trade Payables

Diligent Industries Limited
Notes to the Financial Statements as at March 31, 2025
(All amounts are in INR Lakhs, except otherwise stated)

Note No. 32

(a) Nature of Security and terms of repayment for term loans from banks:
For the year ended March 31, 2025

SI No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	<u>ICICI Bank</u> <u>Term Loan</u>	Exclusive charge on Immovable and movable Fixed assets, Current Assets of the company	1. Exclusive Charge of 2 properties belonging to Promoters & their family members as specified in the below schedule.	Repayable in 84 Monthly instalments of Rs. 8.21 Lacs per Month commencing from December 2022. Balance number of instalments 56.	Repo Rate + Spread of 3%. Repo Rate shall be reset every 3 months
2	<u>ICICI Bank</u> <u>Working Capital Term Loan</u>	Exclusive charge on Immovable and movable Fixed assets, Current Assets of the company	1. Exclusive Charge of 2 properties belonging to Promoters & their family members as specified in the below schedule.	Repayable in 60 Monthly instalments of Rs. 5.36 Lacs per Month commencing from June 2022. Balance number of instalments 26.	Repo Rate + Spread of 3%. Repo Rate shall be reset every 3 months

1.1 Nature of Security and terms of repayment for working capital limits from banks:

SI.No	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	<u>ICICI Bank</u> <u>Working Capital Loan</u>	Exclusive charge on Immovable and movable Fixed assets, Current Assets of the company	1. Exclusive Charge of 2 properties belonging to Promoters & their family members as specified in the below schedule.	Repayable On demand DP Margins : Paid Stock & Book Debts - 25% Book Debts up to 90 Days	Repo Rate + Spread of 3%. Repo Rate shall be reset every 3 months

1.2 Schedule of Collateral property

SI no	Type	Belonging To	Address	Offered to
1	Residential Plot	Vankineni Bhanu Prakash and Vankineni Kiran Kumar	Ts No 1771 Block No 16 Municipal C Ward Phil, House Peta Thurpu Street Eluru Town And Mandal, House Peta Thurpu Street, West Godavari, Eluru, Andhra Pradesh, India, 534005	ICICI Bank
2	Residential Plot	Vankineni Bhanu Prakash	Ts No 457/4 Corrected Ts No 658, Sub Division 658/1 Block No 14 Municipal Wp Ward, Narasimha Rao Peta, West Godavari, Eluru, Andhra Pradesh, India, 534004	ICICI Bank

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

1.3 Personal Guarantees of the following persons:

SI No.	Particulars	Offered to
1	Vankineni Bhanu Prakash	ICICI Bank
2	Vankineni Phani Anupama	ICICI Bank
3	Vankineni Ratnakumari	ICICI Bank
4	Vankineni Kiran Kumar	ICICI Bank
5	Vankineni Padma Kumari	ICICI Bank
6	Vankineni Pruthvi Krishna	ICICI Bank

1.4 Nature of Security and terms of repayment for vehicle loans from banks:

Sl.No	Lender	Primary Security	Terms of Payment	Int. Rate
1	Axis Vehicle Loan	Mercedes Benz	Repayable in 60 monthly installments of Rs.1,22,406/- each commencing from Dec'2020. Remaining number of instalments 7.	8.26%
2	HDFC Vehicle Loan	Toyota Innova	Repayable in 84 monthly installments of Rs.53,295/- each commencing from Jan'2024. Remaining number of instalments 69.	8.55%
3	BOI Vehicle Loan	Defender	Repayable in 60 monthly installments of Rs.1,97,435/- each commencing from July'2024. Remaining number of instalments 51.	9.05%
4	BOI Vehicle Loan - 2	Commercial Vehicles 3 Nos (Tata Prima)	Repayable in 60 monthly installments of Rs.3,33,987/- each commencing from Jan'2025. Remaining number of instalments 57.	9.05%
5	UBI Vehilce Loan	Ashok Leyland Partner Commercial Vehicle	Repayable in 60 monthly installments of Rs. 36,223/- each commencing from Jan'2025. Remaining number of instalments 57.	9.00%

