

Ref. No. : PAT/SD/Reg. 34(1)-33rd AR/2025-2026/1IX

Date : 1st September, 2025

To,

BSE Limited

Corporate Relation Department

Phiroze Jeejeebhoy Towers, Dalal Street, Fort,

Mumbai: 400 001

Scrip Code No. 517417 | Script Name: PATELSAI | ISIN: INE082C01024

Dear Sir/Madam,

Sub: Notice of 33rd Annual General Meeting and Annual Report for the financial year 2024-25.

Ref: Compliance under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attached herewith a Notice of 33rd Annual General Meeting (33rd AGM) of the Company along with Annual Report for the financial year 2024-25. The Notice of 33rd AGM is included in the Annual Report for the financial year 2024-25.

The Schedule for 33rd AGM of the Company is setout below:

Day, date and time for 33 rd AGM	Saturday, 27 th September, 2025 at 11:30 a.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
Cut-off date for Remote E-Voting and E-voting during 33 rd AGM	Saturday, 20 th September, 2025
Remote E-Voting start date & time	Wednesday, 24 th September, 2025 (9:00 a.m. IST)
Remote E-Voting ends date & time	Friday, 26 th September, 2025 (5:00 p.m. IST)
Record date for Dividend	Friday, 19 th September, 2025

The aforesaid Notice of 33rd AGM along with Annual Report for the financial year 2024-25 is being sent through electronic mode to those shareholders whose email I'ds are registered with the Company / Bigshare Services Private Limited, Registrar and Transfer Agents (RTA) of the Company and the Depositories/Depository Participants.

The Notice of 33rd AGM along with Annual Report for the financial year 2024-25 is also available on the Company's website i.e. <https://www.patelsairtemp.com/investors/annual-reports/>.

You are requested to take the same on record.

Thanking You.

Yours faithfully,

For Patels Airtemp (India) Limited

Nikhil M. Patel

**Company Secretary & Compliance Officer
(Membership No.: A6814)**

Encl: As above



Rakanpur Works :

805, 806, 807, 810, Rakanpur 382 722,
Via : Sola - Bhadaj Village, Ta. : Kalol,
Dist. : Gandhinagar, Gujarat, India.
Ph. : +91 2764 286634 / 35, 286480 / 81,
Fax : +91 2764 286301
Email : works@patelsairtemp.com

Dudhai Works :

Survey No. : 100, Gam : Dudhai 382 715
Ta. : Kadi, Dist. : Mehsana, Gujarat, India.
Ph. : +91 2764 286634 / 35, 286480 / 81,
Fax : +91 2764 286301
Email : works@patelsairtemp.com

Regd. Office :

5th Floor, Kalpana Complex,
Nr. Memnagar Fire Station, Navrangpura,
Ahmedabad - 380 009. Gujarat, India.
Ph. : +91 79 27913694 / 95 / 96
Fax : +91 79 27913693
Email : project@patelsairtemp.co.in

ASME "U" / "U2" / "S"
NATIONAL BOARD "NB" / "R"
MEMBER OF : HTRI - USA
ISO 9001 : 2015
ISO 14001 : 2015
ISO 45001 : 2018
CIN NO. L29190GJ1992PLC017801



Patels Airtemp (India) Limited

CIN- L29190GJ1992PLC017801



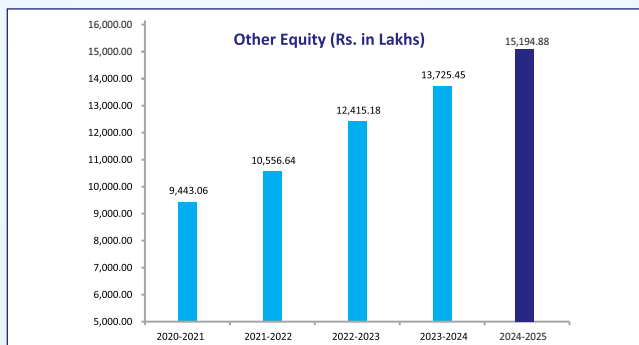
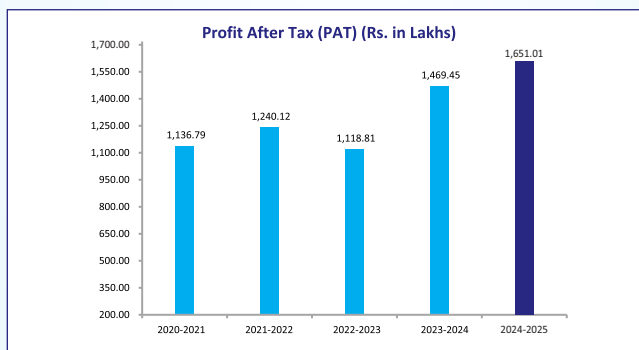
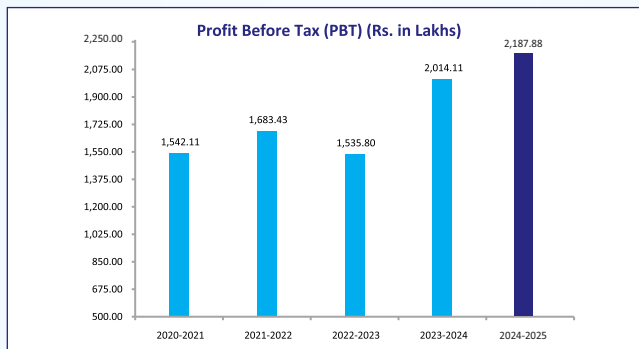
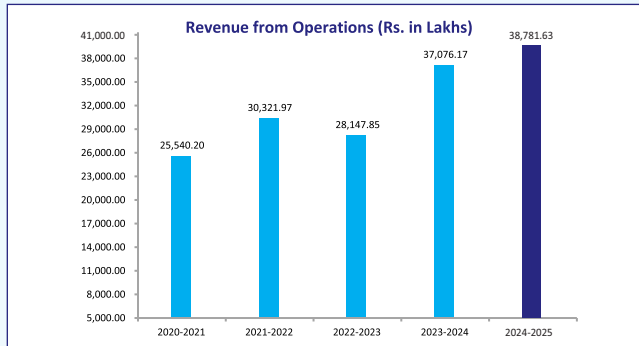
BLOW-DOWN HEAT EXCHANGER

ASME "U" / "U2" / "S"
NATIONAL BOARD "NB" / "R"
MEMBER OF : HTRI - USA
ISO 9001 : 2015
ISO 14001 : 2015
ISO 45001 : 2018

33rd ANNUAL REPORT
2024-25

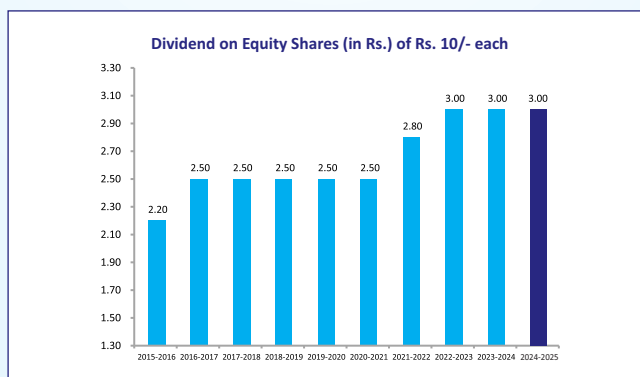
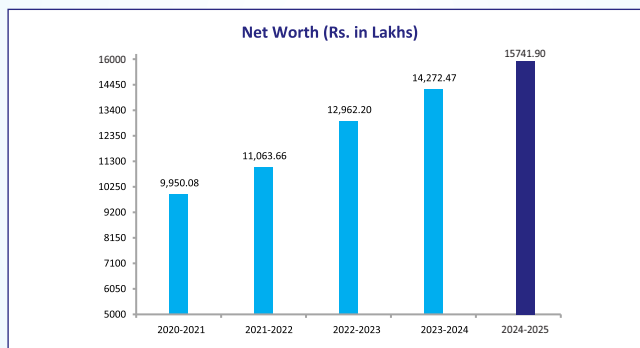
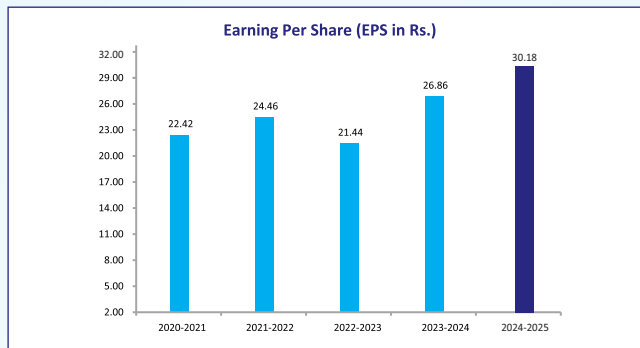


Key Performance Indicators of the Company (Standalone)





Key Performance Indicators of the Company (Standalone)



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Sanjivkumar N. Patel (Chairman & Managing Director)
Mr. Shivang P. Patel (Whole-time Director)
Mr. Apurva V. Shah (Whole-time Director)

Non-Executive Independent Directors

Mrs. Vinaben B. Patel (upto 20th March, 2025)
Mr. Rajendrakumar C. Patel
Mr. Naimish B. Patel (Chairman of Board Committees)
Mrs. Nidhi Y. Patel (w.e.f. 29th March, 2025)

Company Secretary & Compliance Officer

Mr. Nikhil M. Patel

Chief Financial Officer (CFO)

Mr. Kamlesh R. Shah

Auditors

Statutory Auditors M/s. Parikh & Majmudar
Chartered Accountants
(Firm Registration No. 107525W)

Cost Auditors M/s. Rajendra Patel & Associates
Cost Accountants
(Firm Registration No. 101163)

Secretarial Auditor CS Punit Lath
Practicing Company Secretary
(ACS No. 26238 COP No. 11139)

Banker Bank of Baroda
Axis Bank Limited

Registered Office & A. C. Division

5th Floor, Kalpana Complex, Nr. Memnagar Fire Station,
Navrangpura, Ahmedabad : 380009
Ph. No.: +91-79-27913694/95/96, Fax No.:+1-79-27913693
Email: share@patelsairtemp.com
Website: www.patelsairtemp.com

Works (Factory)

Rakanpur Works & Corporate Office

Plot No. 805, 806, 807, 810
Rakanpur – 382722
Via: Sola-Bhadaj Village, Ta: Kalol,
Dist: Gandhinagar, Gujarat
Ph. No.:+91-2764-286634/35
Fax No.:+91-2764-286301
Email: share@patelsairtemp.com
Website: www.patelsairtemp.com

Dudhai Works

Survey No. 100, Village: Dudhai,
Ta: Kadi, Dist: Mehsana – 382715, Gujarat

Information for 33rd Annual General Meeting

Day : Saturday
Date : 27th September, 2025
Time : 11:30 a.m. IST
Venue : Through Video Conferencing (VC)/Other
Audio Visual Means (OAVM)

Registrar & Transfer Agent (RTA)

Bigshare Services Private Limited

A/802, Samudra Complex, off. C. G. Road
Navrangpura, Near Girish Cold Drinks,
Ahmedabad – 380009
Tel: +91-79-40024135, +91-79-400392570
Email: bssahd@bigshareonline.com
Website: www.bigshareonline.com

Listing of Shares

Stock Exchange - BSE Limited
Script Code - 517417
Script Name - PATELSAI
ISIN - INE082C01024
CIN - L29190GJ1992PLC017801

Email for Investor Grievance:

share@patelsairtemp.com

You can also find this report online on:

[Annual Reports » Investors » Patels Airtemp \(India\) Limited](#)

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NOTICE OF 33RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the **33RD ANNUAL GENERAL MEETING ("33rd AGM" or "AGM" or "Meeting")** of the members of PATELS AIRTEMP (INDIA) LIMITED will be held on Saturday, the 27th day of September, 2025, at 11.30 a.m., Indian Standard Time (IST), **through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**, to transact the following business:

ORDINARY BUSINESS:

- 1) To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2025 and the reports of the Board of Directors and Auditors thereon and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2025 comprising Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and Notes to the Financial Statement together with the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

- 2) To declare dividend on Equity Shares for the financial year ended 31st March, 2025 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT a dividend of Rs. 3.00/- (Rupees Three only) per Share on 54,70,240 Equity Shares of Rs.10/- each of the Company as recommended by the Board of Directors for the financial year ended 31st March, 2025, be and is hereby approved and declared and the same be paid out of the profits of the Company, subject to deduction of tax at source (TDS)."

- 3) To re-appoint Mr. Sanjivkumar N. Patel (DIN: 02794095), who retires by rotation, as a Director and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sanjivkumar N. Patel (DIN: 02794095), who retires by rotation as a Director at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."

SPECIAL BUSINESS:

- 4) To appoint CS Punit Santoshkumar Lath, Practicing Company Secretary (ACS No. 26238 & COP No. 11139), Ahmedabad, as Secretarial Auditor of the Company and to fix his remuneration, and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A and 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendation made by the Audit Committee and the Board of Directors of the Company, CS Punit Santoshkumar Lath, Practicing Company Secretary (ACS No. 26238 & COP No. 11139), Ahmedabad, who has confirmed his eligibility for appointment, be and is hereby appointed as the Secretarial Auditor of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2030, to conduct Secretarial Audit of the

Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations, for the period beginning from the Financial Year 2025-26 through the Financial Year 2029-30."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to decide and fix the remuneration plus applicable taxes and out of pocket expenses incurred in connection with the Secretarial Audit during the tenure as the Secretarial Auditor of the Company as may be determined and recommended by the Audit Committee in consultation with the Secretarial Auditor and duly approved by the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to decide and finalize the terms and conditions of appointment, including the remuneration of the Secretarial Auditor, from time to time, and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

- 5) To ratify payment of remuneration to Cost Auditors for the financial year ending 31st March, 2026, and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Rajendra Patel & Associates, Cost Accountants, Ahmedabad (Registration No. FRN101163), based on the recommendation of the Audit Committee, appointed as the Cost Auditors of the Company by the Board of Directors to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2026 (2025-26), be paid and ratified the payment of remuneration of Rs. 80,000/- (Rupees Eighty Thousand only) plus applicable taxes and out-of-pocket expenses, if any, for the said financial year, as recommended by the Audit Committee and approved by the Board of Directors of the Company."

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

- 6) To authorise Board of Directors of the Company to borrow money under Section 180(1)(c) of the Companies Act, 2013 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Special Resolution passed by the members of the Company at the 31st Annual General Meeting held on 23rd September, 2023 and pursuant to Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and all other applicable rules, laws and acts, if any, read with Article 103 of the Articles of Association of the Company and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities, if any, while granting such approvals, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herein after called "the Board" which term shall be deemed to include any committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) for borrowing for the purpose of business, from time to time, any sum or sums of money on such terms and conditions with or without security as the Board of Directors

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may think fit, which together with the monies already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) and being borrowed by the Board at any time shall not exceed in the aggregate at any time Rs. 500 Crores (Rupees Five Hundred Crores) in Indian Rupees or equivalent thereof in any foreign currency(ies) irrespective of the fact that such aggregate amount of borrowings outstanding at any time may exceed the aggregate for the time being of the paid-up share capital of the Company, securities premium and its free reserves that is to say reserves not set apart for any specific purpose."

"RESOLVED FURTHER THAT the Board be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute the requisite agreement, documents, deeds and writings and to do all such other acts, deeds and things as may be necessary to give effect to the above resolution."

- 7) To authorise Board of Directors of the Company for creation of security on increased Borrowing Power under Section 180(1)(a) of the Companies Act, 2013 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Special Resolution passed by the members of the Company at the 31st Annual General Meeting held on 23rd September, 2023 and pursuant to Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and all other applicable rules, laws and acts, if any, read with Article 105 of the Articles of Association of the Company and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities, if any, while granting such approvals, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herein after called "the Board" which term shall be deemed to include any committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to mortgage, hypothecate, pledge and / or charge or create any security interest, in addition to the mortgage, hypothecation, pledge and / or charge already created, in such form, manner and ranking and on such terms as the Board deems fit in the interest of the Company, on all or any of the movable and / or immovable properties of the Company (both present and future) and / or any other assets or properties, either tangible or intangible, of the Company and / or the whole or part of any of the undertaking, where so ever situated, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, in favour of the Lender(s), Agent(s), investing agencies and Trustee(s), for securing the borrowing availed or to be availed by the Company, subsidiary company, joint venture, associates or any other person/body corporate, by way of loans, debentures (comprising fully / partly convertible Debentures and / or non-convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian rupees, from time to time up to the limits approved or as may be approved by the shareholders under section 180(1)(c) of the Act not exceeding Rs. 500 Crores (Rupees Five Hundred Crores) together with interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damage(s), commitment charge(s), premia on prepayment or redemption, cost charge(s) expenses and all other monies payable by the Company to such lenders under the respective loan/other agreement(s) entered/ to be entered into between the Company and the lender(s) in respect of the said borrowing(s), such security to rank in such manner as may be agreed to between the concerned parties and as may be thought expedient by the Board."

"RESOLVED FURTHER THAT the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and concerned parties."

“RESOLVED FURTHER THAT the Board be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute with the Lenders the requisite agreement, documents, deeds and writings for borrowing and/or for creating together aforesaid mortgage(s) and/or charge(s) and to do all such other acts, deeds and things as may be necessary to give effect to the above resolution.”

**By Order of the Board of Directors
For PATELS AIRTEMP (INDIA) LIMITED**

**Sanjivkumar N. Patel
Chairman & Managing Director
(DIN: 02794095)**

Factory (Works) :

Plot: 805, 806, 807, 810,
Rakanpur – 382 722,
Via: Sola-Bhadaj Village, Ta: Kalol,
Dist: Gandhinagar, Gujarat.
CIN : L29190GJ1992PLC017801
Dated: 2nd August, 2025

IMPORTANT NOTES:

- 1) An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) setting out the material facts of the resolutions as per Item No. 4, 5, 6 and 7 mentioned in the above Notice under Special Business to be transacted in the meeting is as under.
- 2) As per provisions of Clause 3.A.II of the General Circular No. 20/2020 dated 5th May 2020 issued by the Ministry of Corporate Affairs (**MCA**), the matters of Special Business as appearing at Item No. 4, 5, 6 and 7 of the accompanying notice, are considered to be unavoidable by the Board of Directors and hence, form part of this Notice.
- 3) **Normally - PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Since this AGM is being held pursuant to the MCA and SEBI Circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form and attendance slip are not annexed to this notice.

- 4) A statement providing additional details of the Director retiring by rotation and seeking re-appointment at this AGM as set out at Item No. 3 of the Notice is included in the Notes forming part of the Notice and annexed as per **Annexure – I** to this Notice as required under Regulation 36 of the SEBI Listing Regulations and circulars issued thereunder and Secretarial Standards on General Meetings SS-2 issued by the Institute of Company Secretaries of India (‘ICSI’). Requisite letter / declaration has been received from the Director seeking re-appointment.
- 5) In terms of the provisions of Section 152 of the Act, Mr. Sanjivkumar N. Patel (DIN: 02794095), Director of the Company, retires by rotation at the Meeting. The Board of Directors of the Company commend his re-appointment for the approval of the members.

Mr. Sanjivkumar N. Patel, Director of the Company, is interested in the Ordinary Resolution set out at Item No. 3 of this Notice with regard to his re-appointment. Mr. Shivang P. Patel, Whole-time Director, being related to Mr. Sanjivkumar N. Patel, may be deemed to be interested in the resolution set out

Patels Airtemp (India) Limited

at Item No. 3 of this Notice. The other relatives of Mr. Sanjivkumar N. Patel may be deemed to be interested in the resolution set out at Item No. 3 of this Notice, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 to 3 of this Notice.

- 6) **General instructions for (i) Accessing and participating in the 33rd AGM through VC/OAVM facility and voting through electronic means during 33rd AGM, (ii) Notes forming part of the Notice, (iii) Remote E-Voting process and (iv) Dividend related matters including Record-Date, please refer Para No. I, II, III & IV respectively annexed hereto, which forms part of this Notice.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act"):

The following Statement sets out all material facts relating to the resolutions mentioned in the accompanying Notice as per Item No. 4, 5, 6 and 7 to be transacted at the Meeting:

ITEM NO. 4

The SEBI (Listing Obligations and Disclosure Requirements) Third Amendment Regulations, 2024 introduced several changes to the role of Secretarial Auditors. From April 1, 2025, appointment, re-appointment or continuation of Secretarial Auditors of Listed Entities shall be in compliance with the aforesaid provisions. Further, with effect from April 1, 2025, the Secretarial Compliance Report submitted by a listed entity to be signed only by the Secretarial Auditor or by a Peer Reviewed Company Secretary who satisfies the aforesaid requirements.

Appointment, re-appointment of Secretarial Auditors would now be in line with provisions of Section 204 of Companies Act, 2013. An individual Practising Company Secretary ("PCS") shall be appointed for a term of 5 years and a PCS firm may be appointed for a maximum of 2 terms of 5 years each subject to approval of Shareholders in a General Meeting.

Pursuant to provisions of Section 204 of the Companies Act, 2013, and relevant rules thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), every Listed Company is required to annex with its Board's Report, a Secretarial Audit Report, issued by a Practising Company Secretary.

Pursuant to the Listing Regulations, shareholders' approval is required for appointment of Secretarial Auditors. Further, such Secretarial Auditor must be a peer reviewed Company Secretary from Institute of Company Secretaries of India (ICSI) and should not have incurred any of the disqualifications as specified by SEBI.

The Board of Directors appointed from time-to-time CS Punit Santoshkumar Lath, Practising Company Secretary, Ahmedabad (COP No. 11139 & Membership No. 26238) as the Secretarial Auditor to conduct Secretarial Audit of the records of the Company. Last such appointment was made for the financial year 2024-25.

Considering the above amendments, the Board of Directors in their meeting held on 24th May, 2025, on recommendation of Audit Committee and subject to approval of the Members, has appointed CS Punit Santoshkumar Lath, Practising Company Secretary, Ahmedabad (COP No. 11139 & Membership No. 26238) as the Secretarial Auditor of the Company, for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2030, to conduct Secretarial Audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations, for the period beginning from the Financial Year 2025-26 through the Financial Year 2029-30.

CS Punit Santoshkumar Lath has given his consent for his appointment as Secretarial Auditor of the Company and confirmed that his appointment, if made, would be within the limits and will be in accordance with Regulation 24A of SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 and other relevant applicable SEBI Circulars issued in this regard and hold a valid Peer Reviewed Certificate issued by ICSI. He has further confirmed that he is not disqualified to be appointed as Secretarial Auditor of the Company.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- A. **Proposed fees payable to the Secretarial Auditor:** The Board of Directors of the Company to be authorised to decide and fix the remuneration of Secretarial Auditor of the Company plus applicable taxes, and out of pocket expenses incurred in connection with the Secretarial Audit, as may be determined and recommended by the Audit Committee in consultation with the Auditor and duly approved by the Board of Directors of the Company based on knowledge, expertise and industry experience possessed by him and will also be in line with the industry benchmarks. The fees for any other professional work including certifications will be in addition to the audit fee and will be decided by the management in consultation with the Auditor.
- B. **Terms of appointment:** Appointment as Secretarial Auditor of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2030, to conduct Secretarial Audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations, for the period beginning from the Financial Year 2025-26 through the Financial Year 2029-30.
- C. **In case of a new auditor, any material change in the fees payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:**
Not Applicable
- D. **Rationale and Basis of recommendation for appointment:** The Board of Directors and Audit Committee have considered various evaluation criteria with respect to his credentials as under, knowledge, expertise, independence, and industry experience possessed by him, skillset, governance & competitiveness and recommend his appointment to the Shareholders of the Company.
- E. **Credentials of the Secretarial Auditor proposed to be appointed:**

CS Punit Santosh Kumar Lath ("the secretarial Auditor") has started his practice as Company Secretary in 2012 and is registered with the Institute of Company Secretaries of India (ICSI), New Delhi, vide Certificate of Practice No. 11139. The Office is situated at C-605, PNTC Towers, Nr Radio Mirchi Tower, Vejalpur, Ahmedabad – 380051. The Secretarial Auditor is working with staff strength of 3 key Associate Members and other staff members. Since inception, Audit & Companies Act and SEBI Listing Regulations Compliances are major focus areas of the Auditor, where he enjoys peer reviewed status continuously since July, 2020. Apart from the above services, the other core areas of practice and services provided by the Secretarial Auditor are, Representation Practice having focus on Corporate Laws like Company law (representation before NCLT & NCLAT), FEMA, SEBI and Securities laws, etc., Mergers & Acquisition; Equity & Capital Market Advisory, Investor Relations and Corporate Governance, Business Restructuring and Reorganization; Debt Resolution & Restructuring, etc.

As on date, he has Audit assignments which includes Secretarial Audits in 6 Listed / Unlisted Companies.

The Secretarial Auditor has knowledge, experience and resources for taking up assignments of Secretarial Audit as per the ICSI Auditing Standards (CSAS-1 to CSAS-4) (Revised version effective from 1st April, 2021) prepared by The Institute of Company Secretaries of India.

Patels Airtemp (India) Limited

The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditor.

Looking to the recommendation made by the Audit Committee and after considering various evaluation criteria with respect to knowledge, expertise, independence, and industry experience possessed by him, skillset, governance & competitiveness and taking into account his credentials as above and also based on the evaluation of the quality of audit work done by him, the Board of Directors recommends to the members for passing an Ordinary Resolution as set out in item No. 4 of this Notice.

None of the Directors/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 of the notice.

The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

ITEM NO. 5

The Board of Directors at the Board Meeting held on 24th May, 2025, on the recommendation of Audit Committee, has appointed M/s. Rajendra Patel & Associates, Cost Accountants, Ahmedabad (Firm Registration No. FRN101163) as the Cost Auditor of the Company to conduct audit of cost accounting records maintained / will maintain by the Company for the current financial year 2025-26 ending on 31st March, 2026, at a remuneration of Rs. 80,000/- (Rupees Eighty Thousand only) plus applicable taxes and out-of-pocket expenses, if any, subject to the approval of the Shareholders in General Meeting by ratification for payment of remuneration.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration as above payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year ending March 31, 2026.

The Board of Directors and Audit Committee have considered various evaluation criteria with respect to knowledge, expertise, independence, and industry experience possessed by them, skillset, governance & competitiveness and recommend his appointment to the Shareholders of the Company. The Cost Auditor has knowledge, experience and resources for taking up assignments of Cost Audit.

The Board recommends to the Members for their approval the Resolution set forth at Item No. 5 of the Notice.

None of the Directors of the Company, Key Managerial Personnel and their Relatives are concerned or interested financially or otherwise in the aforesaid Ordinary Resolution.

ITEM NO. 6 & 7

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business with the consent of the Company by passing a Special Resolution.

The Members of the Company had, by Special Resolution passed at the 31st Annual General Meeting held on 23rd September, 2023, pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 read with Article 103 of the Articles of Association of the Company, authorised the Board of Directors (which term shall be deemed to include any Committee of the Board) to borrow money(ies) on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) and remaining outstanding and for creation of

charge on moveable and immovable properties of the Company as security in favour of lending agencies pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 for a sum not exceeding Rs. 350 crores (Rupees Three Hundred Fifty Crores only), over and above the aggregate of the paid-up share capital and free reserves of the Company.

Keeping in view your Company's business requirements and growth plans, it is considered desirable to increase the said borrowing limits to Rs. 500 crores (Rupees Five Hundred Crores) under the provisions of Section 180(1)(c) of the Companies Act, 2013 (the "Act").

The borrowings by a Company, in general, are required to be secured by hypothecation, mortgage or charge on all or any of the moveable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board from time to time, in consultation with the lender(s).

Your consent is required under the provisions of Section 180(1)(c) and 180(1)(a) of the Act, to increase the borrowing limits as above and to hypothecate, mortgage and / or create a charge on any of the moveable and / or immovable properties and / or the whole or any part of the undertaking(s) of your Company to secure its borrowings.

The Board of Directors therefore recommends the Special Resolutions set out at Item No. 6 and 7 of the accompanying Notice for approval of the members.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested in the said resolutions.

**By Order of the Board of Directors
For PATELS AIRTEMP (INDIA) LIMITED**

**Sanjivkumar N. Patel
Chairman & Managing Director
(DIN: 02794095)**

Factory (Works) :

Plot: 805, 806, 807, 810,
Rakanpur – 382 722,
Via: Sola-Bhadaj Village, Ta: Kalol,
Dist: Gandhinagar, Gujarat.
CIN : L29190GJ1992PLC017801
Dated: 2nd August, 2025

Annexure – I to the Notice of AGM

Details of the Director seeking re-appointment at the 33rd Annual General Meeting

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS - 2 - Secretarial Standards on General Meetings issued by ICSI]

Mr. Sanjivkumar N. Patel

Name of Director	Mr. Sanjivkumar N. Patel (DIN: 02794095), Chairman & Managing Director
Appointment and Re-appointment and Reason for change viz. appointment, resignation, removal, death or otherwise	Mr. Sanjivkumar N. Patel to be re-appointed as a Director of the Company, who will retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013.
A brief resume and nature of expertise in specific functional areas;	Mr. Sanjivkumar N. Patel is holding Engineering degree in B.E. (Chemical) and MBA Degree from USA. He is associated with the Company since 2009. He is one of the Promoter of the Company. He was Whole-time Director of the Company from 2009 to 2015 and is a Managing Director of the Company since 2015. He became a Chairman of the Company w.e.f. 9th November, 2023 designated as "Chairman & Managing Director". He has worked as a Business Consultant in the field of Management Information System (MIS) and also worked as a Business Analyst. He has experience of working with ERP System and has more than 29 years of experience in different areas.
Disclosure of Relationship inter-se between Directors, Manager and other Key Managerial Personnel	Mr. Sanjivkumar N. Patel is a Son of Late Shri Narayanbhai G. Patel, who was Promoter and Chairman & Whole-time Director of the Company and died on 3rd October, 2023. Mr. Shivang P. Patel, Whole-time Director, is a Son of Late Shri Prakash N. Patel, who was one of the Promoter and Managing Director of the Company and died on 15th February, 2019. Mr. Shivang P. Patel is a Grand Son of Late Shri Narayanbhai G. Patel, who was Promoter and Chairman & Whole-time Director of the Company and died on 3rd October, 2023. None of the other Directors are related to any other Directors on the Board.
Details of remuneration last drawn by such person.	The remuneration of Mr. Sanjivkumar N. Patel, Managing Director, increased from Rs. 4,00,000/- to Rs. 5,50,000/- per month plus perquisites and allowances for the period from 3rd August, 2024 up to 19th May, 2026. Mr. Sanjiv N. Patel, Managing Director, drawn remuneration of Rs. 61,89,632/- comprising salary, perquisites and allowances during the financial year 2024-25.
Shareholding in the Company	4,11,276 Equity Shares of Rs. 10/- each of the Company (7.52 % Share Capital of the Company) in his individual capacity.
Name of Listed entities (other than Patels Airtemp (India) Limited) in which holds Directorships	1) Nirma Limited Mr. Sanjivkumar N. Patel appointed as an Independent Director of Nirma Limited w.e.f. 15th March, 2025, which is High Value Debt Listed Entity (HVDLE), listed at NSE.

Name of other Companies (other than Patels Airtemp (India) Limited) in which holds Directorships	NIL
Chairperson of Board Committees	1. Finance Committee – Patels Airtemp (India) Limited
Member of Board Committees	1. Stakeholders' Relationship Committee (SRC)– Nirma Limited
Listed Entities from which resigned as Director in past 3 years	NIL
Number of Board Meetings attended during the financial year 2024-25	6 out of 6
Details of core skills and expertise	Leadership / Operational Experience / Financial / Legal & Compliance / Corporate Governance / Industry Experience / Global Business & Strategic Planning

I GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE 33rd AGM THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM) AND VOTING THROUGH ELECTRONIC MEANS DURING 33rd AGM

- a. The Ministry of Corporate Affairs (**'MCA'**), inter alia, vide its General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 09/2024 dated September 19, 2024 (collectively referred to as **'MCA Circulars'**), has permitted the holding of Annual General Meeting (**'AGM'**) through Video Conferencing (**'VC'**) or through Other Audio-Visual Means (**'OAVM'**), whose AGMs are due in the year 2025, to conduct their AGMs on or before 30th September, 2025 through VC / OAVM without the physical presence of the Members at a common venue and also provided relaxation from dispatching of physical copies of Notice of AGM and financial statements for the year 2024-25 and considering the above MCA Circulars, Securities and Exchange Board of India (**SEBI**) vide its Circular(s) dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 6, 2023, October 7, 2023 and October 3, 2024 (**'SEBI Circular'**) in relation to "Relaxation from compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" provided relaxation up to 30th September, 2025 from sending physical copies of Financial Statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) to the shareholders, for Annual General Meetings and from sending proxy forms for General Meetings and from Regulation 36(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'SEBI Listing Regulations'**) which requires sending hard copy of the Annual Report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 (**'Act'**) to the shareholders who have not registered their email addresses.

In compliance with the MCA Circulars and SEBI Circular, the 33rd AGM of the Company is being conducted through VC/OAVM, which does not require physical presence of Members at a common venue. Hence, members can attend and participate in the 33rd AGM through VC/OAVM only.

- b. Pursuant to the MCA and SEBI Circulars as above, the Notice of the 33rd AGM and Annual Report for the year 2024-25 including therein the Audited Financial Statements for the year ended 31st March, 2025 and other documents, are being sent only by email to those Members whose e-mail addresses are registered with the Company/ Depositories/Depository Participants/Registrar and Transfer Agent (RTA), unless any Member has requested for a physical copy of the same.

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Therefore, those Members, whose email address are not registered with the Company or its Registrar and Transfer Agent (RTA) or with their respective Depository Participant/s, and who wish to receive the Notice of the 33rd AGM and the Annual Report for the year 2024-25 and all other communication sent by the Company by email and who wish to participate in the 33rd AGM or cast their vote through remote e-Voting or through e-Voting during the meeting, **can get their email address registered by following the steps as given below:-**

- I) For Members holding shares in physical form, are requested to register / update their e-mail address by submitting Form ISR-1 (available on the website of the Company at www.patelsairtemp.com) duly filled and signed along with requisite supporting documents or send scan copy of a signed request letter mentioning your folio number, complete address, email address and mobile number to be registered along with scanned self attested copy of the PAN Card and any document (such as Driving Licence, Passport, Bank Statement, Aadhaar) supporting the registered address of the Member, by email to the Company's email address at share@patelsairtemp.com or at RTA's e-mail address at bssahd@bigshareonline.com.
 - II) For Members holding shares in demat form, please update your email address through your respective Depository Participant/s with whom, you have maintained your demat account.
 - III) A letter will be sent by the Company providing the web-link including the exact path where complete details of the Annual Report including Notice of AGM is available to those Members, whose email address are not registered with the Company or its Registrar and Transfer Agent (RTA) or with their respective Depository Participant/s.
 - IV) The Company shall send physical copy of the 33rd Annual Report for FY 2024-25 to those Members who request for the same at Company's email address at share@patelsairtemp.com mentioning their Folio No./DP ID and Client ID.
- c. In line with the MCA and SEBI Circulars as above, the Annual Report for the year 2024-25 including Notice of 33rd AGM and Financial Statements therein will be available on the website of the Company at <http://www.patelsairtemp.com>, on the website of BSE Limited at <http://www.bseindia.com>. The AGM Notice is also disseminated on the website of CDSL at <http://www.evotingindia.com>.
 - d. Since the 33rd AGM will be held through VC/OAVM, the facility for appointment of Proxies by the Members will not be available for this AGM and hence the Proxy Forms, Attendance Slip and Route Map of the venue of the Meeting are not annexed to this Notice.
 - e. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-Voting, for participation in the 33rd AGM through VC/OAVM and e-Voting during 33rd AGM.
 - f. **Members will be able to attend the 33rd AGM through VC/OAVM through CDSL e-Voting system at <https://www.evotingindia.com> under shareholders login by using the remote e-Voting credentials and selecting the EVSN for the Company's 33rd AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in this Notice of the 33rd AGM to avoid last minute rush.**

The link for VC/OAVM to attend meeting will be available where EVSN of the Company will be displayed after successful login as per the instructions mentioned below for Remote e-voting.

The procedure for attending and e-Voting during 33rd AGM is same as the instructions mentioned below for Remote e-voting.

- g. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM. If any Votes are cast by the shareholders through e-voting available during the AGM and if the same shareholders have not

participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM, however, they will not be eligible to vote at the AGM.

A Member can opt for only single mode of voting per EVSN, that is, through remote e-voting or voting at the Meeting. If a Member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID"

- h. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on **20th September, 2025 (cut-off date)** only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
- i. A person who is not a Member as on the cut-off date should treat this Notice of 33rd AGM for information purpose only.
- j. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of **20th September, 2025**.
- k. Facility to join the Meeting shall be opened 30 (thirty) minutes before the scheduled time of the Meeting and shall be kept open throughout the proceedings of the Meeting.
- l. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- m. Members may note that the VC/OAVM facility, provided by CDSL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 33rd AGM without any restriction on account of first-come-first-served principle.
- n. Attendance of the Members participating in the 33rd AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- o. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting. Please note that Members connecting from mobile devices or tablets or through laptops etc connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- p. During 33rd AGM, the Chairman shall, formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of 33rd AGM and announce the start of the casting of vote through e-Voting system and e-Voting will be closed with the formal announcement of closure of the 33rd AGM.
- q. Institutional shareholders/corporate shareholders (i.e. other than Individuals, HUF, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board Resolution or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or e-Voting during 33rd AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to punit.lath@yahoo.com or to the Company at the email address viz; www.share@patelsairtemp.com. They can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. in the CDSL e-voting system.
- r. 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 toll free no. 1800 22 55 33

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All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call Toll Free No. 1800 22 55 33.

II NOTES FORMING PART OF THE NOTICE

- Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, Members are requested to update their records by submitting duly filled and signed relevant form along with the relevant proofs listed in the forms, to the RTA of the Company, Bigshare Services Private Limited by post to A/802, Samudra Complex, off. C. G. Road, Navrangpura, Near Girish Cold Drinks, Ahmedabad – 380009. The forms are also available on the Company's website at <http://www.patelsairtemp.com> under "Other Disclosures - Investor Forms."

Details of the relevant forms are provided herein below:

Type of holder		Process to be followed
Physical Form	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	Declaration to opt out	Form ISR-3
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures/ bonds, etc., held in physical form	Form ISR-4
	Request for Transmission of Securities by Nominee or Legal Heir	Form ISR-5
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and Debenture) Rules, 2014	Form SH-13
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
Demat: Members holding shares in demat form who wish to update any of the details mentioned above can contact their depository participant for the same.		

- 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 suspense account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4 as above. It may be noted that any service request can be processed only after the folio is KYC Compliant.
- SEBI vide its Master Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated 11th August, 2023, has introduced Online Dispute Resolution ('ODR'), which is in addition to the existing SEBI Complaints Redress System ('SCORES') platform, which can be utilised by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.
- Sebi has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their depository participants. Members holding shares in physical form are requested to submit their PAN details to the Company's RTA.

- 5) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form only.
- 6) As per provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at <http://www.patelsairtemp.com> under "Other Disclosures - Investor Forms". Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
- 7) Shareholders who would like to express their views or having questions with regard to the financial statements or any other matters to be placed at the 33rd AGM may register themselves as a speaker by sending their request and queries in advance at least 10 days prior to meeting i.e. should reach on or before **17th September, 2025** mentioning their name, demat account number/folio number, email id, mobile number at company's email id at share@patelsairtemp.com.

Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 10 days prior to meeting i.e. should reach on or before **17th September, 2025** mentioning their name, demat account number/folio number, email id, mobile number at share@patelsairtemp.com.

In both the above circumstances, the queries will be replied by the Company suitably during AGM or by email.

Those Members who have registered themselves as a speaker will only be allowed to express their views during 33rd AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for AGM. Further, the sequence in which the Shareholders will be called upon to speak will be solely determined by the Company.

- 8) During 33rd AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to CDSL e-Voting system at www.evotingindia.com. Relevant documents referred to in the Notice or Statement will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to share@patelsairtemp.com.

III VOTING THROUGH ELECTRONIC MEANS AND JOINING VIRTUAL MEETING:

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to "E-voting facility provided by Listed Entities" and Secretarial Standards on General Meetings (SS2) issued by the Institute of Company Secretaries of India read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business as set forth in the accompanying Notice of AGM to be transacted at the 33rd AGM and facility for those Members participating in the 33rd AGM through VC/OAVM to cast vote through e-Voting during 33rd AGM through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

The cut-off date for the purpose of remote e-voting and e-voting at the AGM shall be 20th September, 2025. Please note that members can opt for only one mode of voting i.e. either by e-voting at the meeting or remote e-voting. If Members opt for remote e-voting, then they should not

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vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting through VC/ OAVM but shall not be entitled to cast their vote again.

The e-voting facility is available at the link www.evotingindia.com of CDSL e-Voting system.

A. The instructions for members for voting electronically:

- (i) **The remote e-voting period begins on Wednesday, 24th September, 2025 (9.00 a.m. IST) and ends on Friday, 26th September, 2025 (5.00 p.m. IST).** During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th September, 2025, may cast their vote electronically. The e-voting shall not be allowed beyond the said time and date and e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) **Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as on the cut-off date 20th September, 2025 may obtain the login details and password/sequence number sending a request at investor@bigshareonline.com and bssahd@bigshareonline.com However, if you are already registered with CDSL for remote e-Voting then you can use your existing user ID and password for casting your vote.**
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, and Regulation 44 of SEBI Listing Regulations, 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.

Step 1 Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (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 shares 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 meeting **for Individual shareholders holding shares in Demat mode with CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 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 users to login to Easi / Easiest are to visit CDSL website www.cdslindia.com and click on Login icon and My Easi New (Token) Tab. 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 CDSL website www.cdslindia.com and click on Login and My Easi New (Token) 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 evoting 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 Depository	<ol style="list-style-type: none"> 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 or joining virtual meeting & voting during the meeting. 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.
	4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed 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 or joining virtual meeting & voting during the meeting.

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

Step 2 Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com

- 2) Click on “Shareholders” tab to cast your vote(s).
- 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) Members 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 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is communicated by the Company /RTA by mail indicated in the PAN field or contact Company/RTA.</p> <p>Members who have not registered their email address may obtain sequence number from the Company after registering their email address as per the process mentioned in the Notice.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <p>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 as mentioned in instruction (3) above.</p>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members 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.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) **Click on the EVSN for ‘PATELS AIRTEMP (INDIA) LTD.’ EVSN Number : 250825022**
- (x) 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.

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- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **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 as Corporates and Custodians respectively.
 - 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 they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of Non-Individual Shareholders and Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. to the Scrutinizer at the email address viz: punit.lath@yahoo.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 e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free No. 1800 21 09911.

Mr. Punit Lath, Practising Company Secretary (COP No. 11139 & ACS No. 26238) has been appointed by the Board as the Scrutinizer to scrutinize the voting through e-voting in the meeting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose. The Scrutiniser's decision on the validity of the votes cast through remote e-voting and voting at the meeting shall be final.

The Scrutinizer shall, after the conclusion of e-Voting at the 33rd AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall be submitted to the Chairman or a person authorized by him. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the Company's website www.patelsairtemp.com and on website of CDSL e-Voting www.evotingindia.com and will also be communicated to BSE Limited, where the shares of the Company are listed.

The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to the same being passed with requisite majority.

IV DIVIDEND RELATED MATTERS

(1) PAYMENT OF DIVIDEND & RECORD DATE

- (a) Dividend of Re. 3.00 per share (@ 30 %) on Equity Shares for the year ended 31st March, 2025 as recommended by the Board, if approved at the meeting, will be paid subject to deduction of tax at source and will be directly credited to the bank accounts of the Shareholders whose names appear on the Record date in the Register of Members or the Beneficial Ownership data furnished by the Depositories.
- (b) The Company has fixed and notified **19th September, 2025** as the Record Date for the purpose of ascertaining the members, who will be entitled to receive Dividend, if approved at the meeting:
 - # **In respect of Equity Shares held in physical form:** To those members, whose names appear in the Register of Members on 19th September, 2025, or
 - # **In respect of Equity Shares held in electronic form:** To those "Beneficial Owners" whose names appear in the Statement of Beneficial Ownership furnished by NSDL and CDSL on 19th September, 2025.
- (c) SEBI vide its Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated May 7, 2024, has mandated that with effect from April 1, 2024, dividend to security holders who are holding securities in physical form, shall be paid only through electronic mode. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), bank account details & specimen signature ("KYC") and choice of Nomination. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf.

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- (d) In order to receive dividend/s in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending a request and scanned copy of the details/documents by email to reach the Company's email address at share@patelsairtemp.com and submit particulars of their bank accounts in 'Form ISR – 1'
- (e) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent, cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.

(2) UNPAID/UNCLAIMED DIVIDEND & IEPF

- (a) The Unpaid / Unclaimed Dividend for the year 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 will become due for transfer to Investor Education & Protection Fund (IEPF) in subsequent years. Those shareholders who have so far not en-cash their dividend warrants for the aforesaid financial years are advised to submit their claim to the Registrar and Transfer Agent / Company immediately quoting their folio number. Once the unclaimed/unpaid dividend is transferred to IEPF, no claim shall lie against the Company in respect of the individual amounts which were unclaimed or unpaid.
- (b) The Company has transferred the unpaid or unclaimed dividends declared up to the financial year 2016-17 to IEPF established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 21st September, 2024 (date of the previous Annual General Meeting) on the website of the Company i.e. <http://www.patelsairtemp.com>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
- (c) Pursuant to the provisions of Section 124(6) of the Act and IEPF Rules as amended from time to time, shares in respect of which dividends have not been en-cashed for seven consecutive years or more are required to be transferred to IEPF. The Company has sent individual notice to all the concerned shareholders intimating them particulars of equity shares due for transfer. These details are also available on the Company's website viz. <http://www.patelsairtemp.com>. Advertisement in newspapers in this respect has also been published in English language and regional language i.e. Gujarati. Shareholders are requested to claim the unclaimed dividend well before the due date. If unclaimed dividends are not claimed by the shareholders, shares covered by such unclaimed dividends will be transferred to IEPF. It may be noted that no claim shall lie against the Company in respect of shares so transferred to IEPF. Upon transfer, the shareholders will be able to claim these equity shares only from the IEPF authority as per the procedure prescribed under IEPF Rules, the details of which are available at www.iepf.gov.in.
- (d) Details of shares transferred to IEPF Authority are available on the website of the Company i.e. <http://www.patelsairtemp.com>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

(3) COMMUNICATION IN RESPECT OF DEDUCTION OF TAX AT SOURCE (TDS) ON DIVIDEND PAY OUT

The Board of Directors of the Company at their meeting held on 24th May, 2025, have recommended a dividend of Rs. 3.00 per equity share of Rs. 10 each (i.e. 30%), for the financial year ended March 31, 2025. This dividend is subject to approval of the shareholders at this Annual General Meeting of the Company and will be paid to eligible shareholders within 30 days of the date of its declaration.

Shareholders may note that pursuant to the changes in the Income Tax Act, 1961 ('the Act') as amended by the Finance Act, 2020, dividend income will be taxable in the hands of the shareholders and the Company is required to deduct tax at source (TDS) at the time of making payment of dividend to shareholders at the prescribed rates as under.

Also, please note that the TDS rate would vary depending on the residential status, category of the shareholder, compliant/ non-compliant status in terms of Section 206AB of the Income Tax Act, 1961 and is subject to submission of all the requisite declarations/ documents to the Company.

The Company has already sent a separate communication to the shareholders with the details of applicable tax rates to different categories of shareholders and the documents/ details required to be submitted by the shareholders.

Shareholders are requested to update tax residential status, address, permanent account number (PAN), registered email address, mobile number, Bank Account details, in case of individual shareholders, Aadhaar number (in addition to PAN) and other details with their depository participants, in case the shares are held in dematerialized form. Shareholder holding shares in physical mode, are requested to furnish details to the Company's Registrar and Share Transfer Agent (RTA) bssahd@bigshareonline.com.

Further as per the Notification of Central Board of Direct Taxes, individual shareholders are requested to link their Aadhaar number with PAN within prescribed timelines, to avoid deduction of tax at higher rates.

The formats of relevant declarations are available on the website of RTA at www.bigshareonline.com. The aforementioned documents (duly completed and signed) are required to be submitted to the Company's RTA at bssahd@bigshareonline.com.

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Act, we request you to provide the above-mentioned details and documents as applicable to you **on or before 5.00 pm (IST) on 18th September, 2025**. The Company will arrange to e-mail a soft copy of TDS certificate at the shareholders registered e-mail ID in due course, post payment of the said dividend.

Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered **after 5.00 pm (IST) on 18th September, 2025**.

Please note that for the purpose of complying with the applicable TDS provisions, the Company will rely on the above-mentioned information available **as on 18th September, 2025** as per the details available with the Depositories/R & T Agent.

Shareholder holding shares in Physical mode may note that SEBI vide its various circulars mandated that the security holders (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number and Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024.

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All the documents submitted by the shareholders will be verified by the Company and the Company will consider the same while deducting the appropriate taxes if they are in accordance with the provisions of the Act.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents, option is available to the shareholder to file the return of income as per the Act, and claim an appropriate refund, if eligible.

All communications/queries in this respect should be addressed to our RTA, Bigshare Services Private Limited at their e-mail ID: bssahd@bigshareonline.com.

Shareholders are further requested to complete necessary formalities to link their bank accounts to their demat accounts to enable the Company to make timely credit of dividend in respective bank account. For Shareholders who have not updated their Bank Account details, dividend warrants/demand drafts will be send to their registered address by post/ courier.

Disclaimer: Above communication on TDS only sets out the provisions of law in a summarized manner and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult their own tax advisors for the tax provisions applicable to their particular circumstances.

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DIRECTORS' REPORT

To,
The Members,
PATELS AIRTEMP (INDIA) LTD.
Ahmedabad.

Your Directors have pleasure in presenting herewith the 33rd Annual Report 2024-25 together with the Audited Standalone Financial Statements of Patels Airtemp (India) Limited (herein after referred to as **"the Company"**) for the Financial Year ended 31st March, 2025.

FINANCIAL RESULTS (STANDALONE)

(Rs. in lakhs except EPS)

Particulars	Year ended 31-03-2025	Year ended 31-03-2024
Revenue from Operations	38781.63	37076.17
Other Income	154.98	198.94
Total Income	38936.61	37275.11
Less: Depreciation & Amortisation Expenses	392.31	406.39
Finance Cost	1133.55	1286.27
Other Expenses	35222.87	33568.34
Total Expenses	36748.73	35261.00
Profit before Tax	2187.88	2014.11
Less: Tax Expenses	536.87	544.66
Net Profit for the year	1651.01	1469.45
Balance brought forward from previous year	12041.24	10735.91
Profit available for Appropriation	13692.25	12205.36
Less: Proposed Dividend	164.11	164.11
Less: Tax on Dividend	--	--
Less Transfer to General Reserve	--	--
Surplus carried forward to Balance Sheet	13528.14	12041.24
Other Comprehensive Income / (Loss) for the Year	(17.47)	4.93
Total Comprehensive Income for the year	1633.54	1474.38
Earnings Per Share of ₹ 10/- each (₹)	30.18	26.86

STATE OF COMPANY'S AFFAIRS (STANDALONE)

The Company has earned total revenue from operations of Rs. 38781.63 Lakhs during the year ended on 31st March, 2025 as against Rs. 37076.17 Lakhs earned during the previous year ended on 31st March, 2024. The Company has also earned other income of Rs. 154.98 Lakhs during the year under review as against Rs. 198.94 Lakhs earned during the previous year.

Out of revenue from operations of Rs. 38781.63 Lakhs earned by the Company during the year under review, Rs. 38379.55 Lakhs represents sale of products (Domestic & Export), Rs. 159.17 Lakhs represents sale of Services (Processing Charges) and Rs. 242.91 Lakhs represents other operating revenue including export incentives.

The Company has incurred total expenses of Rs. 36748.73 Lakhs during the year ended on 31st March, 2025 as compared to Rs. 35261.00 Lakhs incurred during the previous year ended on 31st March, 2024.

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The Company has paid total fees of Rs. 5.88 Lakhs including statutory audit fees, certification fees and fees for other services to M/s. Parikh & Majmudar (Firm Registration No. 107525W & Membership No. 107628), Chartered Accountants, Ahmedabad, the Statutory Auditors of the Company, during the year ended on 31st March, 2025.

The Company has earned the Profit before Tax of Rs. 2187.88 Lakhs during the year ended on 31st March, 2025 as compared to Rs. 2014.11 Lakhs earned during the previous year ended on 31st March, 2024.

The Company has earned Net Profit of Rs. 1651.01 Lakhs for the year ended on 31st March, 2025 after making Provision for Tax Expenses of Rs. 536.87 Lakhs and other adjustments, as compared to Net Profit of Rs. 1469.45 Lakhs earned by the Company during the previous year ended on 31st March, 2024.

After adding the Surplus in the Statement of Profit & Loss of Rs. 12041.24 Lakhs brought forward from the previous year to the profit of Rs. 1651.01 Lakhs earned by the Company during the year under review, the total amount of Rs. 13692.25 Lakhs is available for appropriation.

After appropriating the Dividend amount of Rs. 164.11 lacs, as recommended, out of Rs. 13692.25 Lakhs available for appropriation, the balance amount of Rs. 13528.14 Lakhs carried forward to Balance Sheet.

The Audited Standalone Financial Statements of the Company for the year ended 31st March, 2025 and all other documents required to be attached thereto have been included in the Annual Report 2024-25, which has been put on the Company's website <https://www.patelsairtemp.com/pdf/annual-reports/33rd-Annual-Report-2024-25.pdf>.

DIVIDEND

The Directors have recommended dividend of Rs. 3.00 per share (@ 30 %) on 54,70,240 Equity Shares of Rs. 10/- each of the Company out of the profits of the Company for the Financial Year ended 31st March, 2025 (2024-25), as compared to Dividend of Rs. 3.00 per share (@ 30 %) declared on 54,70,240 Equity Shares of Rs. 10/- each for the previous Financial Year ended 31st March, 2024. This will absorb Rs. 164.11 lakhs.

A resolution to that effect has been placed for the approval of the members at this Annual General Meeting of the Company and that the same, when declared, shall be paid to the Members within 30 days from the date of declaration.

Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates, subject to the provisions of Income Tax Act, 1961. In this regard, the details of provisions regarding TDS on dividend amount have already been mailed to the shareholders earlier and have also been included in the Notes to the Notice of AGM included in this Annual Report.

RECORD DATE

The Company has fixed Friday, 19th September, 2025 as the "Record Date" for the purpose of determining the entitlement of Members to receive dividend for the Financial Year 2024-25.

TRANSFER TO RESERVE

The Board has decided not to transfer any amount to the General Reserve for the year ended on 31st March, 2025 and retain the entire amount of profits in the Profit & Loss Account.

DISSOLUTION OF WHOLLY-OWNED SUBSIDIARY (WOS/FOREIGN ENTITY) (OVERSEAS SUBSIDIARY) AND CONSOLIDATED FINANCIAL STATEMENTS

During the previous financial year 2023-24, Patels Airtemp (USA) Inc., Wholly Owned Subsidiary (WOS) of the Company was dissolved w.e.f. 11th December, 2023, as per Certificate of Dissolution issued by State of Delaware (USA). Consequent upon the said dissolution, Patels Airtemp (USA) Inc., ceased to be the subsidiary of the Company w.e.f. 11th December, 2023.

In view of above and in accordance with the provisions of Section 136 of the Act and the amendments thereto, read with SEBI Listing Regulations, the Consolidated Financial Statements of the Company and its Wholly Owned Subsidiary (WOS/Foreign Entity) namely Patels Airtemp (USA) Inc. have not been attached with the Financial Statements of the Company for the year ended 31st March, 2025 and not forming part of the Annual Report for the year 2024-25 and have not been put on the Company's website, including Financial Statements of the Wholly Owned Subsidiary (WOS/Foreign Entity).

A statement containing the salient features of the financial statements of the Company's Wholly-Owned Subsidiary (WOS/Foreign Entity) for the year ended 31st March, 2025 in the prescribed Form AOC-1 as per first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014 is also not attached and not forms an integral part of this Report.

The Company does not have any subsidiaries including any material unlisted subsidiary as defined in Regulation 16(1)(c) of SEBI Listing Regulations. Accordingly, the requirement of appointment of Independent Director of the Company on the Board of Directors of the material unlisted subsidiary companies as per Regulation 24 of SEBI Listing Regulations does not apply.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is put up on the Company's website and can be accessed at <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/policy-on-material-subsidiaries.pdf>.

EXPANSION OF RAKANPUR AND DUDHAI UNITS

During the year under review, the Company has increased lifting facilities at its both Rakanpur and Dudhai Units to increase productivity. Also, the Company has converted one bay/shade for exotic materials at Rakanpur Unit.

During the financial year 2024-25, the Company has incurred total capital expenditure to the extent of Rs. 2.24 Crores including Rs. 1.25 Crores on Plant & Equipment and Rs. 3.56 Lacs on Buildings.

FUTURE PROSPECTS

As you aware that the Company is in engineering industry and is engaged in manufacturing/fabricating tailor made machines and therefore, the order book position of such type of company can play pivotal role in the growth of the Company. Your Directors are pleased to state that continuing the past trend, the Company is having confirmed orders of about Rs. 211.74 Crores on hand as on 1st August, 2025. Thus, your Directors are quite bullish on repeating similar performance in future. Your Directors are cautious and making untiring efforts so as not to compromise on growth, quality, and profitability of the Company.

SHARE CAPITAL

There is no change in Share Capital of the Company during the Financial Year 2024-25 and up to the date of this Report.

MATERIAL EVENTS DURING THE YEAR AND DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

SEBI SETTLEMENT PROCEEDINGS

During the previous financial year 2023-24, the Company had applied for settlement under the settlement scheme pursuant to the provisions of SEBI (Settlement Proceedings) Regulations, 2018 as amended in the matter of Show Cause Notice No. SEBI/HO/EAD-8/SKV/VC/36027/2023 Dated September 01, 2023 (SCN) issued by SEBI against the Company alleged that the Company violated the provisions of the Companies Act, 2013 and SEBI Listing Regulations in the matter of Extra-ordinary General Meeting (EGM) of the Company held on 8th October, 2022 and disclosures made in Explanatory Statement for Shares issued and allotted

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to the Promoters and Promoter Group under Preferential Issue made by the Company regarding i) Non-Dissemination of copies of Agreements of unsecured loans ii) Misleading Statements in the Explanatory Statements to the Notice of EGM and iii) Non declaration of interest of Directors in the resolutions.

In this regard, SEBI imposed the settlement amount of Rs. 28,53,180/- for various violation by the Company, for which the Company accepted and paid the settlement charges. The Company also warned Sr. Company Secretary of the Company, being the first instance of irregularities since 2016 when he joined this Company, to take utmost care in future to avoid any further violation or any irregularities for compliance of the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

However, there is no impact on the Company's financial, operational or other activities.