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

For the year ended March 31, 2024

SI No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	<u>ICICI Bank</u> <u>Term Loan</u>	Exclusive charge on Immovable and movable Fixed assets, Current Assets of the company	1. Exclusive Charge of 2 properties belonging to Promoters & their family members as specified in the below schedule.	Repayable in 84 Monthly instalments of Rs. 8.21 Lacs per Month commencing from December 2022. Balance number of instalments 68.	Repo Rate + Spread of 3%. Repo Rate shall be reset every 3 months
2	<u>ICICI Bank</u> <u>Working Capital Term Loan</u>	Exclusive charge on Immovable and movable Fixed assets, Current Assets of the company	1. Exclusive Charge of 2 properties belonging to Promoters & their family members as specified in the below schedule.	Repayable in 60 Monthly instalments of Rs. 5.36 Lacs per Month commencing from June 2022. Balance number of instalments 38.	Repo Rate + Spread of 3%. Repo Rate shall be reset every 3 months

1.1 Nature of Security and terms of repayment for working capital limits from banks:

SI.No	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	<u>ICICI Bank</u> <u>Working Capital Loan</u>	Exclusive charge on Immovable and movable Fixed assets, Current Assets of the company	1. Exclusive Charge of 2 properties belonging to Promoters & their family members as specified in the below schedule.	Repayable On demand DP Margins : Paid Stock & Book Debts - 25% Book Debts up to 90 Days	Repo Rate + Spread of 3%. Repo Rate shall be reset every 3 months

1.2 Schedule of Collateral property

SI no	Type	Belonging To	Address	Offered to
1	Residential Plot	Vankineni Bhanu Prakash and Vankineni Kiran Kumar	Ts No 1771 Block No 16 Municipal C Ward Phil, House Peta Thurpu Street Eluru Town And Mandal, House Peta Thurpu Street, West Godavari, Eluru, Andhra Pradesh, India, 534005	ICICI Bank
2	Residential Plot	Vankineni Bhanu Prakash	Ts No 457/4 Corrected Ts No 658, Sub Division 658/1 Block No 14 Municipal Wp Ward, Narasimha Rao Peta, West Godavari, Eluru, Andhra Pradesh, India, 534004	ICICI Bank

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

1.3 Personal Guarantees of the following persons:

SI No.	Particulars	Offered to
1	Vankineni Bhanu Prakash	ICICI Bank
2	Vankineni Phani Anupama	ICICI Bank
3	Vankineni Ratnakumari	ICICI Bank
4	Vankineni Kiran Kumar	ICICI Bank
5	Vankineni Padma Kumari	ICICI Bank
6	Vankineni Pruthvi Krishna	ICICI Bank

1.4 Nature of Security and terms of repayment for vehicle loans from banks:

Sl.No	Lender	Primary Security	Terms of Payment	Int. Rate
1	Axis Vehicle Loan	Mercedes Benz	Repayable in 60 monthly installments of Rs.1,22,406/- each commencing from Dec'2020. Remaining number of instalments 19.	8.26%
2	HDFC Vehicle Loan	Toyota Innova	Repayable in 84 monthly installments of Rs.53,295/- each commencing from Jan'2024. Remaining number of instalments 81.	8.55%

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

Note No. 33**Reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
Profit before tax-A	348.70	282.00
Tax rate - B	25.17%	25.17%
Income tax expense - A*B	87.76	70.97
Tax effect of depreciation in determining taxable profit	1.22	6.66
Tax effect of expenses other than depreciation that are not deductible in determining taxable profit	9.45	8.36
Adjustments recognised in the current year in relation to prior years	-	-
Income tax expense recognised in profit or loss	98.42	86.00

Note No. 34**Employee benefits****(a) Salaries and Wages**

Compensatory absence which accrue to the employees which are expected to be availed or encashed within twelve months after the end of the period in which the employees render the related service are short-term in nature. These compensatory absences require measurement on an actual basis and not on actuarial basis.

As per the leave policy of the company, the compensatory absences are paid within the next month from the date they are due and there is no accrual benefit that needs to be accounted as per Ind AS 19. They are processed along with monthly payroll.

(b) Defined contribution plan

The Company makes provident and pension fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes. Expenses recognized against defined contribution plans:

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
Contribution to Provident Fund & ESI	3.92	4.19

(c) The Indian Parliament has approved the Code on Social Security 2020, which would impact Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972, etc. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The impact of the changes, will be assessed and recognized post notification of the relevant provision and related rules are published.

Note No. 35**Segment reporting**

The Company is primarily engaged in the business of Selling, Marketing and distribution of pharmaceutical drugs, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting business segment.

There are no material individual markets outside India and hence the same is not disclosed for geographical segments for the segment revenues or results or assets. During the year ended 31 March 2025 and 31 March 2024 the revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.

Note No. 36
Related Party Disclosures

a) List of related parties

Index No	Nature of relationship	Name of the related party
1	Key Managerial Personnel (KMP)	(a) Bhanu Prakash Vankineni - Managing Director (b) Phani Anupama Vankineni - Director (c) Kiran Kumar Vankineni - Director (d) Ankit Singhal - Company Secretary
2	Enterprise over which Director is having significant influence	(a) Adithya Rice Mill (b) E-Way Lipids Private Limited (c) Adithya Commercials (India) Private Limited

(b) Transactions with related parties are set out in the table below

Particulars	For the year ended Mar 31, 2025	For the year ended Mar 31, 2024
(i) Loans received / (Repaid)		
(a) Bhanu Prakash Vankineni	(1,450.18)	508.17
(b) Phani Anupama Vankineni	(391.00)	204.69
(ii) Purchases (Net of Returns)		
(a) Adithya Rice Mill	11,196.27	10,921.91
(b) Adithya Commercials India Private Limited	2,554.44	
(iii) Sales (Net of Returns)		
(a) E-Way Lipids Private Limited	6,515.89	14,763.04
(b) Adithya Commercials India Private Limited	234.22	
(iv) Other Income		
(a) Adithya Rice Mill	0.96	0.96
(v) Remuneration		
(a) Kiran Kumar Vankineni	4.80	4.80
(b) Ankit Singhal	2.64	2.20
(vi) Share Capital Money Received		
(a) Bhanu Prakash Vankineni	2,078.73	-
(b) Phani Anupama Vankineni	396.00	-

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

c. Related party balances: (Payable)/Receivable

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
(i) Short Term Borrowings		
(a) Bhanu Prakash Vankineni	(702.74)	(2,152.92)
(b) Phani Anupama Vankineni	(105.37)	(496.37)
	(808.10)	(2,649.29)
(ii) Advance to Suppliers		
(a) Adithya Rice Mill	3,418.59	1,778.00
(b) Adithya Commercials India Private Limited	433.15	-
	3,851.74	1,778.00
(iii) Advance Received from Customers		
(a) E-Way Lipids Private Limited	(699.75)	-
	(699.75)	-
(iv) Trade Receivables		
(a) E-Way Lipids Private Limited	-	4,244.57
	-	4,244.57
(v) Expenses Payable		
(a) Kiran Kumar Vankineni	(0.37)	(2.24)
(b) Ankit Singhal	(0.20)	(0.20)
	(0.57)	(2.44)

*Related Party relationships are as identified by the Management and relied upon by the auditors;

Note No. 37**Capital and Financial risk management objectives and policies****(a) Risk management framework**

Company is being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations.