PREFERENTIAL ISSUE OF SHARES

Regarding Interlocutory Application (IA) No. IA/69(AHM)2022 in No. IA/68(AHM)2022 read with Company Petition (CP) No. 58/(AHM)2018 filed by one Mr. Bhavesh D. Narumalani (Applicant) vs. Therm Flow Engineers Private Limited (Respondent) with National Company Law Tribunal (NCLT), Ahmedabad Bench, with regards to approval of the Shareholders received at the Extraordinary General Meeting ("EGM") of the members of the company held on 8th October, 2022 for the Preferential Issue of 4,00,000 Equity Shares of face value of Rs. 10/- each of the Company for cash at a premium of Rs. 222/- per share aggregating to Rs. 9,28,00,000/- issued and allotted to the Promoters and Promoter Group on 16th November, 2022, wherein the Hon'ble NCLT, Ahmedabad Bench had observers that in case any resolution is passed in the EGM of the Company which is ultimately affecting the rights of the Applicant herein, it is subject to outcome of the above referred IA and main CP.

In this regard, Company has received the Final Order of Hon'ble NCLT, Ahmedabad Bench dated 3rd February, 2025 on 13th February, 2025 wherein Hon'ble NCLT, Ahmedabad Bench has not granted any interim relief to the Applicant Mr. Bhavesh D. Narumalani and has dismissed the Company Petition No. 58 of 2018 (CP) and the Interlocutory Application No. 68 of 2022 (IA). As a result, resolutions passed in the Extraordinary General Meeting (EGM) dated 8th October, 2022 which was subject to the outcome of the above referred IA and main CP is passed and is not subject to any outcome of the Petition filed by the applicant.

Meanwhile, the Company has already received listing and trading approval from BSE Ltd. vide its letter No. LOD/PREF/TP/CP/13646/2022-23, dated 1st December, 2022 for trading of 4,00,000 Equity Shares of Rs. 10/- each effective from 2nd December, 2022.

However, Mr. Bhavesh D. Narumalani has filed appeal and also filed an application before NCLAT, New Delhi, seeking urgent interim relief including stay of the aforesaid Order dated 3rd February, 2025 passed by the NCLT, Ahmedabad Bench.

SEBI SHOW CAUSE NOTICE (SCN)

Late Mr. Narayanbhai G Patel and subsequently, various Persons Acting in Concert (PACs) with him received Show Cause Notice (SCN) dated October 21, 2024 (in continuation of SCN dated 13th October, 2023) from SEBI under Sections 11, 11(4A), 11B(1) and 11B(2) read with Section 15H of the Securities and Exchange Board of India Act, 1992 and Regulation 32 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 in the matter of M/s Patels Airtemp (India) Limited alleging violation of Regulation 3(1) of the SEBI SAST Regulations read with Regulation 5(1) of the said Regulations on the principal ground that Late Mr. Narayanbhai G Patel together with his son Mr. Sanjivkumar N Patel and his grandson Mr. Shivang Prakash Patel, the later two being regarded as Persons Acting in Concert (PACs) had jointly acquired a controlling stake in FY 2017-18 in Therm Flow Engineers Pvt. Ltd. (TFEPL), a Private Unlisted Company with the combined shareholding of Late Mr. Narayanbhai G Patel and the above two PACs increasing from 50% to 66.67% and failed to make a public announcement of an Open Offer to the Shareholders of the Company and illegally used the voting rights of TFEPL in the Company.

Meanwhile, the Promoters and Promoter Group have duly replied to the above mentioned SCN dated 21st October, 2024 received from SEBI and also appeared before SEBI for hearing against the said SCN and thereafter submitted with SEBI written submission. In this regard, SEBI vide its Order dated 31st July, 2025 has disposed off the aforesaid matters under SCN dated 21st October, 2024 without any direction or monetary penalty, as the case is not made at all.

Except above, the Company has not received any significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, except as mentioned above, no material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this Report.

There has been no change in the nature of business of the Company.

ANNUAL RETURN

Annual Return of the Company as on 31st March, 2025 as required under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 in the prescribed Form MGT-7 is put up on the Company's website and can be accessed at <https://www.patelsairtemp.com/pdf/annual-return/Draft-of-Annual-Return-Form-MGT-7-31.03.2025.pdf>.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

In terms of provisions of Regulation 34 of SEBI Listing Regulations, the Management Discussion and Analysis Report has been enclosed herewith as per **Annexure – A** and forming part of the Directors' Report.

RECOGNITION OR AWARDS

Along with development of product design and product manufacturing application, the Company in its tenure of 52+ years continuously upgraded quality and product system by acquiring world's most recognized system like ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ASME (U2, U, S-Stamps).

The Company is having Quality Management System as per ISO 9001-2015 certification from TUV-SUD and Certificate for Environment Management System as per ISO 14001:2015 and Occupational Health and Safety (OH&S) Management System as per ISO 45001:2018 from TUV-NORD.

The Company's products have ASME (American Society of Mechanical Engineers-USA) "U", "U2" and "S" Stamp authorization. The Company is also having "NB" and "R" Stamp. In financial year 2024-25, the Company has Canadian Registration Number (CRN) and Pressure Equipment Directive (PED) jobs. The Pressure Equipment Directive is a European Union Directive (2014/68/EU) that sets standards for the design, manufacturing, and conformity assessment of pressure equipment.

The Company is also a member of HTRI (Heat Transfer Research, Inc, U.S.A.) for updating Heat Transfer Technology.

Due to "U"/"U2"/"S" Stamp authorization, it is expected to improve the Quality of the products/equipment of the Company and to achieve higher growth and profitability of the Company in future.

The Company has also licensed software of ANSYS, CREO, PVelite, Nozzle Pro and TEKLA for product development.

FINANCE

During the year under review i.e. financial year 2024-25, Bank of Baroda (BOB) consortium had sanctioned additional credit facilities of Rs. 52.00 Crores (Rs. 36.00 Crores by BOB and Rs. 16.00 Crores by Axis Bank)

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thereby aggregate credit facilities increased from Rs. 235.00 Crores to Rs. 287.00 Crores. However, subsequently, during the year 2025-26, BOB consortium has reduced aggregate credit facilities from Rs. 287.00 Crores to Rs. 245.00 Crores (from Rs. 206.00 Crores to Rs. 177.00 Crores by BOB and from Rs. 81.00 Crores to Rs. 68.00 Crores by Axis Bank)

Earlier, BOB sanctioned additional Working Capital Term Loan (WCTL) under BOB Guaranteed Emergency Credit Line (BGECLS) 1.0 Extension scheme of Rs. 10.92 Crores and Axis Bank sanctioned Working Capital Term Loan (WCTL) under Emergency Credit Line Guarantee Scheme (ECLGS) of Rs. 3.25 Crores.

The Company also avail the Receivables Purchase Facility from HDFC Bank Limited up to an aggregate supplier limit as may be determined by the Bank from time to time and also entered into arrangements with HDFC Bank Limited in connection with factoring transactions by the Company not exceeding Rs. 100 Crores.

The Company also avail TF-Connect services in respect of Letters of Credit, Bank Guarantees, Bills, Remittances and online forward contract confirmations, for the account opened / to be opened with Axis Bank at their various Branch(es).

The Company is also availing L.C. Bill Discounting facility amounting to Rs. 10.00 Crores from Axis Bank Ltd.

The Company is also availing Bill Discounting facility from Citibank NA.

The Company is also availing overdraft facility against fixed deposit with various branches of Bank of Baroda.

The Company has also availed/availing Commercial Card facility from Axis Bank for the amount not exceeding in the aggregate Rs.1,00,00,000 /-.

The Company is also availing Working Capital Demand Loan of the aggregate amount of Rs. 33.98 Crores (Unsecured) sanctioned by Jio Credit Limited (formerly known as Jio Finance Limited), a Non-Banking Finance Company for Working Capital requirements of the Company.

ACCEPTANCE OF DEPOSITS

During the year under review, the Company has not accepted any deposits from the Public and Members of the Company and therefore not required to comply with the requirement under the Companies Act, 2013 and the Rules made thereunder. As such, no amount of principal or interest was outstanding to the Public and Members of the Company as on March 31, 2025 and the Company is not required to furnish information in respect of outstanding deposits under Non-banking, Non-financial Companies (Reserve Bank) Directions, 1966 and Companies (Accounts) Rules, 2014.

During the year under review, the Company has accepted deposits from the Directors of the Company which are exempted deposits under Rule 2(1)(c)(viii) of Companies (Acceptance of Deposits) Rules, 2014, subject to compliance of the provisions of the Companies Act, 2013 and the Rules made thereunder.

During the year under review, the Relatives of the Directors also brought in unsecured loan/deposits by way of contribution to bring additional long term funds as a part of conditions imposed by Bank of Baroda on the Promoters and their relatives, while reviewing working capital facilities to the Company vide its Letter No. AR/SMEBR/2021-22/July, 94 dated 7th August, 2021, which are exempted deposits under Rule 2(1)(c) (xiii) of Companies (Acceptance of Deposits) Rules, 2014, subject to fulfillment of the conditions mentioned in the said Rule.

Details of exempted deposits accepted and repaid by the Company including interest to the Directors & their Relatives during the financial year 2024-25 are mentioned in Note No. 17 and 33 (Related Party Information) of the Notes to the Standalone Financial Statements attached with this Annual Report.

The Company has duly filed the required Form DPT-3 during the year under review regarding exempted deposits under MCA portal.

TRANSFER OF UNCLAIMED DIVIDEND TO IEPF

In terms of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF), as amended, during the year under review, the Company has transferred the amount of unclaimed/unpaid Dividend of Rs. 2,37,156.50/- for the financial year 2016-17 to IEPF established by the Central Government under Section 124 & 125 of the Companies Act, 2013 and Rules made thereunder.

Pursuant to provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid / unclaimed amounts lying with the Company as on 21st September, 2024 (date of the previous Annual General Meeting) on the Company's website: <https://www.patelsairtemp.com/investors/unclaimed-dividend/>

TRANSFER OF SHARES TO IEPF DEMAT AUTHORITY ACCOUNT

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2024-25, transferred to the IEPF Authority 6,014 Equity Shares of the face value of Rs. 10/- each belonging to 47 Shareholders in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more from 2016-17 to 2022-23. Details of shares transferred to the IEPF Authority are available on the website of the Company <https://www.patelsairtemp.com/investors/iepf-shares-transfer/>

The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in. In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

Members may note that the dividend and shares transferred to the IEPF can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Rules.

The Company has duly appointed Company Secretary of the Company as Nodal Officer for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority.

The Company has duly filed all the required IEPF Forms with the authorities.

CORPORATE GOVERNANCE

Being a Listed Company, the Company has taken necessary measures to comply with the provisions of SEBI Listing Regulations regarding Corporate Governance as amended from time to time. A separate report on Corporate Governance for the year ended 31st March, 2025 is attached herewith as a part of this Annual Report viz **Annexure - B**. A certificate from Practicing Company Secretary of the Company regarding compliance of the aforesaid provisions of Corporate Governance is obtained by the Company and annexed to the Corporate Governance Report. The Certificate on Corporate Governance issued by Practicing Company Secretary for the financial year 2024-25 does not contain any qualification, reservation or adverse remark in respect of Corporate Governance Report.

The Company has furnished to BSE Ltd., where the Shares of the Company are listed, Corporate Governance Compliance Report for the Quarter/Half-year/Whole year during the financial year 2024-25 in the format as specified by SEBI from time to time including Integrated Filing of Corporate Governance Report vide Notification as per SEBI (LODR) (Third Amendment) Regulations, 2024 starting from the quarter ended December 31, 2024 as placed before the Board as per various provisions of SEBI Listing Regulations. The said Corporate Governance Compliance Report have also been uploaded on the website of the of the Company <https://www.patelsairtemp.com/investors/corporate-governance-report/>.

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DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the confirmation and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and confirm that:

- (a) in the preparation of the annual accounts for the year ended 31st March, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the year ended on 31st March, 2025 on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOAN GIVEN, INVESTMENT MADE, GUARANTEES GIVEN OR SECURITY PROVIDED

During the year under review, the Company has not provided any loan or guarantee or security to any person nor made any investment.

RELATED PARTY TRANSACTIONS (RPTs)

Information on transactions with related parties referred to under sub-section (1) of Section 188 of the Companies Act, 2013 in the prescribed Form AOC-2 is attached herewith viz **Annexure - c** and forming part of the Directors' Report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

Pursuant to the provisions of SEBI Listing Regulations, details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in Note No. 33 of the Notes to the Standalone Financial Statements for the year ended 31st March, 2025, forming part of this Report.

However, there are no materially significant related party transactions made/entered into by the Company with its related parties including promoters, directors or the management etc. that may have potential conflict with the interests of the Company at large.

"Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions" related to entering into Related Party Transactions by the Company with Related Parties is uploaded on the Company's website viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/policy-on-materiality-of-related-party-transaction-and-dealing-with-related-party-transactions.pdf>.

SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 have introduced substantial changes in the RPTs framework pertaining to Related Party, Related Party Transactions, Prior Approvals and Disclosures effective from April 01, 2022 and other earlier amendments, except for a few provisions effective from April 01, 2023. In view of the said amendments, policy on

materiality of related party transactions and dealing with related party transactions of the Company (Policy on RPTs) was modified / revised / updated in line of the above amendments which is effective from 12th November, 2022.

All Related Party Transactions are placed before the Audit Committee for its prior approval (by Independent Directors only from 1st January, 2022 as per amendment in SEBI Listing Regulations) as also to the Board for approval including Omnibus approval for the transactions for one financial year, which are repetitive in nature and also for the transactions, which are not foreseen (subject to financial limit). However, the Company has not entered into any contract/ arrangement / transaction with related parties which could be considered material in accordance with the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder and SEBI Listing Regulations and as such no approval of the Shareholders require.

As per Regulation 23 and 18(3) read with Part C of Schedule II of SEBI Listing Regulations as amended from time to time, the Audit Committee of the Board has reviewed and ratified Related Party Transactions (RPTs) entered into by the company with related parties during the financial year ended 31st March, 2025 (2024-25) pursuant to each of the omnibus approvals given.

The Company has duly filed with BSE Ltd. half-yearly statement of Related Party Transactions ended on 31st March, 2024 and 30th September, 2024 in accordance with applicable Indian Accounting Standards on a consolidated basis in the format as specified by SEBI from time to time pursuant to Regulation 23(9) of SEBI Listing Regulations and uploaded the said details on website of the Company viz. <https://www.patelsairtemp.com/investors/disclosures-of-related-party-transactions/>

Related party transactions require prior approval of the Audit Committee, including that of Shareholders in case of material RPTs. Pursuant to the amendments in the RPT framework in November 2021, vide the 6th Amendment Regulations, 2021, SEBI had prescribed the contents of the minimum information to be placed before the AC and shareholders for approval of RPTs, through a circular dated 22nd November, 2021 ('2021 Circular'), subsumed in the LODR Master Circular dated November, 2024. Vide SEBI circular dated 14th February, 2025 ("Circular"), the information required to be provided to the AC and shareholders as per 2021 Circular has been substituted with the information as specified in the Industry Standards on Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction ('ISN'). In view of the same, the Company has taken fresh approval of the Audit Committee and Board of Directors at their respective meetings held on 24th May, 2025 for related party transactions to be entered into by the Company with related parties including omnibus approval during the financial year 2025-26.

SECRETARIAL STANDARDS

The Directors state that applicable 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 (ICSI) have been duly followed and complied by the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Re-appointment of Director retiring by rotation

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder and Articles of Association, Mr. Sanjivkumar N. Patel (DIN: 02794095), Chairman & Managing Director of the Company, shall retire by rotation as Director of the Company at this Annual General Meeting, and being eligible, offers himself for re-appointment. The Board of Directors recommends re-appointment of Mr. Sanjivkumar N. Patel (DIN: 02794095) as Director of the Company, for which necessary resolution has been incorporated in the notice of the meeting for approval by the Shareholders. Mr. Sanjivkumar N. Patel, Chairman & Managing Director of the Company (DIN: 02794095), has been appointed as an Independent Director of Nirma Limited w.e.f. 15th March, 2025 and as a Member of Stakeholders Relationship Committee (SRC) of Nirma Limited w.e.f. 1st April, 2025.

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Appointment of Whole-time Director

Mr. Shivang P. Patel (DIN: 08136652) has been re-appointed as a Whole-time Director of the Company by the Board of Directors for a further period of 3 (Three) years with effect from 1st June, 2025 up to 31st May, 2028, upon the terms and conditions including remuneration by way of Salary of Rs. 5,50,000/- per month plus Perquisites and Allowances for the said period of 3 years as recommended and approved by Nomination & Remuneration Committee and also approved by Audit Committee, being related party transaction and also approved by the Shareholders by passing Special Resolution through Postal Ballot on 27th May, 2025 on recommendation by the Board of Directors to the members for their approval.

Resignation of Independent Woman Director

Smt. Veenaben B. Patel (DIN: 07131341), Independent Woman Director, resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025. She resigned as a Director of the Company (Non-Executive & Independent Director) due to health issue and confirmed that there were no other material reasons for her resignation other than health issue. Smt. Veenaben B. Patel (DIN: 07131341) also ceased to be a Member of Audit Committee (AC), Nomination & Remuneration Committee (NRC), Stakeholders Relationship Committee (SRC) and Corporate Social Responsibility Committee (CSR) of the Board of Directors of the Company w.e.f. 20th March, 2025 consequent to her resignation as a Director of the Company (Non-Executive & Independent Director). The Board places on record their appreciation for the assistance and guidance provided by Smt. Veenaben B. Patel during her tenure as an Independent Woman Director of the Company and also as a Member of AC, NRC, SRC & CSR Committees of the Board.

Appointment of Independent Woman Director

Since Smt. Veenaben B. Patel (DIN: 07131341), Independent Woman Director, resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025, the Board of Directors at their meeting held on 29th March, 2025 appointed Mrs. Nidhi Yash Patel (DIN: 10944244) as Additional Director on the Board of the Company w.e.f. 29th March, 2025 based on the recommendation of Nomination and Remuneration Committee (NRC) and based on the skills, experience, knowledge, leadership capabilities, corporate governance, finance & risk management and general management. The Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing the appointment of Mrs. Nidhi Yash Patel as a Director of the Company. Further, based on the recommendation of NRC, the Board, in accordance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 16 of the SEBI Listing Regulations, appointed Mrs. Nidhi Yash Patel (DIN: 10944244) as Independent Woman Director of the Company, not liable to retire by rotation, for a first term of 5 years from 29th March, 2025 up to 28th March, 2030, which has been duly approved by the Shareholders by passing Special Resolution through Postal Ballot on 27th May, 2025 on recommendation by the Board of Directors to the members for their approval. Mrs. Nidhi Yash Patel has also been appointed as a Member of Audit Committee (AC), Nomination & Remuneration Committee (NRC), Stakeholders Relationship Committee (SRC) and Corporate Social Responsibility (CSR) Committee of the Board w.e.f. 29th March, 2025.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meeting ('SS-2') are given in the Notice of AGM, forming part of the Annual Report.

INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act read along with the Rules made thereunder and are independent of the Management.

COMMITTEES OF DIRECTORS

The Board of Directors has the following Committees:

1. Audit Committee (AC)
2. Nomination and Remuneration Committee (NRC)
3. Stakeholders' Relationship Committee (SRC)
4. Corporate Social Responsibility Committee (CSR)
5. Finance Committee (FC)

Re-constitution of Committees during the year 2024-25:

The Board of Directors reconstituted AC, NRC, SRC and CSR Committees of the Board w.e.f. 3rd August, 2024 by appointing Mr. Rajendrakumar C. Patel (DIN: 06532676), an Independent Director, as a Member of AC, NRC, SRC and CSR Committee, in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be an Independent Director of the Company and consequently as a Chairman of AC, NRC, SRC and CSR Committee of the Board w.e.f. 30th August, 2024 due to completion of 2nd term as Independent Director of the Company.

Mrs. Nidhi Yash Patel (DIN: 10944244) has been appointed as a Member of AC, NRC, SRC and CSR Committee of the Board w.e.f. 29th March, 2025 in place of Smt. Veenaben B. Patel (DIN: 07131341), who ceased to be an Independent Woman Director of the Company and consequently as a Member of AC, NRC, SRC and CSR Committee of the Board due to her resignation w.e.f. 29th March, 2025.

Chairman of re-constituted Committees:

The Board of Directors also appointed Mr. Naimish B. Patel (DIN: 02813295), an Independent Director, as a Chairman of AC, NRC, SRC and CSR Committee w.e.f. 30th August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be an Independent Director of the Company and consequently as a Chairman of AC, NRC, SRC and CSR Committee of the Board w.e.f. 30th August, 2024 due to completion of his 2nd term as Independent Director of the Company on 29th August 2024.

Constitution of Finance Committee (FC) during the year 2024-25:

The Board of Directors at their meeting held on 8th February, 2025 constituted its Finance Committee (FC) as under pursuant to Section 179(3)(d) of the Companies Act, 2013 and the Rules made thereunder to borrow Secured / Unsecured Loans from the Banks / Financial Institutions / Non-Banking Finance Company (NBFCs) / Company / Firm / any other Body Corporates / any other lending agencies, keeping in view the Company's existing and future financial requirements to support its business operations in the ordinary course of business up to the limit of Rs. 50 Crores:

- | | |
|----------------------------|--------------------------------|
| 1 Mr. Sanjivkumar N. Patel | - Chairman & Managing Director |
| 2 Mr. Shivang P. Patel | - Whole-time Director |
| 3 Mr. Apurva V. Shah | - Whole-time Director |

The details of various Committees of Directors constituted by the Board of Directors as above under various provisions of Companies Act, 2013 and Rules made thereunder and SEBI Listing Regulations, Meetings & Attendance, terms of reference and other details are provided in the Corporate Governance Report annexed with the Directors' Report.

The composition of various Committees and their terms of references may be accessed on the Company's website viz. <https://www.patelsairtemp.com/investors/composition-of-committees-of-board-of-directors/>.

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BOARD EVALUATION

The Board has carried out an evaluation of its own performance and that of its Committees and Directors and also Chairperson in terms of Section 134(3)(p) of the Companies Act, 2013 and Rules made thereunder and SEBI Listing Regulations. The Board has approved a policy (NRC Policy) for criteria of determining qualifications, selection, appointment and remuneration of Directors, KMP and Senior Management and the same has been uploaded on the Company's web-site <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/nomination-and-remuneration-policy.pdf>.

In a separate meeting of independent Directors held on 29th March, 2025, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors and assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy on appointment and remuneration of Directors, KMP and other employees and other matters as required under Section 178(3) of the Companies Act, 2013 is available on the web-site of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/nomination-and-remuneration-policy.pdf>.

NUMBER OF BOARD MEETINGS AND CIRCULAR RESOLUTIONS

During the financial year 2024-25, 6 (Six) Board Meetings of the Company were held on 24th May, 2024, 3rd August, 2024, 28th October, 2024, 9th December, 2024, 8th February, 2025 and 29th March, 2025.

For the Board Meetings held as above, the gap between two Board Meetings did not exceed 120 days as prescribed in the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations. The Board Meetings were held at the Factory (Works) of the Company situated at Rakanpur, Dist. Gandhinagar, Gujarat.

The particulars of number of meetings held and attended by each Director are detailed in the Corporate Governance Report, which forms part of this Report. Agenda of the meetings were prepared and all necessary papers were circulated to Members of the Board in advance. Necessary disclosures were made by the Directors in the Board and Committee Meetings whenever required. The Company has complied with Secretarial Standards 1 (SS-1) related to Board and Committee Meetings of the Company issued by ICSI.

During the financial year 2024-25, 2 (two) Circular Resolutions in respect of the following matters have been passed by the Board of Directors on 12th September, 2024 and 28th September, 2024 and duly confirmed by the Board of Directors in the next Board Meeting of the Company as per Section 175 of the Companies Act, 2013 and Rules made thereunder and as per Secretarial Standards SS-1 issued by ICSI:

- 1) Approval of Cost Audit Report for the year 2023-24 issued by M/s. Rajendra Patel & Associates, Cost Accountant, Ahmedabad (Firm Regn. No. FRN 101163), Cost Auditor of the Company in respect of cost records maintained by the Company for various products of the company.
- 2) Taking action against Sr. Company Secretary of the Company for violations noticed by SEBI in its Show Cause Notice. No. SEBI/HO/EAD-8/SKV/VC/36027/2023 dated 1st September, 2023 (SCN) received from SEBI alleged that the Company violated the provisions of the Companies Act, 2013 & SEBI Listing Regulations, 2015 in terms of Settlement Application filed by the Company under the SEBI (Settlement Proceeding) Regulations, 2018 against the said SCN.

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

As required under Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the **Annexure – D** attached herewith and forming part of the Directors' Report.

RISK MANAGEMENT

Business risk evaluation and management, covering the business operations of the Company, is an ongoing process within the Company and the management reviewed frequently risk assessment and to minimize them. The ultimate goal of risk management is the preservation of physical and human assets of the organization for successful continuation of its operations. Pursuant to the provisions of Regulation 21 of SEBI Listing Regulations, at present, the Company is not required to constitute Risk Management Committee of the Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details regarding Corporate Social Responsibility of the Company are given in the Corporate Governance Report, which forms part of this Report.

The salient features of the Policy forms part of the Annual Report on CSR activities annexed to the Board's Report. The Annual Report on CSR activities and expenditure, as required under Sections 134 and 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014, is annexed herewith marked as **Annexure - E**.

The CSR Policy is available on the web-site of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/corporate-social-responsibility-policy.pdf>.

The policy also indicates the activities to be undertaken by the Company within the broad framework of Schedule VII of the Companies Act, 2013, as in force and as amended from time to time which includes promotion of educational and employment enhancing vocational skills and education of underprivileged children, social development/services, promotion of healthcare, including preventive health care i.e. for medical treatment, rehabilitation and sanitation and disaster management, environmental sustainability, rural development project, eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups and such other activities and programs as recommended by CSR committee from time to time.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

The Company's internal control system is commensurate with its size, scale and complexities of its operations.

STATUTORY AUDITORS

M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad (Firm Registration No. 107525W) were appointed as Statutory Auditors of your Company at the 30th Annual General Meeting of the Company held on 27th September, 2022, for a first term of five consecutive years from the conclusion of the said 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting to be held in the year 2027 in place of retiring Statutory Auditors M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 113742W).

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs (MCA), the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. Accordingly, no resolution has been proposed for ratification of appointment of Auditors of the Company.

No fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

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During the Financial Year 2024-25, the Company has paid total fees of Rs. 5,88,000 including statutory audit fees, certification fees, and fees for other services to M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad, the Statutory Auditors of the Company (Firm Registration No. 113742W).

AUDIT REPORT

The Statutory Auditors have mentioned in their Audit Report the following Notes in respect of Audited Standalone Financial Statements of the Company for the year ended 31st March, 2025 as Emphasis of the Matter:

"The balance confirmation from the suppliers and customers have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables and trade payables have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties."

However, the Auditors clarified in its report that their Conclusion is not modified in respect of the above matter of emphasis.

The Notes on financial statement referred to in the Auditors' Report and mentioned above are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer, except Emphasis of the Matter as mentioned above.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Section 204 of the Companies Act, 2013 and Rules made thereunder and Regulation 24A of SEBI Listing Regulations inter alia requires every Listed Company to annex with its Board Report a Secretarial Audit Report given by a Company Secretary in Practice in the prescribed form. The Board appointed CS Punit Santoshkumar Lath, Practicing Company Secretary, Ahmedabad (COP No. 11139 & Membership No. 26238) as the Secretarial Auditor to conduct Secretarial Audit of the records of the Company for the financial year 2024-25. Secretarial Auditor has submitted to the Company the Secretarial Audit Report for the financial year ended March 31, 2025 and annexed herewith marked as **Annexure – F** to this Report.

The Secretarial Audit Report for the financial year 2024-25 does not contain any qualification, reservation or adverse remark. During the year under review, the Secretarial Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

The SEBI (Listing Obligations and Disclosure Requirements) Third Amendment Regulations, 2024 introduced several changes to the role of Secretarial Auditors. From April 1, 2025, appointment, re-appointment or continuation of Secretarial Auditors of Listed Entities shall be in compliance with the aforesaid provisions.

Appointment, re-appointment of Secretarial Auditors would now be in line with provisions of Section 204 of Companies Act, 2013. An individual Practicing Company Secretary ("PCS") shall be appointed for a term of 5 years and a PCS firm may be appointed for a maximum of 2 terms of 5 years each subject to approval of Shareholders in a General Meeting. PCS to be appointed as a Secretarial Auditor shall be a peer reviewed Company Secretary.

Pursuant to the Listing Regulations, shareholders' approval is required for appointment of Secretarial Auditors. Further, such Secretarial Auditor must be a peer reviewed Company Secretary from Institute of Company Secretaries of India (ICSI) and should not have incurred any of the disqualifications as specified by SEBI.

The Board of Directors appointed from time-to-time CS Punit Santoshkumar Lath, Practicing Company Secretary, Ahmedabad (COP No. 11139 & Membership No. 26238) as the Secretarial Auditor to conduct Secretarial Audit of the records of the Company. Last such appointment was made for the financial year 2024-25.

Considering the above amendments, the Board of Directors in their meeting held on 24th May, 2025, on recommendation of Audit Committee and subject to approval of the Members, has appointed CS Punit Santoshkumar Lath, Practicing Company Secretary, Ahmedabad (COP No. 11139 & Membership No. 26238) as the Secretarial Auditor of the Company, for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company to be held

in the year 2030, to conduct Secretarial Audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations, for the period beginning from the Financial Year 2025-26 through the Financial Year 2029-30.

CS Punit Santoshkumar Lath has given his consent for his appointment as Secretarial Auditor of the Company and confirmed that his appointment, if made, would be within the limits and hold a valid Peer Reviewed Certificate issued by ICSI. He has further confirmed that his is not disqualified to be appointed as Secretarial Auditor of the Company.

The Board of Directors recommend to the members for their approval in respect of appointment of CS Punit Santoshkumar Lath, Practicing Company Secretary, Ahmedabad (COP No. 11139 & Membership No. 26238) as the Secretarial Auditors of the Company, for which, necessary resolution has been included in the Notice of the AGM.