The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has an owner, who coordinates the risk management process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Company value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws & regulations; and
- Improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Company's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(i) Liquidity

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The company is confident of generating sufficient cash flows from the operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date

Particulars	Carrying value	less than 1 year	more than 1 year
Mar 31, 2025			
Borrowings - Non current	659.02	-	659.02
Borrowings - Short Term	2,977.95	2,977.95	-
Trade payables	134.90	134.90	-
Other financial liabilities	48.12	48.12	-
Total	3,819.99	3,160.97	659.02
Mar 31, 2024			
Borrowings - Non current	627.77	-	627.77
Borrowings - Short Term	5,078.23	5,078.23	-
Trade payables	97.02	97.02	-
Other financial liabilities	35.23	35.23	-
Total	5,838.25	5,210.48	627.77

(ii) 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, at present does not have any exposure to the risk of changes in foreign exchange rates. The risks might primarily relate to fluctuations in US Dollar, GBP against the functional currencies of the Company. The Company's exposure to foreign currency changes for other currencies is not material, at present. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(iii) Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The carrying amount of trade receivables, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with Company's policy. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others. Since the company did not commence its commercial production, as on reporting date, credit risk from receivable perspective is insignificant.

(b) Capital management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Borrowings		
Non current	659.02	627.77
Current	2,977.95	5,078.23
Debt	3,636.97	5,706.00
Equity share capital	2,384.31	1,143.60
Other equity	4,066.51	649.57
Total capital	6,450.82	1,793.17
Gearing ratio in (Capital/Debt)	1.77	0.31

Note No. 38
Financial instrument and risk management

(a) Categories of financial instruments

The carrying value of the financial instruments by categories

Particulars	Carrying Value	Carrying Value
	As at Mar 31, 2025	As at Mar 31, 2024
Financial assets		
Measured at amortised cost		
Non-current investments	-	300.00
Trade receivables	839.41	4,726.48
Cash and cash equivalents	66.94	42.51
Loans	25.93	33.36
Other financial assets	90.00	-
Total	1,022.28	5,102.35
Financial liabilities		
Measured at amortised cost		
Borrowings - Long Term	659.02	627.77
Borrowings - Short Term	2,977.95	5,078.23
Trade payables	134.90	97.02
Other financial liabilities	48.12	35.23
Total	3,819.99	5,838.25

Particulars	Fair Value	Fair Value
	As at Mar 31, 2025	As at Mar 31, 2024
Financial assets		
Measured at amortised cost		
Non-current investments	-	300.00
Trade receivables	839.41	4,726.48
Cash and cash equivalents	66.94	42.51
Loans	25.93	33.36
Other financial assets	90.00	-
Total	1,022.28	5,102.35
Financial liabilities		
Measured at amortised cost		
Borrowings - Long Term	659.02	627.77
Borrowings - Short Term	2,977.95	5,078.23
Trade payables	134.90	97.02
Other financial liabilities	48.12	35.23
Total	3,819.99	5,838.25

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The Company has disclosed financial instruments such as borrowings, trade payable, and other current liabilities, loans, trade receivable, cash and cash equivalents and bank balances other than cash and cash equivalents at carrying value because their carrying values are a reasonable approximation of the fair values due to their short term nature.
- 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 counter party.

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

(iii) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Disclosures of fair value measurement hierarchy for financial instruments are given below

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Level 3		
Financial Assets, measured at Amortised Cost		
Non-current investments	-	300.00
Trade receivables	839.41	4,726.48
Cash and cash equivalents	66.94	42.51
Loans	25.93	33.36
Other financial assets	90.00	-
Total	1,022.28	5,102.35
Financial liabilities Measured at amortised cost		
Borrowings - Long Term	659.02	627.77
Borrowings - Short Term	2,977.95	5,078.23
Trade payables	134.90	97.02
Other financial liabilities	48.12	35.23
Total	3,819.99	5,838.25