COMPLIANCE CERTIFICATE

Further, with effect from April 1, 2025, the Annual Secretarial Compliance Report submitted by a listed entity to be signed only by the Secretarial Auditor or by a Peer Reviewed Company Secretary who satisfies the aforesaid requirements.

Pursuant to the SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019 and as per the NSE and BSE circulars dated March 16, 2023, the Company has obtained an Annual Secretarial Compliance Report for the year ended 31st March, 2025 from Mr. Punit Lath (COP No. 11139 & Membership No. 26238), Practicing Company Secretary and duly filed with BSE Ltd., in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI").

COST AUDITORS AND COST AUDIT

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit), Amendment Rules 2014, your Company is required to get its cost accounting records audited by a Cost Auditor.

Accordingly, the Board at its meeting held on 24th May, 2025, has on the recommendation of the Audit Committee, appointed M/s. Rajendra Patel & Associates, Cost Accountant, Ahmedabad (Firm Registration No. FRN101163) to conduct the audit of the cost accounting records of the Company for FY 2025-26 on a remuneration of Rs. 80,000/- plus taxes as applicable and reimbursement of actual travel and out of pocket expenses. The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and is accordingly placed for your ratification. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder and confirmed that their appointment is within the limits of the Section 139 of the Companies Act, 2013. They have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013.

The Cost Audit Report for the Financial Year ended 31st March, 2024 has been duly filed in XBRL mode. The cost audit report of the Company for financial year ended March 31, 2025 will be filed with Central Government on or before the due date as prescribed under Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014.

INTERNAL AUDIT

Pursuant to the provisions of Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations, the Audit Committee reviews quarterly the Report of internal audit received from Internal Auditor of the Company relating to internal control weakness, if any, as mentioned in the Internal Audit Report.

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LISTING FEES

Pursuant to the provisions of SEBI Listing Regulations, the Company declares that the Equity Shares of the Company are listed on the BSE Limited (BSE). The Company confirms that it has paid Annual Listing Fees to BSE up to the Financial Year 2025-26.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Disclosures relating to remuneration and other details required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed as **Annexure - G** and forms an integral part of this Report.

A statement showing the names of top 10 employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is provided as a separate Annexure forming part of this Report. However, in terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure. The said Statement is open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary at share@patelsairtemp.com.

The Statement of particulars of employees under Section 197(12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as, during the financial year under review, no employee of the Company including Managing Director and Whole-time Directors were in receipt of remuneration in excess of the limits set out in the said rules.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') on initiatives taken from an environmental, social and governance perspective, in the prescribed format is not applicable to the Company and hence not attached with this Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to Section 177(9) of the Companies Act, 2013, the Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report any act of serious misconduct or wrongful activity being occurred or suspected to occur within the organization, to his immediate HOD or the HR Head or directly to the concern Whole-time Directors or Managing Directors of the Company, as he may desire. No employee of the Company is denied access to the Audit Committee. The vigil mechanism/whistle blower policy is also available on the web-site of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/whistel-blower-cum-vigil-mechanism-policy.pdf>. During the year under review, the Company has not received any whistle blower complaint.

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

The Company has zero tolerance towards sexual harassment at the workplace. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. All employees (permanent, contractual, temporary, trainees) are covered under the said Policy.

Pursuant to Companies (Accounts) Second Amendment Rules, 2025, no complaints pertaining to sexual harassment were received during the financial year 2024-25 and as such, no complaints remain pending for more than 90 days.

Pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)

Rules, 2013 ("POSH Rules") and pursuant to Rule 8(5) of Companies (Accounts) Rules, 2014, the Company has duly constituted Internal Complaints Committee ("IC Committee") of the Company to hear and redress grievances pertaining to Sexual Harassment and to handle complaints related to Sexual Harassment and facilitate inquiry into the complaint.

Policy on Prevention, Prohibition and Punishment of Sexual Harassment is also available on the web-site of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/sexual-harassment-policy.pdf>.

DISCLOSURE AS PER MATERNITY BENEFITS ACT, 1961

Pursuant to Companies (Accounts) Second Amendment Rules, 2025, the Company also hereby confirms that it has complied with the provisions of Maternity Benefit Act, 1961 during the year under review and the Company adheres to all statutory requirements concerning maternity leave, medical benefits, and other entitlements for its female employees.

GENERAL

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

- The Company does not provide any loan or other financial arrangement to its employees or Directors or Key Managerial Personnel for purchase of its own shares and hence, the disclosure under Section 67(3)(c) of the Companies Act, 2013 does not require.
- The disclosure in terms of Rule 4 of Companies (Share Capital and Debenture) Rules, 2014 is not provided, as the Company does not have any equity shares with differential voting rights.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- The Company has not issued any shares under any scheme including Employees' Stock Options Schemes or Sweat Equity Shares to employees of the Company.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from its subsidiary.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENT

The Directors place on record the appreciation and gratitude for the co-operation and assistance extended by various departments of the Union Government, State Government, Bankers and Financial Institutions.

The Directors also place on record their appreciation of dedicated and sincere services of the employees of the Company at all levels.

The Company will make every effort to meet the aspirations of its Shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

On behalf of the Board of Directors

Date : 2nd August, 2025
Place : Rakanpur, Dist. Gandhinagar

Sanjivkumar N. Patel
Chairman & Managing Director
(DIN: 02794095)

MANAGEMENT DISCUSSION AND ANALYSIS

The Management's perspective on performance of the Company for the financial year 2024-25 is given in this report. This report should be read along with the Company's financial statements, the schedules and notes thereto and other information included in this Annual Report for the financial year 2024-25. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") complying with requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) as amended from time to time.

ECONOMIC OUTLOOK

In fiscal 2024-25, the global economic outlook is characterized by a widespread growth slowdown, with heightened trade tensions and high level policy uncertainty contributing to a weaker-than-expected performance which had significant impact on the economic activities. After achieving modest growth of approximately 3.2% in 2024, the global economy is projected to expand at a slightly slower pace of around 2.8% in 2025, as forecast by institutions. The India and Southeast Asia which are emerging markets, continue to show stronger momentum and advanced economies such as United States and Eurozone are expected to experience subdued growth.

Overall, FY 2024-25 for India looks strong and stable, supported by demand-led growth, enabling policy support, and manageable inflation—setting a solid foundation for continued expansion into FY 2025-26. Globally India is one of the fastest growing economy country and it demonstrated a growth rate 6.4% to 6.5% during the year. In the next couple of years, the growth around 6.5% to 7% as estimated by the institutions. This expansion is underpinned by strong domestic demand, resilient private consumption, and sustained investment—particularly in infrastructure and manufacturing—with the services sector continuing to drive value addition. This expansion is underpinned by strong domestic demand, resilient private consumption, and sustained investment—particularly in infrastructure and manufacturing—with the services sector continuing to drive value addition.

The Indian Union Budget has played a significant role in shaping the country's economic trajectory by focusing on growth, inclusion, and fiscal consolidation. Indian Government with a strong emphasis on capital expenditure in infrastructure, transportation, and green energy. The budget has aimed to stimulate investment-led growth, generate employment, and enhance long-term productivity.

By leveraging its domestic strengths and implementing strategic reforms, India is well-positioned to navigate global challenges and maintain its trajectory as a leading global economic powerhouse. Overall, India's economic outlook remains strong, driven by robust domestic demand, policy support, and sectoral resilience. Improving trade relations with the developed economies will provide the requisite impetus to the economy.

INDUSTRY STRUCTURE & DEVELOPMENT

The engineering sector is the largest of the industrial sector in India. India's engineering sector is divided into two major segments – Heavy Engineering and Light Engineering. The Heavy Engineering industry is one of the largest sectors in the world. It produces machinery, capital goods and components and parts for various industries.

The manufacturing facilities of your Company are located in Gujarat at Rakanpur, Dist: Gandhinagar and Dudhai, Dist: Kadi. During the FY 2024-25, under review of the top management, the staff in both units worked diligently towards meet its significant turnover. Despite of mixed bag of opportunities and challenges, strong domestic demand and global geopolitical uncertainty, the Company able to achieve considerable improvements across the targets and achieved its significant turnover of Rs. 38781.63 Lakhs even in highly cut-thought competition and the prevailing market conditions.

The Company is operating in single segment business namely Engineering. the Company is engaged in the manufacture and sale of extensive range of Heat Exchangers such as Shell & Tube Type, Finned Tube Type and Air Cooled Heat Exchangers, Pressure Vessels, Air-conditioning and Refrigeration equipments and Turnkey HVAC Projects in India & marketing of equipments in India and outside India. All these products are supplied to leading Industrial Sections like Power Projects, Refineries, Fertilizers, Cements, Petrochemicals, Pharmaceuticals, Textile and Chemical Industries make them a single window option for multiple products. With their design to delivery ability, The Company could always offer and deliver something extra to their clients, including ease of one-stop solutions.

EXPANSION, CAPITAL EXPENDITURE & FUTURE OUTLOOK

In respect of new Greenfield project set up by the Company in the year 2019-20 at Dudhai, Taluka. Kadi, Dist. Mehsana, Gujarat (Dudhai Unit) for dedicated manufacturing of Air Cooled Heat Exchanger/Air Fin Cooler and other engineering products,, the Company has constructed total four bays/shades with total covered area of 11,016 Sq. Mtrs. with total capital outlay of around Rs. 24.00 crores.

With this, the Company has created additional infrastructure required for the purpose of taking care of a part of the production process and primarily removed the space constraints and the company is in a position to carry out the assembly operations in a cost effective and efficient manner.

During the year under review, the Company has increased lifting facilities at its both Rakanpur and Dudhai Units to increase productivity. Also, the Company has converted one bay/shade for exotic materials at Rakanpur Unit.

During the financial year 2024-25, the Company has incurred total capital expenditure to the extent of Rs. 2.24 Crores including Rs. 1.25 Crores on Plant & Equipment and Rs. 3.56 Lacs on Buildings.

Your Company is having confirmed orders of about Rs. 211.74 Crores on hand as on 1st August, 2025.

FINANCIAL AND OPERATIONAL PERFORMANCE

Your Company is engaged in single segment business namely engineering business. The Company has started its ever progressing journey with expertise of Design and Manufacturing of process equipments. This discussion covers the financial results and other developments during April 2024 to March 2025, in respect of the Company.

Against the backdrop of domestic economic resurgence amidst at world level volatility, the Company has recorded a healthy performance across its business, spread across geographies.

The Company has earned total revenue from operations of Rs. 38781.63 Lakhs during the year ended on 31st March, 2025 as against Rs. 37076.17 Lakhs earned during the previous year ended on 31st March, 2024.

Out of revenue from operations of Rs. 38781.63 Lakhs earned by the Company during the year under review, Rs. 38379.55 Lakhs represents sale of products (Domestic & Export), Rs. 159.17 Lakhs represents sale of Services (Processing Charges) and Rs. 242.91 Lakhs represents other operating revenue including export incentives. Out of Revenue from Operations, Rs. 36104.90 Lakhs represents Domestic Sales and Rs. 2274.65 Lakhs represents Export Sales.

The Company has earned the Profit before Tax of Rs. 2187.88 Lakhs during the year ended on 31st March, 2025 as compared to Rs. 2014.11 Lakhs earned during the previous year ended on 31st March, 2024.

The Company has earned Net Profit of Rs. 1651.01 Lakhs for the year ended on 31st March, 2025 after making Provision for Tax Expenses of Rs. 536.87 Lakhs and other adjustments, as compared to Net Profit of Rs. 1469.45 Lakhs earned by the Company during the previous year ended on 31st March, 2024.

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Product wise bifurcation of total revenue of the Company during the financial year 2024-25:

Sr. No.	Description	% as on 31/03/2025	% as on 31/03/2024
1	Air Cooled Heat Exchanger & Accessories	59.87	50.07
2	Heat Exchanger & Accessories	32.82	39.81
3	Other Products	7.31	10.12

FINANCIAL RATIOS

Pursuant to Regulation 34 of SEBI Listing Regulations, the details of Key Financial Ratios of the Company, Analysis and Variances and Reason as on 31st March, 2025 with 31st March, 2024 have been provided in Note No. 62 to the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2025.

RECOGNITION OR AWARDS

Along with development of product design and product manufacturing application, the Company in its tenure of 52+ years continuously upgraded quality and product system by acquiring world's most recognized system like ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ASME (U2, U, S-Stamps).

The Company is having Quality Management System as per ISO 9001-2015 certification from TUV-SUD and Certificate for Environment Management System as per ISO 14001:2015 and Occupational Health and Safety (OH&S) Management System as per ISO 45001:2018 from TUV-NORD.

The Company's products have ASME (American Society of Mechanical Engineers-USA) "U", "U2" and "S" Stamp authorization. The Company is also having "NB" and "R" Stamp. In financial year 2024-25, the Company has Canadian Registration Number (CRN) and Pressure Equipment Directive (PED) jobs. The Pressure Equipment Directive is a European Union Directive (2014/68/EU) that sets standards for the design, manufacturing, and conformity assessment of pressure equipment.

The Company is also a member of HTRI (Heat Transfer Research, Inc, U.S.A.) for updating Heat Transfer Technology.

Due to "U"/"U2"/"S" Stamp authorization, it is expected to improve the Quality of the products/equipment of the Company and to achieve higher growth and profitability of the Company in future.

The Company has also licensed software of ANSYS, CREO, PVelite, Nozzle Pro and TEKLA for product development.

OPPORTUNITIES

Engineering Companies in India have numerous opportunities due to growing demand for infrastructure development, technological advancements, and a strong manufacturing sector.

With the expansion of infrastructure in Dudhai Unit, there are number of new opportunities are available to the Company to enhance its various products, enter into new market and industry sectors both in the domestic and international market through Export. Export in the developed countries like UK, USA, Canada & Singapore and other countries like Nigeria, Indonesia, Zambia etc. is to be developed and it is expected to provide large impetus to engineering exports to these countries after obtaining the ASME "U"/"U2"/"S" Stamp Authorization. Your company is preparing itself to meet the increased demand in the years to come through efficient production management system which will enable to minimize the risk of raw materials price fluctuations.

RISK FACTORS

The Company faces several risk factors that can impact production efficiency, product quality, and overall business operations. One of the primary risks is supply chain disruption, which can delay the availability of essential components and raw materials. Key concern of risk is design and engineering errors, where inaccuracies in blueprints or simulations can lead to costly rework or malfunctioning machinery. Additionally concern which are workplace safety hazards, Regulatory compliance to meet strict industry standards and environmental regulations, market volatility, such as fluctuations in demand or raw material prices, can affect profitability and planning, making risk management a vital part of the industry.

In addition to the risks mentioned above and given the nature of its business, the Company faces intense competition from large-scale manufacturers who benefit from economies of scale and cost advantages. It also encounters challenges from low-cost imports and competition from the unorganized sector, particularly in the marketing of air-conditioning and refrigeration components within the state and neighboring regions. Despite these pressures, the Company remains confident due to its strong focus on quality, superior product offerings, and prompt after-sales service.

QUALITY CONTROL

The Company features its achievements to adherence to strict quality standards. This has been achieved through our efforts to strike the balance between resources and technology to develop products at same level in excellence with international standards. The quality standard is taken care from the initial stage of production to ensure high end product quality.

INTERNAL CONTROL SYSTEM

The Company has established an adequate and effective Internal Control System (ICS), commensurate with the size and nature of its business, to ensure operational efficiency and safeguard the Company's assets. The Board of Directors is responsible for overseeing the implementation and maintenance of the ICS. The control framework is designed to ensure timely recording of all business transactions, optimal utilization of resources, protection of assets against unauthorized use, and adherence to applicable laws and regulations. The ICS is developed in compliance with the provisions of the Companies Act, 2013.

In addition, the Company has implemented a robust Whistleblower/Vigil Mechanism, which enables employees and business partners to report unethical or illegal activities, misconduct, or fraud. This mechanism ensures that concerns can be raised in a secure and confidential manner, free from the risk of retaliation, thereby fostering a culture of transparency, accountability, and integrity.

The internal control framework is further supported by well-documented policies, guidelines, and procedures that monitor business and operational performance with the objective of ensuring business integrity and promoting operational efficiency.

Internal audits are conducted by experienced Chartered Accountants in coordination with the Accounts and other departments of the Company. The Audit Committee, constituted by the Board, periodically reviews compliance with internal policies, procedures, and applicable legal requirements.

INDUSTRIAL RELATION & HUMAN RESOURCES

The manpower is internal customer of the Company. If they are not happy, survival would be difficult. No employee union has ever been formed in the Company since inception which is a testament of how we keep each employee and their family member happy in the Company.

The Company believes that the Company future will grow when its employees and works are grows. Human Capital is true assets for smooth functioning of business activities and greatest tool for shaping the future growth of Company. To praise the sophisticated production process, we have a team of experienced workers who are skilled and trained to get best out of it. Regular orientation programs are being conducted by the Company wherein workers are directly exposed to the experts, which keep them with the latest technology and development.

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The Company's philosophy is to provide to its employees friendly working environment and a performance oriented work culture. To enrich the skills of employees and enrich their experience, the Company arranges, Practical Training Courses by Internal and External Faculties. The Company organizes regular medical camps, awareness sessions, and life skills workshops for employees and works. These initiatives are aimed at fostering a healthy work life balance and nurturing an open and caring culture within the organization. The Company extending best possible medical facilities like health check-ups for employees and workers, regular Health Camps, Awareness Talks, Immunization camps at units.

Due to the employees' friendly working environment, performance oriented work and performance appraisal on yearly bases, it attract and retain the best employees in the Company. As on 31st March, 2025, the Company has total 206 employees and workers on the roll of the Company.

HEALTH, SAFETY & ENVIRONMENT

We at Patels Airtemp (India) Limited (the Company) are fully committed to provide Quality services with safe working place and clean environment to our employees, subcontractors, suppliers, and any other stakeholder involved as an integral part of our business philosophy and value system. We recognize that providing and integrating a sound environmental, health and safety program into our business is the key to our success.

The well – experienced members of our HSE segment are constantly and tirelessly working towards making our organization Accident – free. Some of the HSE protocols and procedures that are included in the system;

- Comply with all pertinent environmental and safety laws, rules and regulations, not just because it is legally required, but also because we believe it is the responsible way to conduct our business.
- Set HSE targets and goals annually to measure our performance and identify areas for improvement.
- Conducting regular audits to identify potential workplace risks and hazards and its preventive measures.
- Employees and workers working at shop floor are provided with Personal Protective Equipments (PPE's) to protect themselves from potential hazards.
- Provide education and training to our employees and contractors to enhance their knowledge, skills and understanding to perform their responsibilities and duties safely.
- Prevent environmental pollution and impact by conserving natural resources, improving efficiency and reducing wastages in our processes.
- Conducting regular meetings with workers across the organization to ensure their consultation and participation is effectively done.
- Ensure continual improvement of business processes through motivation and empowerment of employees.

CAUTIONARY STATEMENT

The statement given in this report, describing the Company's objectives, estimates and expectations and future plans may contribute towards forward looking statement within the meaning of applicable laws and / or regulations. Actual performance may differ materially from those either expressed or implied. Some statements in this discussion describing the projections, estimates, expectations or outlook may be forward looking. Actual results may, however, differ materially from those stated on account of various factors such as changes in government regulations, tax regimes, economic developments, exchange rates and interest rates fluctuations, impact of competition, demand and supply constraints.

On behalf of the Board of Directors

Sanjivkumar N. Patel

Chairman & Managing Director

(DIN: 02794095)

Date : 2nd August, 2025

Place : Rakanpur, Dist. Gandhinagar

Annexure - B**CORPORATE GOVERNANCE REPORT****Report on Corporate Governance for the year ended 31st March, 2025 (2024-25)**

pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015
as amended from time to time

Listed entities in India bear significant compliance obligations, including enhanced disclosure requirements and scrutiny by regulators, primarily due to the involvement of public funds and retail investors. To ensure market transparency and investor protection, several measures of ensuring a strong corporate governance (CG) culture have been provided by SEBI.

In September, 2015, the Securities and Exchange Board of India ("**SEBI**") introduced comprehensive Regulations, namely, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (herein after referred to as "**SEBI LODR**" or "**SEBI Listing Regulations**"), in place of Listing Agreement with Stock Exchanges, which have come into force from 1st December, 2015 and thereafter amended from time to time and detailed report on Corporate Governance is set out below as per SEBI Listing Regulations complying with Regulation 17 to 27 read with Schedule V and Clause (b) to (i) of Regulation 46(2) of SEBI Listing Regulations.

This report is prepared in accordance with the provisions of SEBI Listing Regulations and the report contains the details of Corporate Governance systems and processes at Patels Airtemp (India) Limited ("**the Company**").

1. CORPORATE GOVERNANCE PHILOSOPHY:

The Company's philosophy on Corporate Governance envisages the attainment of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, consumers and institutional and other lenders and places due emphasis on regulatory compliance.

Traditional views of governance as a regulatory and compliance requirement have given a way for adoption of governance as an integral part of the Company. The Company in pursuance of Code of Corporate Governance, strongly believe that it must organize its affairs to the utmost satisfaction of all the concerned. The Company endeavor to ensure transparency, control and accountability, in all areas of its operations.

Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Directors and Senior Management Personnel (Revised w.e.f. 20th June, 2020)
- Code of Conduct for Prohibition of Insider Trading (Revised w.e.f. 1st April, 2019)
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions (Revised w.e.f. 12th November, 2022)
- Corporate Social Responsibility (CSR) Policy (Revised w.e.f. 19th June, 2021)
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (w.e.f. 15th May, 2015)
- Policy on Determination and Disclosure of Materiality of Events and Information (Revised w.e.f. 10th February, 2024)

2. BOARD OF DIRECTORS:

(i) Composition and category of Directors as on 31st March, 2025:

As per SEBI Listing Regulations, the Board of Directors ("**the Board**") of the Company comprises of the combination of Executive and Non-Executive Directors. Out of total strength of 6 (Six) Directors as on 31st March, 2025, 3 (Three) Directors are Executive Directors and 3 (Three) Directors are Non-Executive Independent Directors. The Board of Directors comprise of not less than Six Directors. The Chairman of the Board is Promoter-Executive Director. Fifty per cent of the Board of Directors is comprise of Non-Executive Independent Directors including one Independent Woman Director. All members of the Committees of the Board like Audit Committee (AC), Nomination & Remuneration Committee (NRC), Stakeholders' Relationship Committee (SRC) and Corporate Social Responsibility (CSR) Committee comprise of Independent Directors with Chairman of such Committees, being Independent Director, except in case of Finance Committee of the Board, which comprise of all three Executive Directors as members including Chairman. The composition of the Board and Board Committees is in conformity with Regulation 17 of SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

The Chairman provides overall direction and guidance to the Board. In the operations and functioning of the Company, the Chairman also a Managing Director is assisted by other two Executive Directors and a core group of senior level executives. The Chairman guides the Board for effective governance structure in the Company. In doing so, the Chairman presides at the meetings of the Board and the Shareholders of the Company.

The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors. The Chairman is responsible for matters pertaining to governance, including the organization and composition of the Board, the organization and conduct of Board Meetings, effectiveness of the Board, Board Committees and individual Directors in fulfilling their responsibilities.

The Company Secretary assists the Chairman in management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation. The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings.

The composition of the Board as on 31st March, 2025, details of other Directorship in other Listed Entity and Committee Membership/Chairmanship held by them in other Public Companies, are given below as per circular issued by Ministry of Corporate Affairs ("**MCA**") and SEBI:

Sr. No.	Name of Director & Category	Designation	Number of Directorship and Committee Membership / Chairpersonship held in Listed Companies (Other than Patels Airtemp (India) Ltd.			Particulars of Directorship in Listed Entities (Other than Patels Airtemp (India) Ltd.	
			Directorship	Committee Membership	Committee Chairmanship	Name of Company	Category of Directorship
Executive Directors							
1	Mr. Sanjivkumar N. Patel	Chairman & Managing Director	1 \$	1 \$ **	NIL	Nirma Limited	Independent Director
2	Mr. Apurva V. Shah #	Whole-time Director	NIL	NIL	NIL	NIL	NIL
3	Mr. Shivang P. Patel *	Whole-time Director	NIL	NIL	NIL	NIL	NIL

Sr. No.	Name of Director & Category	Designation	Number of Directorship and Committee Membership / Chairpersonship held in Listed Companies (Other than Patels Airtemp (India) Ltd.			Particulars of Directorship in Listed Entities (Other than Patels Airtemp (India) Ltd.	
			Directorship	Committee Membership	Committee Chairmanship	Name of Company	Category of Directorship
Non-Executive & Independent Directors							
4	Mrs. Vinaben B. Patel @	Independent Woman Director	NIL	NIL	NIL	NIL	NIL
5	Mr. Rajendrakumar C. Patel %	Independent Director	1	2 **	NIL	Praveg Limited (Earlier known as Praveg Communications (India) Limited	Independent Director
6	Mr. Naimish B. Patel	Independent Director	NIL	NIL	NIL	NIL	NIL
7	Mrs. Nidhi Y. Patel ^	Independent Woman Director	NIL	NIL	NIL	NIL	NIL

Note:

\$ Mr. Sanjivkumar N. Patel (DIN: 02794095) appointed as an Independent Director of Nirma Limited w.e.f. 15th March, 2025 and Member of Stakeholders' Relationship Committee (SRC) of Nirma Limited w.e.f. 1st April, 2025. Nirma Limited is High Value Debt Listed Entity (HVDLE), listed at NSE.

Mr. Apurva V. Shah (DIN: 0008197983) has been re-appointed as Whole-time Director of the Company for a further period of 3 years with effect from 11th August, 2024 up to 10th August, 2027, duly approved by the Shareholders by passing an Ordinary Resolution through Postal Ballot on 16th July, 2024.

* Mr. Shivang P. Patel (DIN: 08136652) has been re-appointed as Whole-time Director of the Company by the Board of Directors on the recommendation of Nomination and Remuneration Committee for a further period of 3 years w.e.f. 1st June, 2025 up to 31st May, 2028 with payment of remuneration for the said period of 3 years and duly approved by the Shareholders by passing Special Resolution through Postal Ballot on 27th May, 2025.

@ Smt. Veenaben B. Patel (DIN: 07131341) resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025 due to health issue and also ceased to be a Member of AC, NRC, SRC and CSR Committee of the Board of Directors of the Company w.e.f. 20th March, 2025.

% Mr. Rajendrakumar C. Patel (DIN: 06532676) has been re-appointed as an Independent Director of the Company (Non-executive Independent), not liable to retire by rotation, for a second term of five years from 10th August, 2024 up to 9th August, 2029 duly approved by the Shareholders by passing Special Resolution through Postal Ballot on 16th July, 2024 and also appointed as a Member of Audit Committee (AC), Nomination & Remuneration Committee (NRC), Stakeholders' Relationship Committee (SRC) and Corporate Social Responsibility Committee (CSR) of the Board with effect from 3rd August, 2024.

^ Mrs. Nidhi Yash Patel (DIN: 10944244) has been appointed as an Independent Woman Director of the Company (Non-executive Independent), not liable to retire by rotation, for a first term of

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five years from 29th March, 2025 up to 28th March, 2030 duly approved by the Shareholders by passing Special Resolution through Postal Ballot on 27th May, 2025 and also appointed as a Member of AC, NRC, SRC and CSR Committee of the Board of Directors of the Company w.e.f. 29th March, 2025.

**Considered only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of SEBI Listing Regulations

Note:

- 1) Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be an Independent Director of the Company and Chairman of Audit Committee (AC), Nomination & Remuneration Committee (NRC), Stakeholders' Relationship Committee (SRC) and Corporate Social Responsibility Committee (CSR) of the Board with effect from 30th August, 2024 due to completion of his second term as Independent Director.

Details of changes in composition of the Board forms part of Board Report.

The brief profiles of all Directors of the Company (Executive and Non-Executive & Independent Directors) have been uploaded on the Company's website <https://www.patelsairtemp.com/pdf/announcements/brief-profile-of-directors-29-03-2025.pdf>.

From the above, no Director hold office as a Director, including any alternate directorship, in more than twenty companies nor held as a Director in more than ten public companies as required under Section 165 of the Companies Act, 2013.

Except Mr. Sanjivkumar N. Patel, Chairman & Managing Director and Mr. Rajendrakumar C. Patel, Non-Executive Independent Director as above, none of the other Directors of the Company serve as Director including Independent Director in any other public limited company including other listed companies and none of the Executive Directors serve as Independent Director on any listed company as required under Regulation 17A of SEBI Listing Regulations.

Further, none of the Independent Directors serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an Independent Director. Further, none of the Directors acts as a member of more than 10 (Ten) committees or acts as a chairman of more than 5 (Five) committees across all Public Limited Companies in which he/she is a Director as required under Regulation 26(1) of SEBI Listing Regulations. Necessary disclosures have been made by the Directors in this regard.

The number of directorship(s), committee membership(s) / chairmanship(s) of all Directors is / are within the respective limits prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

All Directors of the Company have been allotted DIN and whose DIN status is 'Approved' and filed their E-KYC Form DIR-3.

(ii) Relationship between the Directors:

Mr. Shivang P. Patel, Whole-time Director of the Company, is a Son of Late Mr. Prakash N. Patel, who was a Brother of Mr. Sanjivkumar N. Patel, Chairman & Managing Director of the Company.

None of the other Directors are related to any other Director on the Board.

(iii) Shares held by Non-Executive Directors:

Mrs. Vinaben B. Patel, Non-Executive Independent Director, holds 1,079 Equity Shares of Rs. 10/- each of the Company (0.02% of Share Capital). None of the other Non-Executive Directors held the Shares in the Company.

(iv) Number of Board Meetings and Annual General Meeting held and the dates on which held and Attendance:

The mandatory requirement of holding of Board Meeting of the Company within the prescribed interval provided in Section 173 Companies Act, 2013 read with Regulation 17(2) of SEBI Listing Regulations, is that the Directors shall meet at least four times in a financial year, with a maximum time gap of one hundred and twenty days (120 days) between any two meetings.

During the financial year 2024-25, 6 (Six) Board Meetings of the Company were held on 24th May, 2024, 3rd August, 2024, 28th October, 2024, 9th December, 2024, 8th February, 2025 and 29th March, 2025. The Board Meetings were held at the Factory (Works) of the Company situated at Rakanpur, Dist. Gandhinagar, Gujarat.

For the Board Meetings held as above, the gap between two Board Meetings did not exceed 120 days as prescribed in the Companies Act, 2013 and SEBI Listing Regulations.

Attendance of Directors at the Board Meetings held as above and at the 32nd Annual General Meeting (AGM) held on 21st September, 2024 are as under:

Name of Director	Total Board Meeting held during the year	Attendance	
		Board Meeting	32nd AGM held on 21st September, 2024 *
Mr. Sanjivkumar N. Patel	6	6	Yes
Mr. Apurva V. Shah	6	6	Yes %
Mr. Shivang P. Patel	6	5	Yes
Mr. Hareshkumar I. Shah #	6	2	NA
Mrs. Vinaben B. Patel \$	6	5	No
Mr. Rajendrakumar C. Patel	6	6	Yes %
Mr. Naimish B. Patel	6	6	Yes
Mrs. Nidhi Y. Patel ^	6	1	NA

Note:

Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be an Independent Director of the Company with effect from 30th August, 2024 due to completion of his second term as Independent Director.

* Due to relaxations given by MCA & SEBI, the 32nd AGM of the Company as above was held through Video Conferencing (VC) / Other Audio Visual Means ("OAVM").

% Mr. Apurva V. Shah, Whole-time Director and Mr. Rajendrakumar C. Patel, Independent Director of the Company were present in the 32nd AGM through Video Conferencing (VC).

\$ Mrs. Veenaben B. Patel (DIN: 07131341) resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

^ Mrs. Nidhi Yash Patel (DIN: 10944244) has been appointed as an Independent Woman Director of the Company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

The provisions related to Quorum of Board Meeting have been complied by the Company as per Regulation 17(2A) of SEBI Listing Regulations as amended.

During the financial year 2024-25, 2 (two) Circular Resolutions in respect of the following matters have been passed by the Board of Directors on 12th September, 2024 and 28th September, 2024 and duly confirmed by the Board of Directors in the next Board Meeting of the Company as per Section 175 of the Companies Act, 2013 and Rules made thereunder and as per Secretarial Standards SS-1 issued by ICSI:

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- 1) Approval of Cost Audit Report for the year 2023-24 issued by M/s. Rajendra Patel & Associates, Cost Accountant, Ahmedabad (Firm Regn. No. FRN 101163), Cost Auditor of the Company in respect of cost records maintained by the Company for various products of the company.
- 2) Taking action against Sr. Company Secretary of the Company for violations noticed by SEBI in its Show Cause Notice. No. SEBI/HO/EAD-8/SKV/VC/36027/2023 dated 1st September, 2023 (SCN) received from SEBI alleged that the Company violated the provisions of the Companies Act, 2013 & SEBI Listing Regulations, 2015 in terms of Settlement Application filed by the Company under the SEBI (Settlement Proceeding) Regulations, 2018 against the said SCN.

(v) Performance Evaluation of the Board as a whole, its Committees and Directors

The Companies Act, 2013 and SEBI Listing Regulations contain broad provisions on Board Evaluation i.e. evaluation of the performance of (i) the Board as a whole, (ii) Individual Directors (including Independent Directors and Chairperson) and (iii) various Committees of the Board. The purpose is to improve their overall performance as well as corporate governance standards to benefit all stakeholders.

The Board of Directors of the Company in their meeting held on 24th May, 2025 has carried out the evaluation of the performance of (i) the Board as a whole, (ii) Individual Directors (including Independent Directors and Chairperson) and (iii) various Committees of the Board for the year 2024-25.

The Board has carried out an evaluation of its own performance and that of its Committees and Directors and also Chairperson in terms of Section 134(3)(p) of the Companies Act, 2013 and Rules made thereunder and SEBI Listing Regulations for the year 2024-25 after taking into consideration the observations made for the previous year 2023-24. The Nomination and Remuneration policy (NRC Policy) for criteria of determining qualifications, selection, appointment and remuneration of Directors, KMP and Senior Management and the same has been uploaded on the Company's website <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/nomination-and-remuneration-policy.pdf>.

Nomination and Remuneration Committee (NRC) of the Board, as and when required, carried out performance evaluation of Independent Directors, Managing Director and Whole-time Directors of the Company at the time of their appointment/re-appointment and accordingly recommended to the Board.

Directors are appointed/re-appointed with the approval of the Members for a term in accordance with the provisions of the Companies Act, 2013, Rules made thereunder, SEBI Listing Regulations and Articles of Association. All Directors other than Independent Directors are liable to retire by rotation unless otherwise specifically provided under the Articles of Association or under any statute. One-third of the Directors who are liable to retire by rotation, retire at every Annual General Meeting and are eligible offer themselves for re-appointment.

(vi) Minimum Information

Board members are informed well in advance about the schedule of the Meeting. Appropriate information/details and documents are sent in advance to each Director and normally submitted as a part of Agenda papers, except in case of matters/documents which are Unpublished Price Sensitive Information (UPSI), in order to enable the Board to discharge its responsibilities effectively. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are

permitted and place before the Board under other business with the permission of the Chairman and with the consent of majority Directors present at the meeting and approved by ratification by a majority Directors of the Company.

The same procedure as above are followed in case of Board Committee meetings.

The Company Secretary records minutes and proceedings of each Board and Committee meetings. Minutes and proceedings of Committee meetings are circulated to the respective committee members and placed before Board meetings for noting. Draft minutes are circulated to Board/ Committee members for their comments as prescribed under the Secretarial Standard - 1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

No Directors of the Company opted for participation in the Board Meeting and Meeting of the Committees of the Board through Video Conferencing or any other electronic mode.

Circular Resolutions duly passed by the Directors have been confirmed by the Board of Directors in their next Board Meeting.

Action taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Committees for noting.

The Company follows the Secretarial Standards – 1 related to Board & Committee meetings which are effective from 1st July, 2015 and amended from time to time and binding to the Company.

The following minimum information are placed before the Board for their consideration apart from other information/business:

- Quarterly financial results of the Company;
- Company's Annual Financial Results, Financial Statements, Auditors' Report and Board's Report;
- Minutes of meetings of the Audit Committee and other Committees of the Board;
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as non-payment of dividend, delay in, share transfer, etc.;
- Appointment, remuneration and resignation of Directors;
- Formation/reconstitution of Committees, if any;
- Terms of reference of Committees;
- Declaration of Independent Directors at the time of appointment/annually;
- Disclosure of Directors' interest and their shareholding;
- Appointment or removal of the Key Managerial Personnel;
- Appointment of Internal Auditors and Secretarial Auditors;
- Annual Secretarial Audit reports submitted by Secretarial Auditors;
- Declaration of Dividend;
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee;
- Borrowing of monies, giving guarantees or providing security in respect of loans;
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 2018;

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- Annual operating plans of businesses and budgets;
- Show cause, demand, prosecution notices and penalty notices, if any, which are materially important;
- Fatal or serious accidents, dangerous occurrences, and any material effluent or pollution problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property, if any;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like requiring of wage agreements, implementation of Voluntary Retirement Scheme, and so on;
- Sale of investments, subsidiaries and assets which are material in nature and not in normal course of business;
- Details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material; and
- Recruitment and remuneration of senior officers just below the level of board of directors, if any.

(vii) **Director qualifications, skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions**

The Board comprises qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Strategy and Planning: Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

Understanding of industry and operations: Experience and knowledge of the functioning, operations, growth drivers, business environment and changing trends in the metals & mining, manufacturing and engineering industries as well as experience in overseeing large supply chain operations.

Knowledge of technology and innovation: Understanding of emerging trends in technology and innovation that may have an impact on the business and have the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable.

Governance: Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The Board of Directors of the Company are having following area of Expertise / Skills / Competencies:

- | | |
|---|--------------------------|
| - Leadership | - Operational experience |
| - Strategic Planning | - Industry Experience |
| - Research & Development and Innovation | - Global Business |
| - Financial | - Corporate Governance |
| - Legal & Compliance | - General Management |

The Directors have following skills:

S r . No.	Name of Director	Designation	Skills / Expertise / Competencies
1	Mr. Sanjivkumar N. Patel	Chairman & Managing Director	Leadership, Operational Experience, Financial, Legal & Compliance, Corporate Governance, Industry Experience, Global Business and Strategic Planning.
2	Mr. Apurva V. Shah	Whole-time Director	Strategic Planning, Research & Development and Innovation, Leadership, Operational Experience, Industry Experience, Global Business
3	Mr. Shivang P. Patel	Whole-time Director	Operational Experience, Financial, Global Business, Industry Experience, Legal & Compliances.
4	Mrs. Vinaben B. Patel #	Non-executive & Independent Director	Financial, Corporate Governance and General Management
5	Mr. Rajendrakumar C. Patel	Non-executive & Independent Director	Industry Experience, Operational Experience, Financial, Corporate Governance, Legal & Compliance.
6	Mr. Naimish B. Patel	Non-executive & Independent Director	Industry Experience, Operational Experience, Financial, Corporate Governance
7	Mrs. Nidhi Y. Patel ^	Non-executive & Independent Director	Leadership Capabilities, Corporate Governance, Finance & Risk Management and General Management.

Mrs. Veenaben B. Patel (DIN: 07131341) resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

^ Mrs. Nidhi Yash Patel (DIN: 10944244) has been appointed as an Independent Woman Director of the Company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

(viii) Independent Directors & Separate Meeting

During the financial year 2024-25, the Company has obtained declarations of Independence from all Independent Directors of the Company pursuant to Section 149(7) of the Companies Act, 2013 and as per Regulation 16(1)(b) of SEBI Listing Regulations as amended and based on such declarations received from them, the Board of Directors after undertaking due assessment of the veracity confirmed that they met the criteria of Independence as provided in Regulation 16(1) (b) & 25 of SEBI Listing Regulations and Section 149(6) of the Act and in the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. The Board also confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and they are independent of the management.

Every Independent Director is abide by the provisions specified in Schedule – IV to the Companies Act, 2013 related to Code of Conduct for Independent Directors.

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Following Independent Directors of the Company have been re-appointed for a second term of 5 years:

Sr. No.	Name of Director	2nd Term
1	Mr. Rajendrakumar C. Patel #	Up to 9th August, 2029

#Mr. Rajendrakumar C. Patel (DIN: 06532676) has been re-appointed as an Independent Director of the Company (Non-executive & Independent), not liable to retire by rotation, for a second term from 10th August, 2024 up to 9th August, 2029 by passing Special Resolution through Postal Ballot on 16th July, 2024.

Following Independent Directors of the Company have been appointed for a first term of 5 years:

Sr. No.	Name of Director	1st Term
1	Mr. Naimish B. Patel @	Up to 11th August, 2028
2	Mrs. Nidhi Y. Patel #	Up to 28th March, 2030

@ Mr. Naimish B. Patel (DIN: 02813295) has been appointed as an Independent Director of the Company (Non-Executive & Independent), not liable to retire by rotation, for a first term of five years from 12th August, 2023 up to 11th August, 2028, by passing Special Resolution in the 31st AGM held on 23rd September, 2023.

Mrs. Nidhi Yash Patel (DIN: 10944244) has been appointed as an Independent Woman Director of the Company (Non-executive Independent), not liable to retire by rotation, for a first term of five years from 29th March, 2025 up to 28th March, 2030 duly approved by the Shareholders by passing Special Resolution through Postal Ballot on 27th May, 2025.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors have duly registered their name with Data Bank maintained by the Indian Institute of Corporate Affairs (IICA) as per Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019. They have confirmed the compliance of the said Rules vide their declaration of independence under Section 149(7) of the Act.

The terms & conditions of their appointment as Independent Directors are available on the website of the Company <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/terms-and-conditions-of-appointment-of-independent-directors.pdf>.

The policy decisions are considered by the Nomination and Remuneration Committee for appointment of Independent Director on the Board. The Board considers the committee's recommendation and takes appropriate decision/action.

A separate meeting of independent Directors for evaluation of the performance of Non-independent Directors, performance of the Board as a whole and performance of the Chairman, is required to be held every year. During the financial year 2024-25, a separate meeting of Independent Directors of the Company was held on 29th March, 2025, wherein they reviewed (i) the performance of non-independent Directors and the Board as a whole, (ii) the performance of the Chairperson of the Company, taking into accounts the views of Executive Directors and Non-Executive Directors and (iii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors.

The Board of Directors at their meeting held on 24th May, 2025 also evaluated the performance of independent directors of the company and fulfillment of independence criteria and their independence from the management.

During the financial year 2024-25, all the Directors have completed process of KYC as per requirement of Ministry of Corporate Affairs ("MCA").

(ix) Familiarization programme for the Directors

Directors of the Company are updated on changes /developments in the domestic / global markets and industry scenario in the Board and Committee Meetings. The Directors are also updated about changes in statutes/legislation and on matters significantly affecting the Company.

As per Regulation 25(7) of SEBI Listing Regulations, whenever Independent Directors are inducted in the Board, they are introduced to the Company's organization structure, business and nature of industry, constitution, board procedures and roles, rights and responsibilities of Independent Directors, etc.

As per Regulation 46 of SEBI Listing Regulations, details of familiarization programmes for Independent Directors of the Company are uploaded on the Company's website <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/familiarisation-programme-for-independent-director.pdf>.

(x) Remuneration/Sitting Fees to the Directors

The Nomination and Remuneration Policy (NRC Policy) on appointment and remuneration of Directors is uploaded on the Company's website on Policy (NRC Policy) on appointment and remuneration of Directors is uploaded on the Company's website <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/nomination-and-remuneration-policy.pdf>.

The remuneration of Executive Directors is decided by the Board on the recommendation of Nomination and Remuneration Committee, subject to approval of the Shareholders in General Meeting.

The aggregate amount of salary, perquisites & allowances paid to the following Managing Director and Whole-time Directors of the Company during the financial year 2024-25 ended on 31st March, 2025 (i.e. from 1st April, 2024 to 31st March, 2025) are as under:

(Amount in Rs.)

Name of Executive Directors	Designation	Salary	Perquisites & Allowances	Total
Mr. Sanjivkumar N. Patel \$	Chairman & Managing Director	59,90,323	1,99,309	61,89,632
Mr. Shivang P. Patel #	Whole-time Director	59,90,323	4,27,965	64,18,288
Mr. Apurva V. Shah *	Whole-time Director	40,17,419	1,73,356	41,90,775

Note:

\$ Salary of Mr. Sanjivkumar N. Patel (DIN: 02794095), Chairman & Managing Director of the Company, has been increased from Rs. 4,00,000/- per month to Rs. 5,50,000/- per month plus perquisites and allowances for the period from 3rd August, 2024 to 19th May, 2026 duly approved by the Shareholders by passing Special Resolution at the 32nd Annual General Meeting (AGM) held on 21st September, 2024.

Salary of Mr. Shivang P. Patel (DIN: 08136652), Whole-time Director of the Company, was increased from existing Rs 4,00,000/- per month to Rs. 5,50,000/- per month plus perquisites and allowances for the period from 3rd August, 2024 to 31st May, 2025 duly approved by the Shareholders by passing Special Resolution at the 32nd Annual General Meeting (AGM) held on 21st September, 2024.

* Mr. Apurva V. Shah (DIN: 0008197983) has been re-appointed as Whole-time Director of the Company with payment of remuneration by way of Salary of Rs. 3,60,000/- per month plus Perquisites and Allowances for the period of 3 years from 11th August, 2024 up to 10th August, 2027 duly approved by the Shareholders by passing Ordinary Resolution through Postal Ballot on 16th July, 2024.

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The appointment of Managing Director and Whole-time Directors may be terminated by either party giving to the other party three months' notice or the Company paying three months' remuneration in lieu thereof. The Company does not have a scheme for grant of stock options either to the Whole-time Directors & Managing Director or Employees. None of the other Directors are paid remuneration except sitting fees for attending Board Meetings.

The Company has paid sitting fees as under to Non-executive Independent Directors of the Company apart from travelling expenses for attending Board Meetings held during the financial year 2024-25 (i.e. from 1st April, 2024 to 31st March, 2025):

Sr. No.	Name of Independent Directors	Sitting Fees Amount in (Rs.)
1	Mr. Hareshkumar I. Shah #	9,000
2	Mrs. Vinaben B. Patel \$	22,500
3	Mr. Rajendrakumar C. Patel	27,000
4	Mr. Naimish B. Patel	27,000
5	Mrs. Nidhi Y. Patel *	4,500

Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be an Independent Director of the Company with effect from 30th August, 2024 due to completion of his second term as Independent Director.

\$ Mrs. Veenaben B. Patel (DIN: 07131341) resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

* Mrs. Nidhi Yash Patel (DIN: 10944244) has been appointed as an Independent Woman Director of the Company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

There were no pecuniary relationships or transactions by Independent Directors with the Company, its promoters or its management.

Criteria of making payments to Independent and /or Non-executive Directors are uploaded on the Company website at Criteria of making payments to Independent and /or Non-executive Directors are uploaded on the Company website at <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/criteria-of-making-payment.pdf>.

3. COMMITTEES OF THE BOARD:

The Board of Directors of the Company has constituted the following Committees in terms of the provisions of Listing Regulations and Companies Act, 2013 and Rules made there under:

1. Audit Committee (AC)
2. Nomination and Remuneration Committee (NRC)
3. Stakeholders' Relationship Committee (SRC)
4. Corporate Social Responsibility Committee (CSR Committee)
5. Finance Committee (FC)

Constitution / Re-constitution of Committees during the year 2024-25:

The Board of Directors of the Company at their meeting held on 3rd August, 2024 re-constituted AC, NRC, SRC and CSR Committees of the Board by appointing Mr. Rajendrakumar C. Patel (DIN: 06532676) as a Member of the said Committees, being Independent Director, w.e.f. 3rd August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be an Independent Director of the Company and consequently as a Chairman & Member of AC, NRC, SRC and CSR Committees of the Board w.e.f. 30th August, 2024 due to completion of 2nd term as Independent Director of the Company.

The Board of Directors of the Company at their meeting held on 29th March, 2025 also re-constituted AC, NRC, SRC and CSR Committees of the Board by appointing Mrs. Nidhi Yash Patel (DIN: 10944244), who has been appointed as an Additional Director and also as an Independent Woman Director of the Company w.e.f. 29th March, 2025, as a Member of the said Committees w.e.f. 29th March, 2025 in place of Smt. Veenaben B. Patel, who resigned as Independent Director of the Company w.e.f. 20th March, 2025.

The Board of Directors at their meeting held on 8th February, 2025 constituted its Finance Committee (FC) as under pursuant to Section 179(3)(d) of the Companies Act, 2013 and the Rules made thereunder to borrow Secured / Unsecured Loans from the Banks / Financial Institutions / Non-Banking Finance Company (NBFCs) / Company / Firm / any other Body Corporates / any other lending agencies, keeping in view the Company's existing and future financial requirements to support its business operations in the ordinary course of business up to the limit of Rs. 50 Crores:

1 Mr. Sanjivkumar N. Patel	- Chairman & Managing Director
2 Mr. Shivang P. Patel	- Whole-time Director
3 Mr. Apurva V. Shah	- Whole-time Director

Chairman of re-constituted Committees:

The Board of Directors also appointed Mr. Naimish B. Patel (DIN: 02813295), an Independent Director, as a Chairman of AC, NRC, SRC and CSR Committee w.e.f. 30th August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be an Independent Director of the Company w.e.f. 30th August, 2024 and consequently as a Chairman of AC, NRC, SRC and CSR Committee of the Board.

The Chairperson of Board Committees apprise the Board Members of the important issues and discussions in the Committee Meetings. Minutes of proceedings of Committee Meetings are circulated to the respective committee members and placed before Board Meetings for noting.

Recommendation of the Committees have been duly accepted by the Board of Directors, wherever necessary, during the financial year 2024-25.

Composition of various Committees of the Board along with respective terms of reference are uploaded on the Company website at <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/composition-of-various-committees-of-board.pdf>.

The composition, meetings, attendance and terms of reference of the said Committees formed as per Companies Act, 2013, Rules made thereunder and SEBI Listing Regulations are as under:

(A) AUDIT COMMITTEE:

(i) Composition of Committee and Meetings and Attendance:

The Audit Committee shall have minimum three Directors as members. At least two-thirds of the members of Audit Committee shall be Independent Directors as amended by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022. The Chairperson of the Audit Committee shall be an Independent Director.

As on 31st March, 2025, the Audit Committee consists of 3 members, all are Independent Directors of the Company as under. The Committee's composition and terms of reference are in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations as above.

Independent Director is the Chairman of the Audit Committee and all members are financially literate and ability to read and understand the financial statements and one member has accounting or related financial management expertise.

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Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to the Audit Committee.

The mandatory requirement of holding of Audit Committee Meeting of the Company within the prescribed interval provided in Regulation 18(2) of SEBI Listing Regulations is that the Members of Audit Committee shall meet at least four times a year, with a maximum time gap of one hundred and twenty days (120 days) between any two meetings.

During the financial year 2024-25, 6 (Six) Audit Committee Meetings of the Company were held on 24th May, 2024, 3rd August, 2024, 28th October, 2024, 9th December, 2024, 8th February, 2025 and 29th March, 2025. The Audit Committee Meetings were held at the Factory (Works) of the Company situated at Rakanpur, Dist. Gandhinagar, Gujarat.

For the Audit Committee Meetings held as above, the gap between two Audit Committee Meetings did not exceed 120 days as prescribed in the Companies Act, 2013 and SEBI Listing Regulations.

The Chairman of the Audit Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of Audit Committees are placed before the Board for review.

There are no recommendations of the Audit Committee which have not been accepted by the Board. During the year, all recommendations made by the Audit Committee were accepted by the Board.

As per Regulation 18(2)(b) of SEBI Listing Regulations as amended, the quorum for Audit Committee Meeting shall either be two members or one third of the members of the Audit Committee, whichever is greater, with at least two Independent Directors.

Attendance of Members at the Audit Committee Meeting during the financial year 2024-25 are as under:

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Hareshkumar I. Shah #	Chairman	Independent Director	6	2
Mrs. Vinaben B. Patel \$	Member	Independent Director	6	5
Mr. Rajendrakumar C. Patel ##	Member	Independent Director	6	4
Mr. Naimish B. Patel ^	Chairman	Independent Director	6	6
Mrs. Nidhi Y. Patel *	Member	Independent Director	6	NA

Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be a Chairman of Audit Committee consequent to ceased to be an Independent Director of the Company with effect from 30th August, 2024 due to completion of his second term as Independent Director.

\$ Mrs. Veenaben B. Patel (DIN: 07131341) ceased to be a Member of Audit Committee due to resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

^ Mr. Naimish B. Patel (DIN: 02813295) appointed as a Chairman of Audit Committee w.e.f. 30th August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be a Chairman w.e.f. 30th August, 2024.

Mr. Rajendrakumar C. Patel (DIN: 06532676) appointed as a Member of Audit Committee w.e.f. 3rd August, 2024.

* Mrs. Nidhi Yash Patel (DIN: 10944244) became a Member of Audit Committee consequent to appointment as an Independent Woman Director of the Company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

Managing Director, Whole-time Directors and Chief Financial Officer (CFO) of the Company were generally invited to attend the Audit Committee meetings.

The Minutes of the Audit Committee Meetings are placed before the Board in the next Board Meeting and noted the same.

The Chairman of the Audit Committee was present at the last 32nd Annual General Meeting held on 21st September, 2024.

(ii) Terms of reference:

The terms of reference of Audit Committee are to cover the matters specified under Listing Regulations and the Companies Act, 2013 and Rules made thereunder and more particularly redefined and approved by the Board of Directors at their meeting held on 12th November, 2016 in view of the provisions of Section 177(4) of the Companies Act, 2013 and Rules made thereunder and SEBI Listing Regulations. The functions of the Committee inter alia include the overview of the Company's financial reporting processes, review of the quarterly, half yearly and yearly financial statements, review of adequacy of internal control system, review of the financial and risk management policies and review of significant findings and adequacy of internal audit function, approval or any subsequent modification of transactions with related parties of the Company, recommendation for appointment, remuneration and terms of appointment of auditors of the company, etc.

The Board of Directors at their meeting held on 11th February, 2019 approved additional terms of reference as mentioned in Section 177(4) of the Companies Act, 2013 and Rules made there under and Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations in continuation of existing terms of reference of Audit Committee.

(B) NOMINATION & REMUNERATION COMMITTEE (NRC):

The erstwhile Remuneration Committee of the Directors of the Company was re-nomenclature as "Nomination and Remuneration Committee" at the meeting of the Board of Directors held on 9th August, 2014, pursuant to the provisions of Clause – 49 (IC) of erstwhile Listing Agreement with Stock Exchange and Section 178 of the Companies Act, 2013 and Rules made thereunder.

(i) Composition of Committee and Meeting and Attendance:

The Board of Directors shall constitute the Nomination and Remuneration Committee (NRC) as follows as amended by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022:

- (a) the committee shall comprise of at least three directors;
- (b) all directors of the committee shall be non-executive directors; and
- (c) at least two-thirds of the directors shall be independent directors.

The Chairperson of the NRC Committee shall be an independent director:

Provided that the chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of NRC Committee and shall not chair such Committee.

As on 31st March, 2025, NRC Committee consists of 3 members, all are Independent Directors as under. Independent Director is the Chairman of NRC Committee. The constitution of NRC

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Committee fulfils the requirements of Section 178 of the Companies Act, 2013, Rules made thereunder and Regulation 19 of SEBI Listing Regulations.

During the year under review, NRC Committee met 3 times on 24th May, 2024, 3rd August, 2024 and 29th March, 2025.

As per Regulation 19(2A) of SEBI Listing Regulations, the quorum for a meeting of the NRC shall be either two members or one third of the members of the committee, whichever is greater, including at least one Independent Director in attendance.

Attendance of Members at the NRC Committee Meeting are as under:

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Hareshkumar I. Shah #	Chairman	Independent Director	3	2
Mrs. Vinaben B. Patel \$	Member	Independent Director	3	2
Mr. Rajendrakumar C. Patel ##	Member	Independent Director	3	1
Mr. Naimish B. Patel ^	Chairman	Independent Director	3	3
Mrs. Nidhi Y. Patel *	Member	Independent Director	3	NA

Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be a Chairman of Audit Committee consequent to ceased to be an Independent Director of the Company with effect from 30th August, 2024 due to completion of his second term as Independent Director.

\$ Mrs. Veenaben B. Patel (DIN: 07131341) ceased to be a Member of Audit Committee due to resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

^ Mr. Naimish B. Patel (DIN: 02813295) appointed as a Chairman of Audit Committee w.e.f. 30th August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be a Chairman w.e.f. 30th August, 2024.

* Mrs. Nidhi Yash Patel (DIN: 10944244) became a Member of Audit Committee consequent to appointment as an Independent Woman Director of the Company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

Mr. Rajendrakumar C. Patel (DIN: 06532676) appointed as a Member of NRC Committee w.e.f. 3rd August, 2024.

NRC Committee normally meets for considering proposal related to the following matters after evaluation of the performance of existing Directors and Whole-time & Managing Directors of the Company and recommendation to the Board of Directors:

- Appointment of Additional Directors;
- Appointment and Re-appointment of Independent Directors;
- Appointment and Re-appointment of Managing & Whole-time Directors; and
- Remuneration of Key Managerial Personnel and Managing Director & Whole-time Directors of the Company and for considering any other matter as may be specified under the terms of reference of the committee.

Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to the NRC Committee.

(ii) Terms of reference:

NRC Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees and such other things prescribed as per Section 178 of the Companies Act, 2013, Rules made thereunder and Listing Regulations. The terms of reference of NRC Committee are to cover the matters specified under SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and Rules made thereunder and more particularly role and scope of work defined by the Board of Directors at their meeting held on 12th November, 2016.

The Board of Directors at their meeting held on 11th February, 2019 approved additional terms of reference as mentioned in Section 178 of the Companies Act, 2013 and Rules made there under and under SEBI Listing Regulations in continuation of existing terms of reference of NRC Committee.

Salient features of the Policy on appointment and remuneration of Directors, KMP and other employees and other matters as required under Section 178(3) of the Companies Act, 2013 is available on the web-site of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/nomination-and-remuneration-policy.pdf>.

(C) Stakeholders Relationship COMMITTEE (SRC):

The erstwhile Share Transfer and Investors' Grievance Committee of the Directors of the Company was re-nomenclature as a Stakeholders' Relationship Committee, at the meeting of Board of Directors held on 9th August, 2014.

(i) Composition of Committee and Meeting and Attendance:

As per Regulation 20(2A) of SEBI Listing Regulations, at least three Directors, with at least one being an Independent Director, shall be members of the Committee. The chairperson of this committee shall be a Non-executive Director.

As on 31st March, 2025, SRC Committee consists of 3 members, all are Independent Directors as under. Independent Director is the Chairman of the Committee. The constitution of SRC Committee fulfills the requirements of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and Rules made thereunder.

The SRC committee shall meet at least once in a year.

During the year under review, the Stakeholders Relationship Committee met 2 times on 28th October, 2024 and 8th February, 2025 for taking note of the following matters occurred during the financial year 2024-25 i.e. from 1st April, 2024 to 31st March, 2025 related to Stakeholders:

- Request/application from the Shareholders in respect of Transfer/ Transmission/Issue of Duplicate Certificate / Name deletion etc.
- Request / Application for Dematerialisation / Rematerialisation of shares;
- Investors Grievances/Complaints
- Complaints from Stock Exchange, SEBI and other Government Authorities.