Note No. 39**Key Ratios**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
a) Current Ratio:	2.12	1.01
Current Assets	9,170.54	9,204.71
Current Liabilities	4,319.41	9,134.11
Variance	111%	NA
Reason for variance more than 25%: Decrease in Advances received from Customers		
b) Debt Equity:	0.56	3.18
Total Debt	3,636.97	5,706.00
Shareholder's Equity	6,450.82	1,793.17
Variance	-82%	NA
Reason for variance more than 25%: Increase in Shareholders equity due to issue of capital through rights issue and decrease in total debt in the ordinary course of repayment		
c) Debt Service Coverage Ratio:	1.68	1.16
Earnings available for Debt Service	764.37	469.59
Debt Service	455.79	405.99
Variance	45%	NA
Reason for variance more than 25%: Improvement in Earnings available for Debt service due to increase in profitability in the current financial year		
d) Return on Equity:	6.10%	11.98%
Net Profits after taxes	251.49	202.67
Average Shareholder's Equity	4,121.99	1,691.83
Variance	-49%	NA
Reason for variance more than 25%: Increase in Shareholders equity due to issue of capital through rights issue in the current financial year;		

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
e) Inventory Turnover Ratio	4.59	5.92
Total Sales	14,355.70	12,229.10
Average Inventory	3,127.21	2,064.84
Variance	-22%	NA
f) Trade Receivables Turnover	5.16	2.66
Total Sales	14,355.70	12,229.10
Average Accounts Receivable	2,782.95	4,603.30
Variance	94%	NA
Reason for variance more than 25%: Due to reduction of Trade Receivables during the current financial year;		
g) Trade Payables Turnover:	125.66	130.19
Total Purchases	14,572.06	12,631.58
Average Trades Payable	115.96	97.02
Variance	-3%	NA
h) Net Capital Turnover:	2.96	173.22
Total Sales	14,355.70	12,229.10
Working Capital	4,851.12	70.60
Variance	-98%	NA
Reason for variance more than 25%: Due to reduction in Current Liabilities during the current financial year		
i) Net Profit Ratio:	1.75%	1.66%
Net Profit	251.49	202.67
Total Sales	14,355.70	12,229.10
Variance	6%	NA
j) Return on Capital Employed:	6.47%	7.45%
Earning before interest and taxes	609.67	511.79
Capital Employed	9,428.77	6,871.39
Variance	-13%	NA
k) Return on Investment*	NA	NA
Net Profit	NA	NA
Shareholder's Equity	NA	NA

* There are no investments made by the company, as such the ratio is not applicable.

Note No. 40**Rights Issue of Equity Shares****(a)**

During the financial year 2024-25, the Board of Directors of the Company interalia considered and approved the rights issue of 12,40,70,766 fully paid up equity shares of ₹1 each at an issue price of ₹3.60 per equity share (including a premium of ₹ 2.60 per share), on rights basis to the eligible equity shareholders in the ratio of 6 rights equity shares for every 5 equity shares held by the eligible equity shareholder for an amount aggregating to ₹ 4466.55 Lakhs.

(b) Proceeds from the Rights issue have been utilised upto March 31, 2025 in the following manner:

Particulars	Planned	Actual	Variance
(a) Adjustment of Unsecured Loans against the rights entitlement of the Promoters	2,475.00	2,674.53	(199.53)
(b) Towards Working Capital Requirements	1,500.00	1,500.00	-
(c) General Corporate Purpose	416.55	292.01	124.53
(d) Issue related Expenses	75.00	66.28	8.72
	4,466.55	4,466.55	-

*There has been no variation or deviation in the utilization of the funds raised by the Company as stated in the Letter of Offer dated October 16, 2024

(c) Proceeds from the Rights issue have been utilised upto March 31, 2025 in the following manner:

Particulars	Issue Related Expenses
Debited to Securities Premium	60.38
Debited to Statement of Profit and Loss	5.90
	66.28

(d) Transactions with any person or entity belonging to the promoter which holds 10% or more shareholding in the Company:**a) Proceeds from Rights Issue of Equity Shares***

Particulars	Amount
a) Vankineni Bhanu Prakash	2,278.53
b) Vankineni Phani Anupama	396.00
	2,674.53