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- Statement of Grievance Redressal Mechanism to BSE Ltd.
- Quarterly / Half yearly disclosures to BSE Limited;
- E-Voting facilities to the Shareholders of the Company
- Service Standards of Share Transfer Agent (RTA) of the Company
- Transfer of unclaimed/unpaid Dividend amount to IEPF
- Transfer of shares to IEPF demat authority account

Mr. Naimish B. Patel, Chairperson of SRC Committee was present at the 32nd Annual General Meeting held on 21st September, 2024 to answer queries of the shareholders.

Attendance of Members at the SRC Committee Meeting during the financial year 2024-25 are as under:

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Hareshkumar I. Shah #	Chairman	Independent Director	2	NA
Mrs. Vinaben B. Patel \$	Member	Independent Director	2	2
Mr. Rajendrakumar C. Patel ##	Member	Independent Director	2	2
Mr. Naimish B. Patel ^	Chairman	Independent Director	2	2
Mrs. Nidhi Y. Patel *	Member	Independent Director	2	NA

Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be a Chairman of SRC Committee consequent to ceased to be an Independent Director of the Company with effect from 30th August, 2024 due to completion of his second term as Independent Director.

\$ Mrs. Veenaben B. Patel (DIN: 07131341) ceased to be a Member of SRC Committee due to resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

^ Mr. Naimish B. Patel (DIN: 02813295) appointed as a Chairman of SRC Committee w.e.f. 30th August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be a Chairman w.e.f. 30th August, 2024.

* Mrs. Nidhi Yash Patel (DIN: 10944244) became a Member of SRC Committee consequent to appointment as an Independent Woman Director of the Company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

Mr. Rajendrakumar C. Patel (DIN: 06532676) appointed as a Member of SRC Committee w.e.f. 3rd August, 2024.

Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to SRC Committee.

(ii) Terms of Reference:

Pursuant to Section 178 of the Companies Act, 2013, Rules made thereunder and Listing Regulations, the Committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also functions in an efficient manner that all issues / concerns stakeholders are addressed / resolved promptly.

The Committee, inter alia, approves the transfer/transmission of Shares, issue of new/ duplicate Share Certificates, splitting and consolidation of Shares etc. The Committee

also looks after redressal of Shareholder's complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends, etc. The Board of Directors has delegated the power of approving transfer of Shares etc. to the Stakeholders' Relationship Committee.

(iii) Name and designation of Compliance Officer:

The Board has appointed Mr. Nikhil Patel, Company Secretary, as Compliance Officer of the Company pursuant to Regulation 6 of SEBI Listing Regulations.

(iv) Details of Shareholders complaints received / resolved / pending during the year:

The total number of complaints received by the Company/its Registrar and resolved to the satisfaction of Shareholders during the year under review were as under:

Complaint as on 01/04/2024	Received during the year	Resolved during the year	Pending as on 31/03/2025
NIL	7	7	NIL

The Company interacts with Bigshare Services Pvt. Ltd., Registrar & Transfer Agent and takes effective steps/actions for resolving queries/complaints of the shareholders.

(v) Number of pending transfers:

No requests for transfer and dematerialization of shares were pending for approval as on 31st March, 2025.

(D) Corporate Social Responsibility Committee (CSR):

(i) Composition of Committee and Meeting and Attendance:

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, a Company is required to constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more Directors, out of which at least one Director shall be an Independent Director. In this regard, a Committee of the Directors of the Company has been constituted as Corporate Social Responsibility Committee (CSR). CSR Committee as on 31st March, 2025 consists of 3 Independent Directors with Chairman, being Independent Director. CSR Committee fulfills the requirements of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 as amended ("CSR Rules") and in accordance with the CSR Policy, your Company has duly spent the amount of Rs. 35,09,375/- as against requirement of Rs. 34,63,000/- towards CSR activities during the financial year 2024-25, i.e. Rs. 46,375/- in excess, which will be adjusted against the CSR contribution for the next financial year 2025-26, duly approved by the Board of Directors at their meeting held on 24th May, 2025 to that effect.

The Chief Financial Officer (CFO) of the Company has issued Certificate that the full amount of contribution of Rs. 35,09,375/- made by the Company to the Implementing Agencies have been utilized and spent by the said Implementing Agencies towards CSR activities during the financial year 2024-25 as per CSR policy and as specified in Scheduled VII of the Companies Act, 2013 and as approved by CSR Committee and Board of Directors.

As per the amendment in the Companies (Corporate Social Responsibility Policy) Rules, 2014 by Ministry of Corporate Affairs (MCA), the Annual Report on CSR activities for the financial year 2024-25 as required under the Rules has been annexed with Board's Report. Annual Report on CSR Activities included in Board's Report has been issued and signed by

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Mr. Sanjivkumar N. Patel, Chairman & Managing Director and Mr. Naimish B. Patel, Chairman of CSR Committee of the Company.

During the year under review, CSR Committee met 2 (two) times on 24th May, 2024 and 1st March, 2025. The presence of the members at the meeting are as under:

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Hareshkumar I. Shah #	Chairman	Independent Director	2	1
Mrs. Vinaben B. Patel \$	Member	Independent Director	2	2
Mr. Rajendrakumar C. Patel %	Member	Independent Director	2	1
Mr. Naimish B. Patel ^	Chairman	Independent Director	2	2
Mrs. Nidhi Y. Patel *	Member	Independent Director	2	NA

Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be a Chairman of CSR Committee consequent to ceased to be an Independent Director of the Company with effect from 30th August, 2024 due to completion of his second term as Independent Director.

\$ Mrs. Veenaben B. Patel (DIN: 07131341) ceased to be a Member of CSR Committee due to resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

% Mr. Rajendrakumar C. Patel (DIN: 06532676) appointed as a member of CSR Committee w.e.f. 3rd August, 2024.

^ Mr. Naimish B. Patel (DIN: 02813295) appointed as a Chairman of CSR Committee w.e.f. 30th August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585), who ceased to be a Chairman w.e.f. 30th August, 2024.

* Mrs. Nidhi Yash Patel (DIN: 10944244) became a Member of CSR Committee consequent to appointment as an Independent Woman Director of the Company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

MCA vide notification dated 11th February, 2020 has amended the Companies (Accounts) Rules, 2014 which requires companies falling under the provisions of section 135 of the Companies Act, 2013, to furnish a report on CSR to Registrar in form CSR-2. In this regard, the Company has duly filed form CSR-2 before 31st March, 2025.

(ii) Terms of reference:

The Committee formulates and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities as per Section 135, read with Schedule VII of the Companies Act, 2013 and Rules made thereunder. Committee framed a transparent monitoring mechanism for implementation of CSR projects or programmes or activities undertaken by the Company, recommend the amount of expenditure to be incurred on the activities and also monitors CSR policy from time to time.

Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to CSR Committee.

(iii) Corporate Social Responsibility Policy:

CSR Committee has formulated modified / revised CSR Policy in line of amendment of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Section 135 of the Companies Act, 2015. The modified / revised CSR policy on the Corporate Social

Responsibility measures to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 is available on the web-site of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/corporate-social-responsibility-policy.pdf>.

(E) Finance Committee (FC):

(i) Composition of Committee, Meeting and Terms of reference:

The Board of Directors at their meeting held on 8th February, 2025 constituted its Finance Committee (FC) as under pursuant to Section 179(3)(d) of the Companies Act, 2013 and the Rules made thereunder to borrow Secured / Unsecured Loans from the Banks / Financial Institutions / Non-Banking Finance Company (NBFCs) / Company / Firm / any other Body Corporates / any other lending agencies, keeping in view the Company's existing and future financial requirements to support its business operations in the ordinary course of business up to the limit of Rs. 50 Crores:

- 1 Mr. Sanjivkumar N. Patel – Chairman & Managing Director
- 2 Mr. Shivang P. Patel – Whole-time Director
- 3 Mr. Apurva V. Shah – Whole-time Director

One meeting of Finance Committee was held on 27th June, 2025, in which, it is approved to avail Working Capital Demand Loan of aggregate amount of Rs. 33.98 crores (Unsecured) from Jio Credit Limited (formerly known as Jio Finance Limited) for Working Capital requirements of the Company.

4. GENERAL BODY MEETINGS:

(a) Details of Annual General Meetings (AGM) of the members of the Company held in last three years are as under:

Financial Year	Date and Time	Venue	No. of Special Resolution Passed
2023-24 (32nd AGM)	21st September, 2024 at 11:30 a.m.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in compliance with the various circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) and as per the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder.	2
2022-23 (31st AGM)	23rd September, 2023 at 11:30 a.m.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in compliance with the various circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) and as per the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder.	5
2021-22 (30th AGM)	27th September, 2022 at 11:30 a.m.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in compliance with the various circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) and as per the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder.	--

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(b) Details of Special Resolution passed in last three AGMs:

Financial Year	Sr. No.	Particulars of Special Resolution
2023-24	1	Revision in the terms of remuneration of Mr. Sanjivkumar N. Patel (DIN: 02794095), Chairman & Managing Director of the Company, by way of increase in the salary from existing Rs. 4,00,000/- per month to Rs. 5,50,000/- per month plus perquisites and allowances payable for the period from 3rd August, 2024 to 19th May, 2026.
	2	Revision in the terms of remuneration of Mr. Shivang P. Patel (DIN: 08136652), Whole-time Director of the Company, by way of increase in the salary from existing Rs. 4,00,000/- per month to Rs. 5,50,000/- per month plus perquisites and allowances payable for the period from 3rd August, 2024 to 31st May, 2025.
2022-23	1	Authority to the Board of Directors of the Company to borrow money up to Rs. 350 crores under Section 180(1)(c) of the Companies Act, 2013.
	2	Authority to Board of Directors of the Company for creation of security on increased Borrowing Power up to Rs. 350 crores under Section 180(1)(a) of the Companies Act, 2013.
	3	Re-appointment of Mr. Narayanbhai G. Patel (DIN: 00023107) as Whole-time Director of the Company designated as "Chairman & Whole-time Director" for a further period of 3 years w.e.f. 20th May, 2023 up to 19th May, 2026 and payment of remuneration for the said period of 3 years.
	4	Re-appointment of Mr. Sanjivkumar N. Patel (DIN:02794095) as Managing Director of the Company for a further period of 3 years w.e.f. 20th May, 2023 up to 19th May, 2026 and payment of remuneration for the said period of 3 years.
	5	Appointment of Mr. Naimish B. Patel (DIN: 02813295) as an Independent Director of the Company not liable to retire by rotation for a first term of 5 years from 12th August, 2023 up to 11th August, 2028.
2021-22	--	No Special Resolution was passed in the 30th AGM held on 27th September, 2022.

(c) Details of Special Resolutions passed through Postal Ballot on 27th May, 2025 i.e. during the period from 1st April, 2025 up to the date of this Report and details of voting pattern:

During the period from 1st April, 2025 up to the date of this Report, the following Special Resolutions have been passed by the Shareholders with requisite majority through Postal Ballot on 27th May, 2025:

Financial Year	Sr. No.	Particulars of Special Resolution
from 1st April, 2025 up to the date of this Report (Postal Ballot)	1	Re-appointment of Mr. Shivang P. Patel (DIN: 08136652) as Whole-time Director of the Company for a further period of 3 (Three) years with effect from 1st June, 2025 up to 31st May, 2028, liable to retire by rotation, upon the terms and conditions including remuneration by way of Salary of Rs. 5,50,000/- per month plus Perquisites and Allowances for the said period of 3 years from 1st June, 2025 up to 31st May, 2028.
	2	Appointment of Mrs. Nidhi Yash Patel (DIN : 10944244) as a Director and as an Independent Woman Director of the Company (Non-executive & Independent), not liable to retire by rotation, for a first term of five years from 29th March, 2025 up to 28th March, 2030.

The persons who conducted the Postal Ballot process, details of the voting pattern and procedure of Postal Ballot:

Persons who conducted the Postal Ballot process: CS Punit Santoshkumar Lath, Practicing Company Secretary (ACS No. 26238 and COP No. 11139), was appointed as the Scrutinizer for conducting this Postal Ballot process through remote e-voting, in fair and transparent manner.

Details of voting pattern: The details of voting pattern are available on the website of the Company viz. <http://www.patelsairtemp.com>.

Procedure for Postal Ballot: The Postal Ballot was carried out through remote e-voting only pursuant to the provisions of Section 108 and Section 110 of the Companies Act, 2013 ("the Act") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time ("the Rules") and other applicable provisions of the Act and Rules and in accordance with the requirements prescribed by the Ministry of Corporate Affairs ('MCA') for holding general meetings/ conducting postal ballot process through e-Voting, vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated 19th September, 2024, (collectively the 'MCA Circulars'), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time).

- (d) **At the forthcoming 33rd AGM, no special resolution is proposed to be passed through Postal Ballot except mentioned above in para (c).**

5. DISCLOSURES:

(i) Related Party transactions:

Policy on materiality of related party transactions (RPTs) and dealing with related party transactions has been uploaded on website of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/policy-on-materiality-of-related-party-transaction-and-dealing-with-related-party-transactions.pdf>.

SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 have introduced substantial changes in the RPT framework pertaining to Related Party, Related Party Transactions, Prior Approvals and Disclosures effective from April 01, 2022 and other earlier amendments, except for a few provisions which will be effective from April 01, 2023. In view of the said amendments, policy on materiality of related party transactions and dealing with related party transactions of the Company (Policy on RPTs) was modified / revised / updated in line of the above amendments which is effective from 12th November, 2022.

Transactions with related parties are disclosed in Note No. 33 of the Notes to the Standalone Financial Statements for the year ended on 31st March, 2025, in the Annual Report as required by the Indian Accounting Standard (Ind AS) 24 issued by ICAI.

However, there are no materially significant related party transactions made/entered into by the Company with its related parties including promoters, directors or the management etc. that may have potential conflict with the interests of the Company at large.

The Independent Directors, who apart from receiving sitting fees for attending Board Meetings, do not have any other material pecuniary relationship or transactions with the company, its promoters or its management, which in the judgment of the Board may affect independence of the judgment of the Directors.

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The Directors as and when required make full disclosures to the Board regarding nature of their interest in other Companies, firms etc. in which they are Directors or Members or Partners. Full particulars of contract, if any, entered with the Companies / Partnership Firms, in which the Directors are directly or indirectly concerned or interested, if any, are entered in the Register of Contract maintained under Section 189 of the Companies Act, 2013 and the same, as and when required, is placed in the Board Meeting for the noting and signature of the Directors present in the meeting.

The Company has duly taken prior approval from Audit Committee (by Independent Directors only from 1st January, 2022 as per amendment in SEBI Listing Regulations) and Board of Directors at their respective meetings held on 10th February, 2024 for entering into related party transactions by the Company with related parties including Omnibus approval during the year ended on 31st March, 2025.

As per Regulation 23 and 18(3) read with Part C of Schedule II of SEBI Listing Regulations as amended from time to time, the Audit Committee and Board of Directors of the Company have reviewed and ratified Related Party Transactions (RPTs) entered into by the company with related parties during the financial year ended 31st March, 2025 (2024-25) pursuant to each of the omnibus approvals given.

The Company has duly filed with BSE Ltd. half-yearly statement of Related Party Transactions ended on 31st March, 2024 and 30th September, 2024 in accordance with applicable Indian Accounting Standards on a consolidated basis in the format as specified by SEBI from time to time pursuant to Regulation 23(9) of SEBI Listing Regulations and uploaded the said details on website of the Company viz. <https://www.patelsairtemp.com/investors/disclosures-of-related-party-transactions/>.

(ii) Conflict of interest

The Board of Directors and Senior Management Personnel (SMP) of the Company have made disclosure to the effect confirming that there were no financial or commercial transactions entered into by the Company in which they or their relatives had any potential conflict of interest with the Company.

(iii) Risk Management

Business risk evaluation and management covering the business operations of the Company is an ongoing process within the Company and the management reviewed frequently risk assessment and to minimize them. The Company is not required to constitute Risk Management Committee of its Directors.

(iv) CEO/CFO Certification:

In terms of Regulation 17(8) of SEBI Listing Regulations, Chairman & Managing Director and Chief Financial Officer (CFO) of the Company have furnished certificate on the financial statements (standalone & consolidated) and internal controls relating to financial reporting of the Company to the Board for the year ended on 31st March, 2025 and attached to this Report certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The Chairman & Managing Director and Chief Financial Officer (CFO) of the Company also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of SEBI Listing Regulations.

(v) Details of Non-Compliance and penalties imposed by SEBI / Stock Exchange:

Details of Non-Compliance and penalties imposed by SEBI / Stock Exchange during the financial year 2024-25 have been included in the Directors' Report attached and forms part of this Annual Report.

(vi) Management Discussion and Analysis Report:

Pursuant to Regulations 34(2)(e) read with Part B of Schedule V of the Listing Regulations, Management Discussion and Analysis (MDA) Report annexed after the Director's Report and form a part of this Annual Report.

(vii) Code of Conduct:

In compliance with Regulation 26(3) of SEBI Listing Regulations, the Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management Personnel (SMP) including Chief Financial Officer & Company Secretary, being KMP. The said Code has been communicated to all the Directors and Senior Management Personnel as above. They have also affirmed to the Company about the compliance of the said Code during the Financial Year ended on 31st March, 2025. The declaration from Chairman & Managing Director & Whole-time Director of the Company, affirming compliance of the said Code of Conduct by all the Board Members and Senior Management Personnel is annexed separately to this Report.

The Code is applicable to Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities.

The Code of Business Conduct and Ethics for Directors and Senior Management Personnel of the Company and posted on website of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/code-of-conduct-for-directors-seniors-management-personnel.pdf>.

(viii) Whistle Blower policy / Vigil Mechanism:

The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report any act of serious misconduct or wrongful activity being occurred or suspected to occur within the organization, to his immediate HOD or the HR Head or directly to the concern Whole-time Directors/Managing Director of the Company, as he may desire. No employee of the Company is denied access to the Audit Committee. The Whistle blower policy has been placed on website of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/whistel-blower-cum-vigil-mechanism-policy.pdf>. During the financial year 2024-25, the Company has not received any Whistle Blower complaints.

(ix) Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 1992/2015:

The Company has formulated Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders including therein Code of Conduct for fair disclosures of price sensitive information of the Company, in terms of provisions of SEBI (Prohibition of Insider Trading) Regulation, 1992/2015. The same has also been uploaded on website of the Company viz. <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/code-of-internal-procedures-and-conduct.pdf>. The policy lays down guidelines and procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

The Directors and Senior Management Personnel (SMP) of the Company have made Annual disclosures regarding their holdings and other details to maintain Digital Data Bank as per provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

During the financial year 2024-25, the Company has complied with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders as under.

1. Initial Disclosure as per Regulation 7(1)(a) and 7(1)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as and when required;

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2. Continual Disclosure as per Regulation 7(2)(a) and 7(2)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as and when required;
3. Annual Disclosure as per Regulation 9(1) read with Point No. 14 of Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015;
4. Maintain Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as envisaged under SEBI (Prohibition of Insider Trading) Regulations, 2015 read with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018;
5. Follow the regulations of Code of Conduct of the Company as per the Policy of Code of Conduct of the Company;
6. Pre-clearance and Post-clearance procedure for buying and selling of shares of the Company by the Designated Persons of the Company;
7. Maintain details of member(s) of promoter group and designated person(s) in addition to the promoter(s) and director(s) of company and uploaded as per System Driven Disclosure (SDD) under Regulation 7(2) of PIT Regulations;
8. Intimation of Closure of Trading Window of Company for dealing in securities of the Company by all specified persons including Promoter and Promoter Group, Directors, Designated Persons including HODs, Employees, Auditors and their relatives and all connected persons, and also to BSE Limited and also uploaded on the website of the Company as and when required and comply with the provisions of Clause 4 of the Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015; and
9. Maintenance of structured digital data base of Designated Persons of the Company.
10. A structured digital database is maintained by the Company containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database has been maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
11. Pursuant to the SEBI circular dated September 09, 2020, the Company has provided information including PAN number of Promoter(s) including member(s) of the promoter group, designated person(s) and director(s) to the Designated Depository ('DD') in the manner and format prescribed by the depositories.
12. The Company has submitted Compliance Certificate to BSE Ltd. the stock exchanges where its securities are listed, duly certified by the Compliance Officer on a quarterly basis and the same duly certified by a Practising Company Secretary certify that the Company has maintained a Structured Digital Database (SDD) pursuant to provisions of Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations).
13. SEBI vide circular dated August 05, 2022, has provided a framework for restricting trading [i.e. on-market transactions, off-market transfers, and creation of pledge in equity shares and equity derivatives contracts (Futures and Options)], by Designated Persons ("DPs"), at the time of declaration of financial results, in those listed companies which are or were part of benchmark indices i.e. SENSEX and NIFTY 50, by freezing their PAN at Company's security level, during trading window closure period, in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, ("PIT Regulations") as amended from time to time.

In line with the same, the Exchanges i.e. NSE and BSE issued notices dated August 05, 2022, and August 08, 2022 respectively, regarding the Trading Window closure period.

In case of Patels Airtemp (India) Limited, the above matters are applicable w.e.f. 1st April, 2024.

In line of above, the Company designated CDSL Depository as its Designated Depository and provided the information including PAN of Promoters, Promoter Group, Directors, and Designated Persons in the manner as specified by the depositories according to SEBI circular no – SEBI/HO/ISD/ISD/CIR/P/2020/168 dated September 09, 2020, with respect to System Driven Disclosures.

(x) Policy on determination of materiality of events or information:

The Company has a policy for determination of materiality of events or information for disclosure to the Stock Exchange. The policy has clearly defined guidelines and materiality threshold in accordance with provisions of law for determination of materiality of certain events or transaction or information with respect to the Company. The policy is available on the Company's website <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/policy-materiality-of-events-09-02-2024.pdf>.

(xi) No Disqualification Certificate from Company Secretary in Practice:

As required by Clause 10(i) of Part C under Schedule V and Regulation 34 of SEBI Listing Regulations, the Company has received a certificate from Practicing Company Secretary and attached here with certifying that none of the Directors on the Board of the Company for the financial year ended 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority.

(xii) During the financial year 2024-25, the quarterly/half yearly/yearly compliance reports, which have been duly noted by the Board of Directors in respective Board Meetings, have been duly submitted by the Company to BSE Limited as per various provisions of SEBI Listing Regulations /Depositories Act, 2018 and Regulations and uploaded the said reports on the website of the Company.

(xiii) Share and security transfer, transmission formalities by the Company:

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 suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

Pursuant to amendment in Regulation 40(1) of SEBI Listing Regulations, effective from 24th January, 2022, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository and transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

The Company had sent communication to the shareholders encouraging them to dematerialise their holdings in the Company. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

The Company has complied with all procedural requirements as specified in Schedule VII of SEBI Listing Regulations with respect to transfer and transmission of shares.

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SEBI, vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 has prescribed the common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination. It is now mandatory for all holders of physical securities in listed companies to furnish PAN, nomination, contact details, bank account details and specimen signature for their corresponding folio numbers to their registrar and transfer agents.

SEBI has also issued a Press Release dated March 08, 2023 advising all investors to ensure linking of their PAN with Aadhaar number prior to March 31, 2023, for continual and smooth transactions in securities market and to avoid consequences of non-compliance with the said CBDT circular, as such accounts would be considered non-KYC compliant, and there could be restrictions on securities and other transactions until the PAN and Aadhaar are linked.

(xiv) **Reconciliation of Share Capital Audit:**

In terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, the Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories). This audit is carried out every quarter and the report thereon is submitted to stock exchange, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

(xv) **Disclosures as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are given in the Board's Report, which forms part of this Annual Report.

(xvi) **Consolidated Fees paid to Statutory Auditors:**

During the Financial Year 2024-25, the Company has paid total fees of Rs. 5,88,000/- including statutory audit fees, certification fees, and fees for other services to M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad (Firm Registration No. 107525W), the Statutory Auditors of the Company.

(xvii) **Audit Qualification:**

The Company is generally in the regime of unmodified opinions on financial statements.

(xviii) **Wholly Owned Subsidiary (WOS/Foreign Entity):**

The disclosures regarding dissolution of Patels Airtemp (USA) Inc., Wholly-Owned Subsidiary (WOS/Foreign Entity) of the Company, w.e.f. 11th December, 2023 are given in the Board's Report.

(xix) **Amendment in existing policies of the Company:**

During the financial year 2024-25, there was no amendment in existing policies of the Company.

(xx) **Particulars of Senior Management Personnel (SMP)**

Senior Management Personnel (SMP) means all members of management one level below the Executive Directors, i.e. Managing Director and Whole-time Director of the Company.

The following are the changes in SMP during the financial year 2024-25:

The following SMP just below the level of Board of Directors have been appointed by the Company:

Sr. No.	Name of Employee	Designation	Date of Appointment	Remuneration (Monthly)
1.	Mr. Darshit N. Patel	Senior Manager - Design	15/07/2024	₹ 1,55,000/-
2.	Mr. Jasmin R. Raval	Senior Manager - Design	19/11/2024	₹ 1,60,000/-

The following SMP just below the level of Board of Directors have ceased to be SMP:

Sr. No.	Name of Employee	Designation	Date of Cessation
1.	Mr. Piyushkumar D. Patel	Design Manager	7/1/2025
2.	Mr. Ruchik B. Shah	Manager (Production)	1/8/2024
3.	Robinson Fernandise	Vice-President (Engineering & Design)	31/5/2024

6. MEANS OF COMMUNICATION, ANNUAL REPORT & WEBSITE OF THE COMPANY:

The Company's quarterly, half yearly and yearly financial results were taken on record and approved by the Board of Directors after reviewed by Audit Committee as per SEBI Listing Regulations. These were published in the newspapers as per prescribed guidelines and uploaded on the website of the Company.

In pursuance of Regulation 46 of SEBI Listing Regulations, the Company confirms that it is maintaining its functional website viz. <http://www.patelsairtemp.com> contains a separate dedicated section under "Investors" (Regulation 46 of SEBI (LODR) Regulations, 2015 and Other Disclosures), where shareholders' information is available and basic information about the company e.g. details of its business, Profile of Directors, Memorandum & Articles of Association, financial information, shareholding pattern, corporate governance, policies and code of conduct etc. The company also agrees to ensure that the contents of the said website are updated at any given point of time. The Company's Annual Report is also available in down loadable form.

The Company has total 9715 Shareholders as on 31st March, 2025. The main channel of communication to the shareholders is through its website as mentioned above, through the website of BSE Ltd., newspaper advt. and Annual Report, which includes inter alia, the Director's Report along with all annexures, Management Discussions & Analysis Report, Report on Corporate Governance, Audited Financial Statements (Standalone & Consolidated), Auditors' Report, E-voting instructions, etc. The Annual Report is also posted on the website of the Company viz. <https://www.patelsairtemp.com/investors/annual-reports>.

BSE Corporate Compliance & Listing Centre (Listing Centre):

BSE's Listing Centre viz. <https://listing.bseindia.com/home> is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, financial results, corporate governance report, investors & shares related matters, among others are also filed electronically on the Listing Centre and wherever required in XBRL form.

SEBI Complaints Redress System (SCORES):

Entities that receive complaints from investors on SCORES, resolve the complaint and submit an Action Taken Report (ATR) on SCORES within 21 calendar days of receipt of such complaint from April 01, 2024. The Complaint shall also be simultaneously forwarded to the concerned Designated Bodies who are responsible for ensuring of submission of ATR by the entities.

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In its continuous pursuit of protection of interests of investors in the securities market, SEBI has launched the new version of the SEBI Complaint Redress System (SCORES 2.0). The new version of SCORES strengthens the investor complaint redress mechanism in the securities market by making the process more efficient through auto-routing, auto-escalation, monitoring by the 'Designated Bodies and reduction of timelines. The new SCORES system has also been made more user friendly. SCORES is an online system where investors in securities market can lodge their complaints through web URL and an App. SEBI vide Circular with reference number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 had appointed the Designated Bodies and defined the roles and responsibilities of the SEBI regulated entities and the Designated Bodies. The website URL for SCORES 2.0 from April 01, 2024 is <https://scores.sebi.gov.in>. The salient features of SCORES 2.0 are as (i) Reduced and uniform timelines for redressal of investor complaints across the Securities Market i.e. 21 Calendar days from date of receipt of complaint. (ii) Introduction of auto-routing of complaints to the concerned regulated entity so as to eliminate time lapses, if any, in the flow of complaints. (iii) Monitoring of the timely redressal of the investors' complaints by the 'Designated Bodies'. (iv) Providing two levels of review: First review by the 'Designated Body' if the investor is dissatisfied with the resolution provided by the concerned regulated entity. Second review by SEBI if the investor is still dissatisfied after the first review. (v) Introduction of auto-escalation of complaint to the next level in case of non-adherence to the prescribed timelines by the regulated entity or the Designated Body as the case may be. (vi) Integration with KYC Registration Agency database for easy registration of the investor on to SCORES.

In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 20, 2023), introduced the Online Dispute Resolution ('ODR') Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System ('SCORES') platform.

The dispute resolution through the ODR Portal can be initiated when the complaint/dispute is not under consideration in terms of SCORES guidelines as applicable or not pending before any arbitral process, court, tribunal or consumer forum or are non-arbitrable in terms of Indian law (including when moratorium under the Insolvency and Bankruptcy Code is in operation due to the insolvency process or if liquidation or winding up process has been commenced against the Market Participant) or is against the Government of India / President of India or a State Government / Governor of a State.

Usage of Electronic Payment Modes for making payments to Investors:

In view of SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details such as Bank & Branch Name, MICR, IFSC codes etc. to the Company or its Registrar and Share Transfer Agents (R&T).

INVESTOR GRIEVANCE - Designated Exclusive email-id:

The Company has designated email Id viz. share@patelsairtemp.com exclusively for resolving investor grievance.

Green Initiative in Corporate Governance: Go Paperless

As part of the green initiative process, the company has taken an initiative of sending documents like Notice calling Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements (Standalone & Consolidated), Auditors' Report, E-voting instructions, dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses

are not registered with the Company and for the bounced-mail cases. Shareholders are requested to register their email id with **Bigshare Services Private Limited**, Registrar and Transfer Agent / **concerned depository** to enable the Company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

7. GENERAL SHAREHOLDERS INFORMATION:

(i) Day, Date & Time for 33rd Annual General Meeting

Day	:	Saturday
Date	:	27th September, 2025
Time	:	11.30 a.m. [Indian Standard Time ("IST")]
Venue	:	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

(ii) Financial Calendar (from 1/4/2025 to 31/3/2026) (Tentative) :

Results for quarter ended on 30/6/2025	On 2nd August, 2025
Results for quarter ending on 30/9/2025	On or before 14th November, 2025
Results for quarter ending on 31/12/2025	On or before 14th February, 2026
Audited Results for the year ending on 31/03/2026	On or before 30th May, 2026
AGM for the year ending on 31/3/2026	On or before 30th September, 2026

(iii) Record Date for payment of Dividend:

The Company has fixed and notified 19th September, 2025 as Record Date for determining the names of members eligible for payment of dividend on Equity Shares for the year ended on 31st March, 2025.

(iv) Dividend payment date:

The Dividend of Rs. 3.00 per share (@ 30 %) on 54,70,240 Equity Shares of Rs. 10/- each for the year ended on 31st March, 2025, if approved and declared, will be paid within 30 days from the date of Annual General Meeting.

(v) Listing on Stock Exchange & Payment of fees:

Name of Stock Exchange	:	BSE Limited
Address	:	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001
Stock Code Script Name	:	517417 PATELSAI
ISIN with NSDL & CDSL	:	INE082C01024

Listing fees up to the Financial Year 2025-26 has already been paid to the Stock Exchange. The Annual Custody/Issuer fee for the year 2025-26 has also been paid by the Company to NSDL and CDSL.

(vi) Corporate Identity Number (CIN) :

Corporate Identity Number as allotted by Ministry of Corporate Affairs is L29190GJ1992PLC017801 and Company is registered in the state of Gujarat.

(vii) Registrar & Share Transfer Agent & Change of Communication Address of RTA from Mumbai Office to Ahmedabad Office:

In terms of SEBI Circulars dated 27th December, 2002 & 12th March, 2003 on appointment of common agency for share registry works, the Company has appointed the below mentioned

Patels Airtemp (India) Limited

agency as Registrar & Share Transfer Agent (RTA), for both physical and demat segment of equity shares of the company, which provides all shareholders related services.

All investor/s/shareholders related services including Transfer, Transmission, Issue of Duplicate Share Certificates, Change of Address, Redressal of Investors Complaint, etc. are being handled by Ahmedabad Office of M/s. Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company as under instead of their Mumbai Office.

All Investors/ Shareholders are requested to contact at the above mention Ahmedabad Office of M/s. Bigshare Services Private Limited in addition to Mumbai Office.

Bigshare Services Private Limited	
Ahmedabad Office	Mumbai Office
A-802, Samudra Complex, Near Klassic Gold, Girish Cold Drink, Off C. G. Road, Navrangpura, Ahmedabad-380009, Gujarat Tel : 079 400 24135/079 40392570 Fax No: 0228475207 Email id :bssahd@bigshareonline.com Website :www.bigshareonline.com	Regd. Office : 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,Makwana Road, Marol, Andheri (E), Mumbai – 400 059 Website :www.bigshareonline.com Tele. No. (022) 62638200

The Company has submitted to BSE Limited Compliance Certificate on annual basis issued by RTA and Company Secretary that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar as per Regulation 7(3) of SEBI Listing Regulations.

Shareholding Details:

(i) Distribution of Shareholding as on 31st March, 2025:

No. of Equity Shares held	No. of Shareholders	% of total Shareholders	No. of Shares	% of Shareholding
1 – 500	9,225	93.22	7,27,066	13.29
501 – 1000	352	3.56	2,76,567	5.06
1001 – 2000	153	1.55	2,29,188	4.19
2001 – 3000	55	0.56	1,37,771	2.52
3001 – 4000	26	0.26	93,075	1.70
4001 – 5000	13	0.13	60,036	1.10
5001 – 10000	30	0.30	2,18,217	3.99
10001 & above	42	0.42	37,28,320	68.16
Total:	9,896	100.00	54,70,240	100.00

Shareholding pattern of the Company as on 31st March, 2025:

Category of Shareholders	No. of Equity Shares held	Percentage of total paid-up capital
A: PROMOTER & PROMOTER GROUP		
A1 : Promoters		
- Promoters	7,83,821	14.32
A2 : Promoter Group		
- Promoters' Relatives	2,57,575	4.71
- Group Company	13,62,512	24.91

Category of Shareholders	No. of Equity Shares held	Percentage of total paid-up capital
- LLP	69,442	1.27
- HUFs	67,300	1.23
Total A (A1 + A2) :	25,40,650	46.44
B : PUBLIC		
- Bodies Corporate	1,89,155	3.46
- NRIs	74,833	1.37
- Clearing Members	1,062	0.02
- Directors and their relatives (excluding Independent Directors)	2,300	0.04
- Key Managerial Personnel	1,050	0.02
- IEPF	58,558	1.07
- Indian Public	26,02,632	47.58
Total (B)	29,29,590	53.56
Total (A+B)	54,70,240	100.00

(viii) Dematerialization of Shares:

The Company's shares are under demat mode. The ISIN No. of the Company is INE082C01024. Members who are desirous of holding their shares in demat form are requested to apply to their Depository Participants in prescribed demat requisition form along with original share certificate. About 98.96 % of the total Equity Capital of the Company is held in demat form as on 31st March, 2025. 100 % shares held by the Promoters & Promoters' Group have been dematerialized.

(ix) Dividend History for last 19 years of the Company:

Financial year	Dividend Per Share (Rs.)
2006-07	Rs. 1.00 (10 %)
2007-08	Rs. 0.50 (5 % Interim Dividend) and Rs. 1.50 (15 % Final Dividend)
2008-09	Rs. 1.80 (18 %)
2009-10	Rs. 2.00 (20 %)
2010-11	Rs. 2.00 (20 %)
2011-12	Rs. 2.00 (20 %)
2012-13	Rs. 2.00 (20 %)
2013-14	Rs. 2.00 (20 %)
2014-15	Rs. 2.20 (22 %)
2015-16	Rs. 2.20 (22 %)
2016-17	Rs. 2.50 (25 %)
2017-18	Rs. 2.50 (25 %)
2018-19	Rs. 2.50 (25 %)
2019-20	Rs. 2.50 (25 %)
2020-21	Rs. 2.50 (25 %)
2021-22	Rs. 2.80 (28 %)
2022-23	Rs. 3.00 (30 %)
2023-24	Rs. 3.00 (30 %)
2024-25	Rs. 3.00 (30 %) (Recommended)

Patels Airtemp (India) Limited

(x) Plant Location(s):

The Company's plants/offices are located at:

Rakanpur Works	Dudhai Works	AC. Division Office:
Plot 805, 806, 807, 810 Rakanpur, Via: Sola-Bhadaj Village, Ta: Kalol, Dist. Gandhinagar - 382722 Gujarat.	Survey No.100, Village : Dudhai, Taluka : Kadi, Dist. Mehsana, Gujarat.	5thFloor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad – 380 009

Contact Person : Nikhil M. Patel, Company Secretary

Website: <http://www.pateslairtemp.com>

(xi) Nomination facility:

On March 16, 2023, SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 issued common and simplified norms for processing investor service requests by RTAs and for furnishing PAN, KYC details, and Nomination.

As per provisions of Section 72 of the Companies Act, 2013 and SEBI Circular, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at www.patelsairtemp.com under Investor Forms. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.

Nomination is a facility that enables an individual investor to nominate a person, who can claim the securities held by him/ her in their demat accounts in the event of demise of the investor. Investor get two options regarding Nomination for Demat Account:

Providing nomination in the specified format.

Opting out of nomination through prescribed declaration form.

Earlier the deadline for nomination/opting out of nomination for demat Account was December 31, 2023. This is further extended till June 30, 2024. If you do not nominate or opt out of nomination by June 30, 2024, your folios/demat account will be frozen.

(xii) Compliance Certificate of the Practicing Company Secretary:

The Certificate from the Practicing Company Secretary, CS Punit Lath, Company Secretary, Ahmedabad (Membership No. 26238 and COP No. 11139), confirming the compliance with the conditions of Corporate Governance by the Company during the year ended on 31st March, 2025 (financial year 2024-25) as stipulated under SEBI Listing Regulations, is attached to this Report.

On behalf of the Board of Directors

Date : 2nd August, 2025
Place : Rakanpur, Dist. Gandhinagar

Sanjivkumar N. Patel
Chairman & Managing Director
(DIN: 02794095)

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance, we hereby confirm that all Board Members and Senior Management Personnel (SMP) of Patels Airtemp (India) Ltd. including Chief Financial Officer (CFO) & Company Secretary (CS), being Key Managerial Personnel (KMP), have affirmed the compliance of Code of Business Conduct and Ethics of the Company during the financial year ended on 31st March, 2025 (2024-25).

Place: Rakanpur, Dist. Gandhinagar
Date: 24th May, 2025

Sanjivkumar N. Patel
Chairman & Managing Director
(DIN: 02794095)

Shivang P. Patel
Whole-time Director
(DIN: 08136652)

Patels Airtemp (India) Limited

CEO AND CFO CERTIFICATION

To,

The Board of Directors

Patels Airtemp (India) Limited

Rakanpur, Dist: Gandhinagar, Gujarat

We, Mr. Sanjivkumar N. Patel, Chairman & Managing Director and Mr. Kamlesh R. Shah, Chief Financial Officer (CFO) of the Company, in our respective capacities, certify that:

- A. We have reviewed the Financial Statements (Standalone) and Cash Flow Statement of Patels Airtemp (India) Limited for the year ended 31st March, 2025 and to the best of our knowledge and belief, we state that:
 - (1) these Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2025 are fraudulent, illegal or violative the Company's code of conduct.
- C. 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. We have not come across any reportable deficiencies in the design or operations of such internal controls.
- D. We have indicated to the auditors and the Audit Committee
 - (1) There has not been any significant change in internal control over financial reporting during the year under reference.
 - (2) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - (3) There are no instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date : 24th May, 2025

Place : Rakanpur, Gandhinagar

Sanjivkumar N. Patel

Chairman & Managing Director
(DIN: 02794095)

Kamlesh R. Shah

Chief Financial Officer
(CFO)

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

To,
The Members of
Patels Airtemp (India) Limited
Ahmedabad

I have examined the compliance of conditions of Corporate Governance by **Patels Airtemp (India) Limited** for the year ended on **March 31, 2025** as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and Clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (collectively referred to as '**SEBI Listing Regulations, 2015**').

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company.

My examination and verification of records was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representation made by the management of the Company, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 for the year ended March 31, 2025.

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

Punit Santosh Kumar Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139
Date: 02/08/2025

UDIN: A026238G000919889
ICSI Unique Code: I2012GJ946500
Peer Review Certificate No.: 6774/2025
Place: Ahmedabad

Patels Airtemp (India) Limited

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Board of Directors,
Patels Airtemp (India) Limited
CIN: L29190GJ1992PLC017801
5th Floor, Kalpana Complex,
Nr. Memnagar Fire Station,
Navrangpura, Ahmedabad – 380009.

I have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of the Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interest as required under Section 184 of the Act;

I have also examined the relevant registers, records, forms, returns and disclosures received from the Directors by **Patels Airtemp (India) Limited** having CIN: **L29190GJ1992PLC017801** and having registered office at **5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad – 380009**. (hereinafter referred to as '**the Company**') for the **Financial Year 2024-25 and Financial Year 2025-26**, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any such other Statutory Authority(ies).

List of Directors as on 31/03/2025

DIN	Name of Director	Designation	Date of Appointment	Date of Cessation
02794095	Sanjiv Narayanbhai Patel	Managing Director	30/09/2009	--
08136652	Shivang Prakashchandra Patel	Whole-time Director	01/06/2019	--
08197983	Apurva Vinubhai Shah	Whole-time Director	11/08/2018	--
00216585	Hareshkumar Ishwarlal Shah*	Independent Director	29/10/2005	30/08/2024
06532676	Rajendrakumar Chaturbhai Patel	Independent Director	10/08/2019	--
02813295	Naimish Bhanuprasad Patel	Independent Director	12/08/2023	--
07131341	Veenaben Bhupendra Patel**	Independent Director	30/03/2015	20/03/2025
10944244	Nidhi Yash Patel***	Independent Woman Director	29/03/2025	--

* Hareshkumar Ishwarlal Shah Ceased to be Director of the Company with effect from 30th August, 2024 due to completion of his second term as Independent Director of the Company.

** Veenaben Bhupendra Patel Resigned as Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025.

*** Nidhi Yash Patel appointed as a Director and as an Independent Woman Director of the Company (Non-executive Independent) w.e.f. 29th March, 2025.

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

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the Financial Year ended March 31, 2025.

Punit Santosh Kumar Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139
Date: 23/06/2025

UDIN: A026238G000647201
ICSI Unique Code: I2012GJ946500
Peer Review Certificate No.: 6774/2025
Place: Ahmedabad

ANNEXURE – C
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 during the financial year 2024-25 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;

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<p>(i) Yearly service charges of Rs. 4,69,500/- paid during the financial year 2024-25 to Mr. Amratbhai Patel, being the Contractor and Brother of Mrs. Vinaben B. Patel, Independent Director of the Company, towards manpower supplied by him for various jobs required for the Company's factories during the financial year 2024-25.</p> <p>(ii) Salary of Rs. 9,94,000/- lacs including other benefits as per Rules of the Company paid to Smt. Aartiben P. Patel, Officer (HRD) of the Company, part of Promoter Group and Mother of Mr. Shivang P. Patel, Whole-time Director & Promoter of the Company during the financial year 2024-25.</p> <p>No amount was paid as advance to above Related Parties during the financial year 2024-25.</p> <p>The above Related Party Transactions for the financial year 2024-25 have been duly approved (prior approval) by the Audit Committee and Board of Directors at their respective meetings held on 10th February, 2024.</p> <p>Since no material related party transactions were entered into by the Company during the financial year 2024-25, approval of Shareholders was not required.</p>
b)	Nature of contracts/arrangements / transaction	
c)	Duration of the contracts/arrangements/ transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	

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

Sr. No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	There were no material contracts or arrangements or transactions at arm's length basis entered into by the Company with related parties during the year ended on 31st March, 2025 (2024-25).
b	Nature of contracts/ arrangements/ transaction	
c	Duration of the contracts/ arrangements/ transaction	
d	Salient terms of the contracts or arrangements or transaction including the value, if any	
e	Date of approval by the Board	
f	Amount paid as advances, if any	

On behalf of the Board of Directors

Sanjivkumar N. Patel

Chairman & Managing Director
(DIN: 02794095)

Date : 2nd August, 2025

Place : Rakanpur, Dist. Gandhinagar

ANNEXURE – D

Details of particulars under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended on 31st March, 2025 are given as under:

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

A) CONSERVATION OF ENERGY:

The main source of energy is power. Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. Uses of natural lights are resorted at factory premises to save energy. The Company is also looking forward, in adopting the technology by which consumption of energy can reduce and also promote the usage of natural sources of energy.

Company has added 4 nos. Submerged Arc Welding Machine with latest energy efficient technology and will scrape old technology machines. By renovating Heat Treatment Furnace, oil consumption will be reduced.

As part of Green Initiative, the Company has installed 130 KW Rooftop PV Solar Power Plant after getting required permissions from Govt. Authorities and UGVCL (Power Distribution Company in Local Area). The Solar Plant has generated 1,16,388 Units of Energy in F.Y. 2024-25. With installation of this plant, company is contributing significantly in CO2 emission reduction.

The Solar Plant being a stationary item renders almost negligible maintenance cost and has long life of around 25 years.

B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION:

The particulars as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) (A) of the Companies (Accounts) Rules, 2014 with respect to Research & Development and Technology Absorption are given hereunder:

(1) Research & Development (R & D)

The Company has established a well-equipped testing & NDE laboratory with the number of sophisticated instruments for testing and non-destructive examination related to the product being manufactured.

Along with development of product design and product manufacturing application, the Company in its tenure of 52+ years continuously upgraded quality and product system by acquiring world's most recognized system like ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ASME (U2, U, S-Stamps).

The Company is having Quality Management System as per ISO 9001-2015 certification from TUV-SUD and Certificate for Environment Management System as per ISO 14001:2015 and Occupational Health and Safety (OH&S) Management System as per ISO 45001:2018 from TUV-NORD.

The Company's products have ASME (American Society of Mechanical Engineers-USA) "U", "U2" and "S" Stamp authorization. The Company is also having "NB" and "R" Stamp. In financial year 2024-25, the Company has Canadian Registration Number (CRN) and Pressure Equipment Directive (PED) jobs. The Pressure Equipment Directive is a European Union Directive (2014/68/EU) that sets standards for the design, manufacturing, and conformity assessment of pressure equipment.

The Company is also a member of HTRI (Heat Transfer Research, Inc, U.S.A.) for updating Heat Transfer Technology.

Due to "U"/"U2"/"S" Stamp authorization, it is expected to improve the Quality of the products/ equipment of the Company and to achieve higher growth and profitability of the Company in future.

The Company has also licensed software of ANSYS, CREO, PVelite, Nozzle Pro and TEKLA for product development.

(2) Technology Absorption, Adaptation & Innovation

Updating of Technology is a Continuous process, which is absorbed implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Engineering Industry.

The Company has invested / made addition about Rs. 125.16 Lakhs in Plant & Equipment during the financial year 2024-25 to upgrade high tech equipment and to increase built up area. The Company has HTRI Membership agreement for Category - II for latest technology in Heat Transfer from U.S.A. To increase productivity, Company has invested in high tech Finning Machine. In-house, systems and operations are being innovated for better quality and to perform up to customers' requirement.

C) FOREIGN EXCHANGE EARNING AND OUTGO:

The details of Foreign Exchange Earnings and Outgo by the Company during the year ended 31st March, 2025 (2024-25) are as under:

CIF value of Imports: Rs. 1762.60 Lacs as against Rs. 2138.85 Lacs in previous year.

Expenditure in Foreign Currency: Rs. 196.21 Lacs as against Rs. 147.56 Lacs in previous year

Earning in Foreign Exchange: Rs. 2274.99 Lacs as against Rs. 525.32 Lacs in previous year

On behalf of the Board of Directors

Date : 2nd August, 2025

Place : Rakanpur, Dist. Gandhinagar

Sanjivkumar N. Patel

Chairman & Managing Director
(DIN: 02794095)

ANNEXURE – E
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES
FOR THE YEAR 2024-25

1. Brief outline on CSR Policy of the Company:

The Board of Directors has adopted a CSR Policy which lays down the guidelines for undertaking various CSR programmes for development and promotion of the society. CSR Policy of the Company has been revised w.e.f. 19th June, 2021 as recommended by CSR Committee and approved by the Board of Directors pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. The revised CSR Policy has been uploaded on the Company's web-site <https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/corporate-social-responsibility-policy.pdf>. The concept of CSR has gained prominence from all avenues. The Company believes that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, customers and society in which it operates and formulated CSR Policy. CSR means not only investment of funds for social activities but also integration of business process with social processes.

The policy also indicates the activities to be undertaken by the Company within the broad framework of Schedule VII of the Companies Act, 2013, as in force and as amended from time to time which includes promotion of educational and employment enhancing vocational skills and education of underprivileged children, social development/services, promotion of healthcare, including preventive health care i.e. for medical treatment, rehabilitation and sanitation and disaster management, environmental sustainability, rural development project, eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups and such other activities and programs as recommended by CSR committee from time to time.

2. Composition of CSR Committee and Meetings:

During the financial year 2024-25, 2 (Two) CSR Committee Meetings of the Company were held on 24th May, 2024 and 1st March, 2025.

Attendance of Members at the CSR Committee Meetings held as above are as under:

Sr. No.	Name of Member (Director)	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Hareshkumar I. Shah #	Chairman of Committee (Non-Executive Independent Director)	2	1
2.	Mr. Rajendrakumar C. Patel @	Member of Committee (Non-Executive Independent Director)	2	1
3.	Mr. Naimish B. Patel *	Chairman of Committee (Non-Executive Independent Director)	2	2

Sr. No.	Name of Member (Director)	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
4.	Mrs. Vinaben B. Patel \$	Member of Committee (Non-Executive Independent Director)	2	2
5.	Mrs. Nidhi Y. Patel ^	Member of Committee (Non-Executive Independent Director)	2	NA

Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be an Independent Director of the Company and consequently as a Chairman of CSR Committee of the Board w.e.f. 30th August, 2024 due to completion of 2nd term as Independent Director of the Company.

@ Mr. Rajendrakumar C. Patel (DIN: 06532676), an Independent Director, appointed as a Member of CSR Committee w.e.f. 3rd August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585).

* Mr. Naimish B. Patel (DIN: 02813295), an Independent Director, appointed as a Chairman of CSR Committee w.e.f. 30th August, 2024 in place of Mr. Hareshkumar I. Shah (DIN: 00216585).

\$ Mrs. Veenaben B. Patel (DIN: 07131341), Independent Director, ceased to be a Member of CSR Committee w.e.f. 20th March, 2025, due to her resignation as an Independent Director of the Company w.e.f. 20th March, 2025.

^ Mrs. Nidhi Yash Patel (DIN: 10944244) has been appointed as a Member of CSR Committee of the Board w.e.f. 29th March, 2025 upon her appointment as an Additional Director and Independent Director of the Company w.e.f. 29th March, 2025.

3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:

Web-link for:

- Composition of CSR Committee:

<https://www.patelairtemp.com/pdf/policies-and-code-of-conduct/composition-of-various-committees-of-board.pdf>

- CSR Policy and CSR Projects approved by the Board:

<https://www.patelsairtemp.com/pdf/policies-and-code-of-conduct/corporate-social-responsibility-policy.pdf>

Patels Airtemp (India) Limited

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable

(Rs. In Lacs)

5	(a)	Average net profit of the Company as per section 135(5) (financial year 2023-24, 2022-23 and 2021-22:	1744.45
	(b)	Two percent of average net profit of the Company as above as per section 135(5):	34.89
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	NIL
	(d)	Amount required to be set off for the financial year, if any Excess amount spent for the financial year 2023-24 and available for set off in financial year 2024-25	0.26
	(e)	Total CSR obligation for the financial year 2024-25 (b)+(c)-(d)	34.63

(Rs. In Lacs)

6	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) for the financial year 2024-25.	35.09
	(b)	Amount spent in Administrative Overheads.	NIL
	(c)	Amount spent on Impact Assessment, if applicable.	NIL
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	35.09

(e) CSR amount spent or unspent for the financial year 2024-25:

Total Amount Spent for the Financial Year 2024-25 (Rs. in Lacs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of Fund	Amount	Date of Transfer
35.09	Nil	--	--	Nil	--

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

Sr. No.	Particulars	Amount (Rs. in Lacs)
(i)	Two percent of average net profit of the Company as per section 135(5)	34.89
(ii)	Amount required to be set off for the financial year 2023-24	0.26
(iii)	Total amount required to be spent in the financial year 2024-25	34.63
(iv)	Total amount spent for the Financial Year 2024-25	35.09
(v)	Excess amount spent for the financial year 2024-25 [(i)-(ii)-(i)]	0.46
(vi)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	NIL
(vii)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.46

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Balance amount in Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso of section 135(5), if any		Amount remaining to be spent in succeeding financial years (in Rs.)		Deficiency, if any
					Amount (in Rs.)	Date of transfer			
1	2023-24	NIL	--	--	NIL	--	--	--	--
2	2022-23	NIL	--	--	NIL	--	--	--	--
3	2021-22	NIL	--	--	NIL	--	--	--	--

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: NIL

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

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

Date : 24th May, 2025

Place : Rakanpur, Gandhinagar

Sanjivkumar N. Patel
Chairman & Managing
Director
(DIN: 02794095)

Naimishbhai B. Patel
Chairman of CSR
Committee
(DIN: 02813295)

ANNEXURE – F

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Patels Airtemp (India) Limited

(CIN: L29190GJ1992PLC017801)

5th Floor, Kalpana Complex, Near Memnagar Fire Station

Navrangpura, Ahmedabad, Gujarat – 380009

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Patels Airtemp (India) Limited** (herein after called “**the Company**”) for the year ended **31st March, 2025**.

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (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 - **There was no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings by the Company during the year under review and hence the provisions in respect of the said matters are not applicable to the Company;**
- (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) 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, 2018 and amendments from time to time; **(Not applicable, as the Company has not issued any shares, Securities);**

- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - ***(Not applicable, as the Company has not issued any shares/ options to directors/ employees under the said guidelines / regulations during the year under review);***
- (e) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;- ***(Not applicable, as the Company has not issued any debt securities which were listed during the year under review);***
- (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 – ***(Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review);***
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; – ***(Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review);***
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – ***(Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review): and***
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited, and SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (effective 1st December, 2015).

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

In respect to other specific laws applicable to the Company, as per information provided by Company and as per the confirmation of Compliances placed before the Board of Directors and verified by me on Test Check basis, I confirm existence of proper compliance management system in respect of industries specific laws applicable as under:

- (1) Water (Prevention & Control of Pollution) Act 1974 and Rules, 1975
- (2) The Air (Prevention & Control of Pollution) Act 1981 and Rules, 1982
- (3) The Hazardous Wastes (Management & Handling) Rules 1989, as amended up to 2008,
- (4) Noise Pollution (regulation & control) Rules 2000 as are specifically applicable to the Company.
- (5) Environment (Protection) Act, 1986 and Rules, 1986
- (6) Micro, Small and Medium Enterprises Development Act, 2006 (MSME) and Rules and Regulations made thereunder

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive and Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act as mentioned hereunder.

Patels Airtemp (India) Limited

- (ii) 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, 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.
- (iii) All the decisions of the Board and Committees thereof were carried through unanimously/requisite majority. Dissenting members' views were not required to be captured and recorded as part of the minutes, as there was no such instance.

I further report that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, standards etc.

I further report that during the audit period, the Company has following specific events/actions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- 1) Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be an Independent Director of the Company upon completion of his second term as Independent Director of the Company with effect from 30th August, 2024. Consequently, Mr. Hareshkumar I. Shah also ceased to be a Chairman of Audit Committee (AC), Nomination & Remuneration Committee (NRC), Stakeholders Relationship Committee (SRC) and Corporate Social Responsibility (CSR) Committee of the Board w.e.f. 30th August, 2024.
- 2) Mr. Rajendrakumar C. Patel (DIN: 06532676) appointed as a member of AC, NRC, SRC and CSR Committees of the Board w.e.f. 3rd August, 2024.
- 3) Mr. Naimish B. Patel (DIN: 02813295), an Independent Director, was appointed as a Chairman of AC, NRC, SRC and CSR Committees of the Board w.e.f. 30th August, 2024.
- 4) Smt. Veenaben B. Patel (DIN: 07131341), Independent Woman Director, resigned as a Director of the Company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025. She resigned as a Director of the Company (Non-Executive & Independent Director) due to health issue and confirmed that there were no other material reasons for her resignation other than health issue. Smt. Veenaben B. Patel (DIN: 07131341) also ceased to be a Member of AC, NRC, SRC and CSR Committees of the Board w.e.f. 20th March, 2025.
- 5) Mrs. Nidhi Yash Patel (DIN: 10944244) appointed as a Director and as an Independent Woman Director of the Company, not liable to retire by rotation, for a first term of 5 years from 29th March, 2025 up to 28th March, 2030. Mrs. Nidhi Yash Patel has also been appointed as a Member of AC, NRC, SRC and CSR Committees of the Board w.e.f. 29th March, 2025.
- 6) In respect of Settlement Application filed with SEBI in the matter of Show Cause Notice No. SEBI/HO/EAD-8/SKV/VC /36027 / 2023 Dated September 01, 2023 (SCN) related to disclosures made in Explanatory Statement annexed to Notice Calling Extra Ordinary General meeting dated 8th October, 2022, for Shares issued and allotted to the Promoters and Promoter Group under Preferential Issue made by the Company, the Company has accepted for payment of Settlement charges of Rs. 28,53,180 /- (Rupees Twenty-Eight Lakh Fifty-Three Thousand One Hundred Eighty Only). The Company has made the payment of same and has settled the charges.
- 7) SEBI has issued Show Cause Notice under Sections 11,11(4A), 11B (1) and 11B (2) read with Section 15H of the Securities and Exchange Board of India Act, 1992 and Regulation 32 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 in the matter of M/s Patels Airtemp (India) Limited (PAIL) to Late Shri Narayanbhai G. Patel together with Mr. Sanjiv Narayanbhai Patel and Mr. Shivang Prakashchandra Patel (being persons acting in concert and other PACs forming part of the Promoter Group of PAIL) for indirect acquisition of shares of PAIL in excess of the prescribed limits by purchase of shares of Therm Flow Engineers Private Limited (TFEPL),

resulting in control over TFEPL and thereby, indirectly acquisition of 26.91% of the shares of PAIL. The PACs have replied to the SEBI in this regard.

Meanwhile, the Promoters and Promoter Group have duly replied to the above mentioned SCN dated 21st October, 2024 received from SEBI and also appeared before SEBI for hearing against the said SCN and thereafter submitted with SEBI written submission.

PREFERENTIAL ISSUE OF SHARES

Regarding Interlocutory Application (IA) No. IA/69(AHM)2022 in No. IA/68(AHM)2022 read with Company Petition (CP) No. 58/(AHM)2018 filed by one Mr. Bhavesh D. Narumalani (Applicant) vs. Therm Flow Engineers Private Limited (Respondent) with National Company Law Tribunal (NCLT), Ahmedabad Bench, with regards to approval of the Shareholders received at the Extraordinary General Meeting ("EGM") of the members of the company held on 8th October, 2022 for the Preferential Issue of 4,00,000 Equity Shares of face value of Rs. 10/- each of the Company for cash at a premium of Rs. 222/- per share aggregating to Rs. 9,28,00,000/- issued and allotted to the Promoters and Promoter Group on 16th November, 2022, wherein the Hon'ble NCLT, Ahmedabad Bench had observers that in case any resolution is passed in the EGM of the Company which is ultimately affecting the rights of the Applicant herein, it is subject to outcome of the above referred IA and main CP.