*Adjustment of balance of Unsecured loans against rights entitlement of the Promoters

Note No. 41
Reconciliation with Quarterly Stock Statements

Name of Bank	Particulars	Quarter	Amount as per	Amount as	Amount of
			books of	reported in	difference
			Accounts	quarterly returns	
ICICI Bank	Inventories	June-24	3,010.75	3,010.75	-
	Receivables (Subject to DP)	June-24	3,676.25	3,676.25	-
	Trade Payables	June-24	121.54	121.54	-
ICICI Bank	Inventories	September-24	3,272.36	3,272.36	-
	Receivables (Subject to DP)	September-24	3,460.58	3,460.58	-
	Trade Payables	September-24	276.44	276.44	-
ICICI Bank	Inventories	December-24	3,793.81	3,793.81	-
	Receivables (Subject to DP)	December-24	3,070.29	3,070.29	-
	Trade Payables	December-24	396.02	396.02	-
ICICI Bank	Inventories	March-25	3,973.63	3,973.63	-
	Receivables (Subject to DP)	March-25	839.41	839.41	-
	Trade Payables	March-25	134.90	134.90	-

Note No. 42

(a) Title deeds of immovable properties

Title Deeds of immovable properties are held in the name of the Company.

(b) Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its fixed assets.

(c) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment other than for business purposes

(d) Details of benami property held

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

(e) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(f) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(g) Relationship with struck off companies

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

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

The Company has no charges pending for registration or satisfaction with the Registrar of Companies beyond the statutory period, except for a charge relating to a vehicle loan availed from Union Bank of India, which remains pending for registration due to technical reasons.

Diligent Industries Limited**Notes to the Financial Statements as at March 31, 2025**

(All amounts are in INR Lakhs, except otherwise stated)

(i) Compliance with number of layers of companies

The Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017 is not applicable to the company.

(j) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(k) Utilisation of borrowed funds and share premium

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

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

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

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

(l) Undisclosed income

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(m) Details of crypto currency or virtual currency

The Company have not traded or invested in Crypto currency or Virtual Currency.

(n) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from the Banks and Financial Institutions have been applied for the purposes for which such loans were taken.

As per our audit report of even date

For and on behalf of the board

For P Suryanarayana & Co.,
Chartered Accountants

P. Suryanarayana

Partner

Membership No. 201195

F. No. 009288S

Place: Hyderabad

Date: 30th May, 2025

Bhanu Prakash Vankineni

Director

DIN:00919910

Vankineni Kiran Kumar

Chief Financial Officer

Phani Anupama Vankineni

Director

DIN: 00935032

Ankit Singhal

Company Secretary

DILIGENT INDUSTRIES LIMITED

CIN: L15490AP1995PLC088116

Registered Office: Dwarka Thirumala Road, Denduluru Village & Mandal, Eluru, Andhra Pradesh -534432, India.

●**E-mail:** diligentinvestors@gmail.com

●**Website:** www.diligentindustries.com

ADMISSION SLIP

Serial No.	
Folio No./Client ID/ DP Id	
Name of the sole/ first member(s)	
Registered Address	
Name(s) of joint member(s), if any	
No. of shares held	

I certify that I am/ we am/ are Member(s) / Proxy for the Member(s) of the Company.

Please (v) in the box

☐ Member ☐ Proxy

I/ We hereby record my/ our presence at the **31st Annual General Meeting** of the Company on **Tuesday, 30th September, 2025 at 11.30 AM** at Dwarka Thirumala Road, Denduluru Village & Mandal, Eluru Dist, Andhra Pradesh -534432, India.

Name of the Proxy in Block Letters

Signature of Member / Proxy attending

NOTES:

i) Member / Proxy attending the Annual General Meeting (AGM) must bring his / her Admission Slip which should be signed and deposited before entry into the venue.

ii) Duplicate Admission Slip will not be issued at the venue.

ELECTRONIC VOTING

EVSN - 250905105

Electronic voting ("**e-Voting**") facility is being provided in respect of the Resolutions proposed at the 31st AGM, in accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Please see Notes in the Notice dated 05th September, 2025 convening the AGM for the procedure with respect to e-Voting.

DILIGENT INDUSTRIES LIMITED

CIN: L15490AP1995PLC088116

Registered Office: Dwarka Thirumala Road, Denduluru Village & Mandal, Eluru, Andhra Pradesh -534432, India.

●**E-mail:** diligentinvestors@gmail.com

●**Website:** www.diligentindustries.com

Form No.MGT-12

POLLING PAPER

(Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration Rules, 2014)

CIN	L15490AP1995PLC088116		
Name of the Company	DILIGENT INDUSTRIES LIMITED		
Registered Office	Dwarka ThirumalaRaod, Denduluru Village and Mandal, Eluru, AP- 534432.		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client ID		DP ID	
Number of Equity shares held			

At the 31st Annual General Meeting of the Company I hereby exercise my vote in respect of Ordinary / Special Resolution enumerated below by recording my assent or dissent to the said Resolution in the following manner:

Resolution n	Description	Optional (√)	
		For	Against
Ordinary Business			
1.	Adoption of Audited Standalone Financial Statements for the FY 2024-25.		
2.	Appointment of a Director in place of a retiring Director.		
Special Business			
3.	Appointment of M/s Ganga Anil Kumar & Associates, as Secretarial Auditors. - Ordinary Resolution		
4.	Re-appointment of Sri Lokeswararao Nelluri (DIN: 08679768) as an Independent Director of the Company for a further term of 5 years. - Special Resolution.		
5.	Re-appointment of Sri Baba Mohammed (DIN: 08422704) as an Independent Director of the Company for a further term of 5 years. - Special Resolution.		
6.	Increase in the authorized share capital from Rs. 35 Crore to Rs. 40 Crore and consequential amendment to capital clause of the Memorandum of Association (MOA) of the Company - Ordinary Resolution.		

Place:

Date:

(Signature of the Shareholder)

DILIGENT INDUSTRIES LIMITED

CIN: L15490AP1995PLC088116

Registered Office: Dwarka Thirumala Road, Denduluru, Village & Mandal, Eluru, Andhra Pradesh -534432, India

●E-mail: diligentinvestors@gmail.com

●Website: www.diligentindustries.com

PROXY FORM

I/We of
..... in the District of being a Member(s) of the above
named Company hereby appoint of or failing him
..... of in the district of as
my / our proxy to attend and vote for me / us on my / our behalf at the **31st Annual General Meeting** of the
Company to be held on **Tuesday, 30th September, 2025 at 11.30 AM** at Dwarka Thirumala Road, Denduluru
Village & Mandal, Eluru Dist, Andhra Pradesh -534432, India at **11.30 A.M.**

Signed at this day of 2025.

Folio No.

Number of Shares held:.....

Signature of the shareholder:

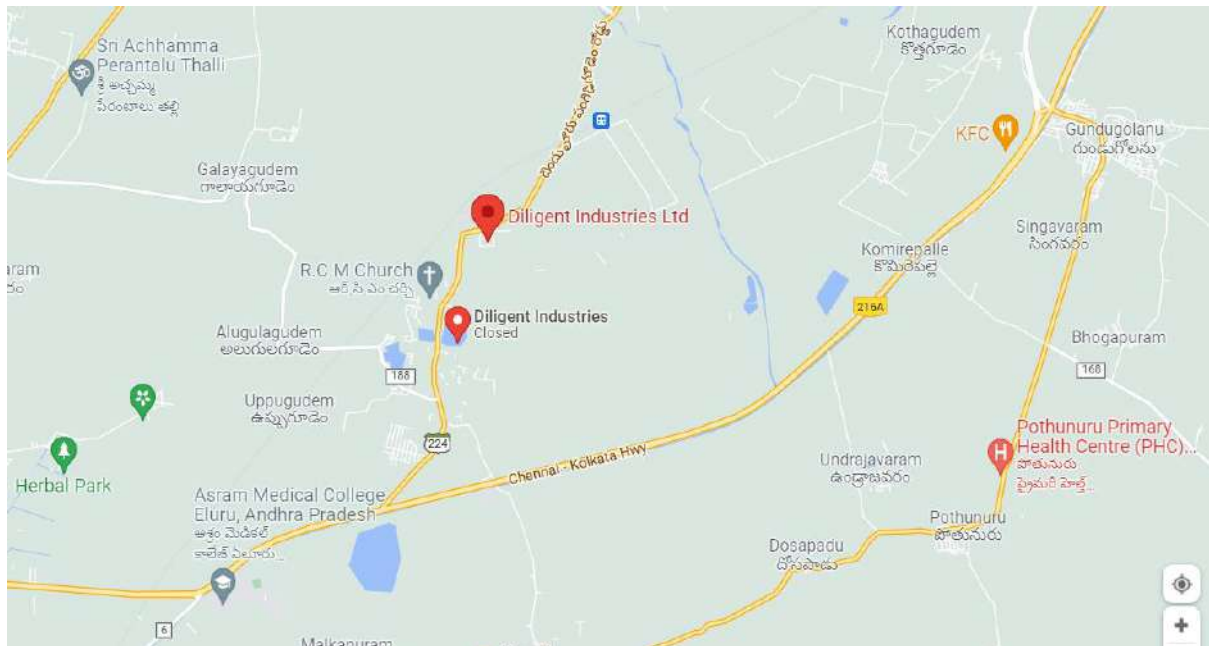
Signature of the proxy:

Notes:

1. The Proxy need not be a member.
2. The form of proxy, duly signed across Re. 1/- Revenue Stamp should reach the Company, not less than 48 hours before the time fixed for the meeting.
3. The form shall be filled completely, otherwise the proxy will be invalid.

Route Map to AGM Venue

Pursuant to Secretarial Standard on General Meetings (i.e. SS-2)



Link of the Venue:

<https://www.google.com/maps/search/diligent+industries+ltd/@16.7547424,81.0969509,12.17z?entry=ttu>

Route:

Denduluru and Chinna Tirupati Road.

Contact Details:

Company	Diligent Industries Limited Reg. Office: Dwarka Thirumala Road, Denduluru Village and Mandal, Eluru District, AP– 534 432, India. CIN- L15490AP1995PLC088116 E Mail - diligentinvestors@gmail.com Website: https://www.diligentindustries.com
Registrar and Transfer Agent	Venture Capital & Corporate Investments Pvt. Ltd. “AURUM”, 4th & 5th Floors, Plot No.57, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad – 500032, Telangana, India. Email: info@vccipl.com Website: www.vccipl.com
e-Voting Agency	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com Phone: 022-23058542/43
Scrutinizer	Mr. Ganga Anil Kumar M/s. Ganga Anil Kumar & Associates Practicing Company Secretaries 3-548, 1st Floor, Javahar Vidya Nikethan School Building, Undavalli Centre, Amaravati AP-522501, India. FRN- S2023AP952200 Email: anilkumar@ananyalegal.com
BSE Symbol ISIN (Equity)	BSE Symbol - DILIGENT 531153 ISIN - INE650C01036
AGM Electronic Voting Sequence Number (EVSN)	250905105
SEBI Online Dispute Resolution Platform link	https://smartodr.in/login
SEBI Complaint Redressal (SCORES) Platform link	https://scores.sebi.gov.in/

If undelivered, please return to:

DILIGENT INDUSTRIES LIMITED
CIN: L15490AP1995PLC088116
Registered Office: Dwarka Thirumala Road, Denduluru, Village & Mandal,
Eluru Dist, Andhra Pradesh -534432, India
● **E-mail:** diligentinvestors@gmail.com
● **Website:** www.diligentindustries.com