In this regard, Company has received the Final Order of Hon'ble NCLT, Ahmedabad Bench dated 3rd February, 2025 on 13th February, 2025 wherein Hon'ble NCLT, Ahmedabad Bench has not granted any interim relief to the Applicant Mr. Bhavesh D. Narumalani and has dismissed the Company Petition No. 58 of 2018 (CP) and the Interlocutory Application No. 68 of 2022 (IA). As a result, resolutions passed in the Extraordinary General Meeting (EGM) dated 8th October, 2022 which was subject to the outcome of the above referred IA and main CP is passed and is not subject to any outcome of the Petition filed by the applicant.

Meanwhile, the Company has already received listing and trading approval from BSE Ltd. vide its letter No. LOD/PREF/TP/CP/13646/2022-23, dated 1st December, 2022 for trading of 4,00,000 Equity Shares of Rs. 10/- each effective from 2nd December, 2022.

However, Mr. Bhavesh D. Narumalani has filed appeal and also filed an application before NCLAT, New Delhi, seeking urgent interim relief including stay of the aforesaid Order dated 3rd February, 2025 passed by the NCLT, Ahmedabad Bench.

Punit Santosh Kumar Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139
Date: 23/06/2025

UDIN: A026238G000647199
ICSI Unique Code: I2012GJ946500
Peer Review Certificate No.: 6774/2025
Place: Ahmedabad

Please note that the Secretarial Audit Report is to be read with our letter of even date attached as Annexure to the report and letter also forms the integral part of report.

Patels Airtemp (India) Limited

“ANNEXURE” to the Secretarial Audit Report

To,
The Members,
Patels Airtemp (India) Limited
(CIN: L29190GJ1992PLC017801)
5th Floor, Kalpana Complex, Near Memnagar Fire Station,
Navrangpura, Ahmedabad, Gujarat – 380009

Dear Sir,

My Secretarial Audit Report of even date for the Financial Year ended on March 31, 2025 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India (ICSI).
4. I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents and records procedures on test check basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
7. 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.
8. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.

Punit Santosh Kumar Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139
Date: 23/06/2025

UDIN: A026238G000647199
ICSI Unique Code: I2012GJ946500
Peer Review Certificate No.: 6774/2025
Place: Ahmedabad

Annexure - G
PARTICULARS OF REMUNERATION

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(A) The 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 percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) in the financial year 2024-25:

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	Remuneration paid during the financial year 2024-25 (Rs. in Lacs)	% Increase in Remuneration of Directors, CFO & CS over previous year	Ratio/Times per Median of Employee Remuneration
1	Sanjivkumar N. Patel @	Chairman & Managing Director	61.90	25.03	14.37
2	Shivang P. Patel \$	Whole-time Director	64.18	21.51	14.90
3	Apurva V. Shah ^	Whole-time Director	41.91	16.16	9.73
4	Kamlesh R. Shah	Chief Financial Officer (CFO)	16.39	8.40	3.81
5	Nikhil M. Patel	Company Secretary (CS)	16.67	4.58	3.87

@ Salary of Mr. Sanjivkumar N. Patel (DIN: 02794095), Chairman & Managing Director of the Company, has been increased from Rs. 4,00,000/- per month to Rs. 5,50,000/- per month plus perquisites and allowances for the period from 3rd August, 2024 to 19th May, 2026.

\$ Salary of Mr. Shivang P. Patel (DIN: 08136652), Whole-time Director of the Company, was increased from existing Rs 4,00,000/- per month to Rs. 5,50,000/- per month plus perquisites and allowances for the period from 3rd August, 2024 to 31st May, 2025.

^ Mr. Apurva V. Shah (DIN: 0008197983) has been re-appointed as Whole-time Director of the Company with payment of remuneration by way of Salary of Rs. 3,60,000/- per month (increased from Rs. 2,90,000/- per month) plus Perquisites and Allowances for the period of 3 years from 11th August, 2024 up to 10th August, 2027.

Note: The Company does not pay any remuneration to the Independent Directors of the Company except sitting fees for attending Board Meetings.

(B) Median Remuneration for Financial Year 2024-25 is Rs. 4.31 Lakhs.

- (C) The Median Remuneration of employees in the Financial Year 2024-25 decreased by 8.99 % as compared to Financial Year 2023-24. (Decreased due to increase / decrease in permanent employees in the Company during the year).
- (D) The number of permanent employees & workers on pay rolls of Company: Total 206 employees & workers

Patels Airtemp (India) Limited

- (E) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase / decrease in the salaries of employees other than the managerial personnel in the financial year i.e. 2024-25 was 3.48 % whereas increase in the salaries of Whole-time Directors and Managing Director for the same financial year was 29.27 %.

- (F) **Affirmation:** The Company affirms that the remuneration of the Whole-time Directors and Managing Director and Employees of the Company are as per the remuneration policy of the Company.
- (G) None of the employees of the Company including Managing Director and Whole-time Directors of the Company are in receipt of remuneration in excess of limit as provided in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time). As such the statement of particulars of employees is not annexed with this report.
- (H) The Statement of particulars of top ten employees as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 (as amended from time to time), in terms of remuneration drawn and other particulars of the employees as set out in the said Rules forms part of this report. Further, the Annual Report is being sent to the shareholders excluding the aforesaid statement. In terms of Section 136 of the Companies Act, 2013, the said statement is open for inspection by the shareholders. Any shareholder, who is interested in obtaining these details, may also write to the Company Secretary to email id at share@patelsairtemp.com.

On behalf of the Board of Directors

Date : 2nd August, 2025
Place : Rakanpur, Dist. Gandhinagar

Sanjivkumar N. Patel
Chairman & Managing Director
(DIN: 02794095)

INDEPENDENT AUDITOR'S REPORT

TO,

**THE MEMBERS OF
PATELS AIRTEMP (INDIA) LIMITED**

Report on the Audit of the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone IND AS financial statements of **PATELS AIRTEMP (INDIA) LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA's") 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone IND AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone IND AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter:

Description of Key audit Matter	Our response and results
<p>REVENUE (Refer note 61) to the standalone Ind AS financial statements).</p> <p>Revenue of the company comprises of sale of extensive range of Heat Exchangers such as Shell & Tube Type, Finned Tube Type and Air-Cooled Heat Exchangers, Pressure Vessels, Air-conditioning and Refrigeration equipments and Turnkey HVAC Projects in India & marketing of equipments in and outside India.</p> <p>Revenue recognition is a significant audit risk across the company. Specifically, there is a risk that revenue is recognized on sale of goods before the control in the goods is transferred.</p>	<p>Our key audit procedures to assess the recognition of revenue on sale of goods included the following:</p> <ul style="list-style-type: none"> We assessed the appropriateness of the Company's revenue recognition policies, including those related to discounts and incentives; We obtained an understanding of process and assessed the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition from sale of goods. We also tested the Company's controls over timing of revenue recognition; We also tested, on a sample basis, whether specific revenue transactions around the year end had been recognized in the appropriate period on the basis of the terms of sale of the contract, particularly with reference to the transfer of control in the goods in question with regard to the year end transactions. <p>We inspected key customer contracts/ purchase orders to identify terms and conditions related to acceptance of goods and the right to return and assessing the Company's revenue recognition policies with reference to the requirements of the prevailing accounting standards;</p>

Emphasis of Matters:

- The balance confirmation from the suppliers and customers have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables and trade payables have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties. (Refer to note no.37 of notes forming part of Standalone Ind AS Financial Statements.)**

Our opinion is not modified on the above matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual

Report, but does not include the standalone IND AS financial statements and our auditor's report thereon.

Our opinion on the standalone IND AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone IND AS 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 standalone IND AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone IND AS 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 Board of Directors 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 Standalone IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone IND AS 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 standalone IND AS financial statements.

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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on

Patels Airtemp (India) Limited

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 standalone IND AS financial statements, including the disclosures, and whether the standalone IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act as amended, In our Opinion and to the best our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act read with schedule V of the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued

by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 3(h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c) The standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the IND AS 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 adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

- g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3(b) above on reporting under Section 143(3)(b) of the Act and paragraph 3(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- 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 the standalone Ind AS Financial Statements (Refer Note No 32 to the Standalone Ind AS 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("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;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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;
 - (c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) (a) The final dividend proposed in the previous year, declared and paid by the company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the company have proposed final dividend for the year which is subject to the approval of the members at the ensuing annual general meeting. The amount of dividend proposed is in accordance with section 123 of the act, as applicable.
- (vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining

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its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same operated throughout the year for all relevant transaction recorded in the software except for the instances mentioned below:

1. In respect of Rakanpur Plant & Bombay office Location, the Security feature was not enabled for period 1st April, 2024 to 25th May, 2024 and 1st April, 2024 to 31st March, 2025 respectively.

2. In respect of Kalpana office at Ahmedabad Location, the books of account does not have feature of recording audit trail (edit log) facility.

Further, during the course of our audit, we did not come across any instances of audit trail feature being tampered with from the date of its maintenance. The audit trail has been preserved by the Company as per the statutory requirements for record retention.

For, Parikh & Majmudar

Chartered Accountants
Firm's Registration No. 107525W

CA Satwik A. Durkal

Partner
Membership No. 107628
UDIN: 25107628BMHGBJ7355

Place: Ahmedabad
Date: 24th May, 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PATELS AIRTEMP (INDIA) LIMITED of even date)

With reference to the Annexure A, referred to in the Independent Auditors Report to the members of the Company on the Standalone IND AS financial statements for the year ended on 31st March 2025, we report following:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, the property, plant and equipment are physically verified in a phased manner by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties including the self-constructed property are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. As explained to us, there were no discrepancies of 10% or more in aggregate for each class on physical verification of inventory as compared to the book records.
- (b) The Company has been sanctioned working capital limits (including fund based and non-fund-based limits) in excess of Rs. Five crores in aggregate from banks on the basis of security of the current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements) filed by the Company with such banks are in agreement with the books of account of the Company of the respective quarters, except for the followings:

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For the Quarter	Name of Bank	Nature of the Current Assets	Nature of discrepancy	Amount as per Unaudited Books of Accounts (in Lakhs)	Amount as per Quarterly Return & Statements (in Lakhs)	Amount of Difference (in Lakhs)	Remarks including subsequent rectification, if any
June 2024	Bank of Baroda and Axis Bank Limited	Inventory – Raw Material	As informed by the management, At the time of final submission of stock of raw material to the bank certain invoices from the suppliers were pending. The same were received and posted in the books of accounts at the time of finalization of books of accounts for the quarter. Hence, there is a difference.	3209.72	2955.03	254.68	No Revised Statement filed by the Company.
June 2024	Bank of Baroda and Axis Bank Limited	Inventory – Tools	As informed by the management to us, The company is not required to submit the stock of tools to the bank. Hence, there is a difference.	12.76	NIL	12.76	No Revised Statement filed by the Company.
September 2024	Bank of Baroda and Axis Bank Limited	Inventory – Tools	As informed by the management to us, The company is not required to submit the stock of tools to the bank. Hence, there is a difference.	8.51	NIL	8.51	No Revised Statement filed by the Company.
December 2024	Bank of Baroda and Axis Bank Limited	Inventory – Tools	As informed by the management to us, The company is not required to submit the stock of tools to the bank. Hence, there is a difference.	6.11	NIL	6.11	No Revised Statement filed by the Company.

For the Quarter	Name of Bank	Nature of the Current Assets	Nature of discrepancy	Amount as per Unaudited Books of Accounts (in Lakhs)	Amount as per Quarterly Return & Statements (in Lakhs)	Amount of Difference (in Lakhs)	Remarks including subsequent rectification, if any
March 2025	Bank of Baroda and Axis Bank Limited	Inventory – Raw Material	As informed by the management, At the time of final submission of stock of raw material to the bank certain invoices from the suppliers were pending. The same were received and posted in the books of accounts at the time of finalization of books of accounts. Hence, there is a difference.	2161.39	2063.69	97.70	No Revised Statement filed by the Company.
March 2025	Bank of Baroda and Axis Bank Limited	Inventory – Tools	As informed by the management to us, The company is not required to submit the stock of tools to the bank. Hence, there is a difference.	7.07	NIL	7.07	No Revised Statement filed by the Company.

- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii) (a) (A), (B), (b), (c), (d) (e) and (f) of the order are not applicable
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any investment or given guarantee or security during the year under review. Accordingly, clause 3(iv) of the order is not applicable. .
- v. The Company has not accepted any deposits from the public during the year under review.
- vi. We have broadly reviewed the books of accounts maintained by the company in respect of products where pursuant to the rules made by the Central Government of India, the maintenance of Cost records has been prescribed under sub section (1) of section 148 of Companies Act, 2013, we are of the opinion that prima facie, the prescribed accounts & records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) The company does not have liability in respect of Service Tax; Duty of excise, Sales tax and value added tax during the year since effective 1st July 2017; these statutory dues has been subsumed in to Goods & Service Tax.
- Accordingly, clause 3(v) of the Order is not applicable.

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According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESIC, income-tax, duty of customs, Goods & Service Tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, ESIC, income tax, duty of customs,

Goods & Service Tax, cess and other material statutory dues were in arrears as at 31st March 2025 for a period of more than six months from the date it became payable.

- (b) According to the information and explanations given to us, there are no material dues of Sales tax, Duty of Customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax & Goods & Service Tax have not been deposited by the company on account of Dispute:

Sr. No	Name of the statute	Nature of Dues	Financial year to which it relates	From where the dispute is pending	Amount in lakhs (net of payment)
1.	Income Tax Act, 1961	Income Tax	2017-18	National Faceless Appeal Centre	6.48
2.	Income Tax Act, 1961	Income Tax	2022-23	National Faceless Appeal Centre	0.96
3.	Goods & Service Tax	GST	2019-20	Dy. Commissioner of State Tax, State GST Appeals	7.50

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. (a) According to information & explanations given to us, the company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and hence, reporting

under clause 3(ix)(c) of the Order is not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on overall examination of the records of the company, we report that the company has not taken any funds from any entity or person account of or to meet the obligations of its subsidiaries and therefore, reporting under clause 3(ix)(e) of the order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the

- year on the pledge of securities held in its subsidiaries, and therefore, clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Accordingly, clause 3(x)(b) of the order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not required.
- xiii. According to the information & explanation given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transaction have been disclosed in the Standalone Financial statements as required by applicable accounting standards.
- xiv. (a) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, 3(xvi)(a) and 3(xvi) (b) of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve bank of India. Accordingly, 3(xvi)(c) of the Order is not applicable.
- (c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us, On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists

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as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get

discharged by the Company as and when they fall due.

- xx. The company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a fund specified in schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, clause 3(xx) of the Order is not applicable for the year.

For, Parikh & Majmudar

Chartered Accountants
Firm's Registration No. 107525W

CA Satwik A. Durkal

Partner
Membership No. 107628
UDIN: 25107628BMHGBJ7355

Place: Ahmedabad
Date: 24th May, 2025

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 3(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of PATELS AIRTEMP (INDIA) LIMITED of even date)

Report on the Internal Financial Controls with reference to the standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to standalone financial statements of **PATELS AIRTEMP (INDIA) LIMITED** (the “Company”) as of March 31, 2025 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on

Audit of Internal Financial Controls with reference to standalone financial statements (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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.

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

Meaning of Internal Financial Controls with reference to standalone Ind AS Financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and

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the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to the standalone financial statements, including the possibility

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to the standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to the standalone financial statements issued by the ICAI.

For, Parikh & Majmudar

Chartered Accountants
Firm's Registration No. 107525W

CA Satwik A. Durkal

Partner
Membership No. 107628
UDIN: 25107628BMHGBJ7355

Place: Ahmedabad
Date: 24th May, 2025

STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2025

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
	ASSETS			
1	Non-current assets			
a)	Property, plant and equipment	3(A)	4,349.05	4,476.87
b)	Capital work-in-progress	3(B)	42.75	-
c)	Intangible assets	3(C)	8.46	47.44
d)	Financial Assets		-	-
	Investments	4	-	-
	Trade Receivables	4a	75.22	143.78
	Loans	5	-	-
	Other financial assets	6	302.29	262.17
e)	Deferred tax assets (Net)	19	-	51.96
f)	Other Non-Current assets	7	5.12	12.40
	TOTAL NON-CURRENT ASSETS		4,782.89	4,994.62
2)	Current assets			
a)	Inventories	8	11,514.35	16,955.86
b)	Financial Assets			
(i)	Trade receivables	9	9,397.50	10,639.19
(ii)	Cash and cash equivalents	10	2,747.40	440.58
(iii)	Bank balances other than (ii) above	11	14.28	14.26
(iv)	Other Financial assets	12	1,530.76	1,467.95
c)	Current tax assets (net)	13	243.61	-
d)	Other current assets	14	600.75	2,606.34
	TOTAL CURRENT ASSETS		26,048.65	32,124.19
	TOTAL ASSETS		30,831.54	37,118.81
	EQUITY & LIABILITIES :			
	EQUITY:			
a)	Equity Share capital	15	547.02	547.02
b)	Other Equity	16	15,194.88	13,725.45
	TOTAL EQUITY		15,741.90	14,272.47
	LIABILITIES :			
1)	Non-Current Liabilities			
a)	Financial Liabilities			
	Borrowings	17	1,509.71	1,529.67
b)	Provisions	18	44.38	37.46
c)	Deferred tax liabilities (Net)	19	152.61	-
d)	Other Financial Liabilities	19a	4.20	5.00
	TOTAL NON-CURRENT LIABILITIES		1,710.90	1,572.13
2)	Current liabilities			
a)	Financial Liabilities			
(i)	Borrowings	20	7,487.31	7,735.30
(ii)	Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	21	547.64	1,854.14
	Total outstanding dues of creditors other than micro enterprises and small enterprises	21	1,957.24	5,524.03
(iii)	Other Financial Liabilities	21a	178.08	157.60
b)	Other current liabilities	22	3,169.64	5,691.35
c)	Provisions	23	38.84	26.09
d)	Current Tax Liabilities (net)	23a	-	285.69
	TOTAL CURRENT LIABILITIES		13,378.75	21,274.20
	TOTAL LIABILITIES		15,089.65	22,846.33
	TOTAL EQUITY AND LIABILITIES		30,831.54	37,118.81

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For, **PARIKH & MAJUMDAR**

Chartered Accountants

Firm's Registration No. 107525W

UDIN: 25107628BMHGBJ7355

CA Satwik A. Durkal

Partner

Membership No.107628

PLACE: AHMEDABAD

DATE: 24th May, 2025

For and on behalf of the Board of Directors

Patels Airtemp (India) Limited

Sanjivkumar N. Patel

Chairman & Managing Director

DIN : 02794095

Kamlesh R. Shah

Chief Financial Officer

PLACE: AHMEDABAD

DATE: 24th May, 2025

Shivang P. Patel

Whole Time Director

DIN : 08136652

Nikhil M. Patel

Company Secretary

STANDALONE STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED ON 31ST MARCH, 2025

(₹ in Lakhs except EPS)

Particulars	Note No.	For the Year ended on 31st March, 2025	For the Year ended on 31st March, 2024
I. Revenue from Operations	24	38,781.63	37,076.17
II. Other Income	25	154.98	198.94
III. Total Income (I+II)		38,936.61	37,275.11
IV. EXPENSES:			
Cost of Materials consumed	26	20,712.57	25,849.97
Purchases of Stock-in-Trade	27	148.08	264.46
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	4,600.05	(1,674.20)
Employee benefits expense	29	1,604.56	1,467.41
Finance costs	30	1,133.55	1,286.27
Depreciation and amortization expense	3(a)&(c)	392.31	406.39
Other expenses	31	8,157.61	7,660.70
Total Expenses		36,748.73	35,261.00
V. Profit Before Tax (III-IV)		2,187.88	2,014.11
VI. Tax Expense:			
Current tax		356.00	773.00
Deferred tax		210.45	(232.52)
(Excess)/Short Provision of Earlier Years		(29.58)	4.18
Net Tax Expenses		536.87	544.66
VII. Profit for the year		1,651.01	1,469.45
VIII. Other Comprehensive Income (OCI)			
a) Items that will not be reclassified to profit or loss			
i) Remeasurement of defined benefit obligation		(23.35)	6.59
ii) Income tax relating to above item		5.88	(1.66)
b) Items that will be reclassified to Profit and Loss		-	-
Other Comprehensive Income/(Loss) For the Year		(17.47)	4.93
IX. Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income /(Loss) for the year) (VII+VIII)		1,633.54	1,474.38
X. Earnings per equity share (Face value of Rs.10/- each)			
Basic & Diluted		30.18	26.86

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For, **PARIKH & MAJMUDAR**

Chartered Accountants

Firm's Registration No. 107525W

UDIN: 25107628BMHGBJ7355

CA Satwik A. Durkal

Partner

Membership No.107628

PLACE: AHMEDABAD

DATE: 24th May, 2025

For and on behalf of the Board of Directors

Patels Airtemp (India) Limited
Sanjivkumar N. Patel

Chairman & Managing Director

DIN : 02794095

Kamlesh R. Shah

Chief Financial Officer

PLACE: AHMEDABAD

DATE: 24th May, 2025

Shivang P. Patel

Whole Time Director

DIN : 08136652

Nikhil M. Patel

Company Secretary

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2025

(₹ in Lakhs)

Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
A. Cash flow from operating activities		
Profit before extraordinary items and tax	2187.88	2,014.11
Adjustments for:		
Depreciation and amortisation expense	392.31	406.39
(Profit) / loss on assets sold and discarded	(0.13)	2.64
Interest Paid	1,133.55	1,286.27
Interest income	(145.35)	(142.62)
Remeasurement of Defined Benefit Plan	(23.35)	6.59
Operating profit before working capital changes	3,544.89	3,573.39
Net Changes in :		
Inventories	5,441.51	(1,998.23)
Trade receivables	1,310.25	332.06
Other bank balance	0.02	(0.21)
Other financial assets	(102.95)	(391.21)
Other current assets/ Non Current assets	2,012.87	166.31
Trade payables	(4,873.29)	(225.04)
Other current liabilities	(2,502.04)	162.37
Provisions	19.66	(6.07)
Cash generated from operations	4,850.92	1,613.38
Income tax paid (Net of refunds)	(855.72)	(494.48)
Net cash flow from operating activities (A)	3,995.20	1,118.90
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment, Intangible Assets and Capital Work in Progress	(268.37)	(244.37)
Proceeds on Write off of Subsidiary	-	7.18
Sale of Property, Plant and Equipment	0.24	11.03
Interest Received	145.35	142.62
Net cash flow used in investing activities (B)	(122.78)	(83.54)
C. Cash flow from financing activities		
Repayment of Long Term borrowings	(19.96)	(438.48)
Net increase/(Decrease) Shortterm Borrowings	(247.98)	179.28
Interest Paid	(1,133.55)	(1,286.27)
Issue of Equity Share capital	-	-
Securities Premium Account	-	-
Dividend Paid	(164.11)	(164.11)
Net cash flow used in Financing activities (C)	(1,565.60)	(1,709.58)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	2,306.82	(674.22)
Cash and cash equivalents at the beginning of the year	440.58	1,114.80
Cash and cash equivalents at the end of the year	2,747.40	440.58

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2025

Components of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Balances with banks		
(i) In current accounts	570.88	52.71
(ii) Debit Balance in Over Draft Account	2,075.73	336.25
(iii) In EEFC Account	91.56	44.10
Cash on hand	9.23	7.52
TOTAL	2,747.40	440.58

Disclosure of Cash and Non-Cash Changes in Liabilities from Financing Activities

(₹ in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Borrowings (Current & Non-Current)		
Opening Balance	9,264.97	9,524.17
Changes from Cash flows	(267.94)	(259.20)
Effect of changes in Foreign Exchange rates	-	-
changes in fair value	-	-
Closing Balance	8,997.03	9,264.97

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For, **PARIKH & MAJMUDAR**

Chartered Accountants

Firm's Registration No. 107525W

UDIN: 25107628BMHGBJ7355

CA Satwik A. Durkal

Partner

Membership No.107628

PLACE: AHMEDABAD

DATE: 24th May, 2025

For and on behalf of the Board of Directors

Patels Airtemp (India) Limited

Sanjivkumar N. Patel

Chairman & Managing Director

DIN : 02794095

Kamlesh R. Shah

Chief Financial Officer

PLACE: AHMEDABAD

DATE: 24th May, 2025

Shivang P. Patel

Whole Time Director

DIN : 08136652

Nikhil M. Patel

Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED ON 31ST MARCH, 2025

A) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance at the beginning of the reporting year	547.02	547.02
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	547.02	547.02

B) OTHER EQUITY

(₹ in Lakhs)

Particulars	RESERVES & SURPLUS				Equity Instrument through OCI	Total
	Capital Investment Subsidy	General Reserve	Securities Premium	Retained Earnings		
Balance as of April 1, 2023	15.00	815.00	888.00	10,735.91	(38.73)	12,415.18
Net Profit for the year	-	-	-	1,469.45	-	1,469.45
Adjustments For the Year	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans (Net of Tax)	-	-	-	-	4.93	4.93
Dividend	-	-	-	(164.11)	-	(164.11)
Balance as of March 31, 2024	15.00	815.00	888.00	12,041.24	(33.79)	13,725.45
Balance as of April 1, 2024	15.00	815.00	888.00	12,041.24	(33.79)	13,725.45
Net Profit for the year	-	-	-	1,651.01	-	1,651.01
Adjustments For the Year	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans (Net of Tax)	-	-	-	-	(17.47)	(17.47)
Dividend	-	-	-	(164.11)	-	(164.11)
Balance as of March 31, 2025	15.00	815.00	888.00	13,528.14	(51.26)	15,194.88

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For, **PARIKH & MAJMUDAR**

Chartered Accountants

Firm's Registration No. 107525W

UDIN: 25107628BMHGBJ7355

CA Satwik A. Durkal

Partner

Membership No.107628

PLACE: AHMEDABAD

DATE: 24th May, 2025

For and on behalf of the Board of Directors

Patels Airtemp (India) Limited

Sanjivkumar N. Patel

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DIN : 02794095

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Chief Financial Officer

PLACE: AHMEDABAD

DATE: 24th May, 2025

Shivang P. Patel

Whole Time Director

DIN : 08136652

Nikhil M. Patel

Company Secretary

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a Public Company domiciled in India and incorporated on 10.06.1992. The Company is engaged in the manufacturing and selling of extensive range of Heat Exchangers such as Shell & Tube Type, Finned Tube Type and Air-Cooled Heat Exchangers, Pressure Vessels, Air-conditioning and Refrigeration equipments and Turnkey HVAC Projects in India & marketing of equipment's in and outside India. The Company's equity shares are listed on the Bombay Stock Exchange (BSE).

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates.

RECENT ACCOUNTING PRONOUNCEMENT:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024.

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback - Amendments to Ind AS 116

These amendments did not have any impact on the amounts recognised in current or prior period. Further, On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

2. MATERIAL ACCOUNTING POLICIES:

(a) STATEMENT OF COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS (IND AS):

The financial statements have been prepared in accordance with section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India from time to time and other relevant provisions of the Act.

(b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements have been prepared on the historical cost convention on the accrual basis except for certain assets and liabilities that are required to be carried at fair values by Ind AS. In accordance with the notification issued by Ministry of Corporate Affairs, Company is required to prepare its Standalone Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

(c) USE OF ESTIMATES:

In the preparation of financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

- Useful lives of Property, Plant and Equipment
- Valuation of financial instruments
- Provisions and Contingencies
- Income tax and Deferred tax
- Measurement of defined employee benefit obligations
- Valuation of Work-in-Progress in Inventories
- Provision for Loss Allowance using Expected Credit Loss Model in respect of Trade Receivables
- Offsetting of Financial Instruments

(d) PROPERTY, PLANT AND EQUIPMENT:

- i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- ii) 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 as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- iii) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- iv) Property, Plant and Equipment are depreciated and/or amortised as per Straight Line Method on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- v) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.
- vi) An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.

- vii) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows:

Asset		Useful Life
Buildings	-	3 to 60 years
Plant and Equipments	-	15 to 25 years
Furniture and Fixtures	-	10 years
Vehicles	-	8 to 10 years
Office Equipments	-	5 to 10 years
Electrial Installations	-	10 years
Computers	-	3 years
Roads	-	10 years

- viii) At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

(e) INTANGIBLE ASSETS:

- Intangible assets acquired by payment e.g. Computer Software are disclosed at cost less amortization on a straight-line basis over its estimated useful life.
- Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.
- Intangible assets are amortized on straight-line method as follows:

Asset	Useful Life
Computer Software	3 Years
Technical Know-how	3 Years

- At each balance sheet date, the Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

(f) REVENUE RECOGNITION:

- The Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided.

The Company recognizes revenue generally at a point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

- ii) Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- iii) All other Incomes are recognised and accounted for on accrual basis

(g) EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- ii) Post-Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third-party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.
- iv) Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

(h) VALUATION OF INVENTORIES:

- i) All Inventories are measured at Lower of Cost or Net Realizable Value.
- ii) The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- iii) Cost of Purchase is Purchase Price, Import Duties and other non recoverable taxes, transport and other handling cost directly attributable to the acquisition of inventory.
- iv) Cost of Conversion includes costs directly related to the units of production, systematic allocation of fixed and variable production overheads that are related to conversion of materials to the finished goods.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(i) CASH FLOW STATEMENT:

- i) Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.
- ii) Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

(j) FINANCIAL ASSETS:

- i) The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.
- ii) Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/ credit to Profit and Loss.
- iii) A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

(k) FINANCIAL LIABILITIES:

- i) Borrowings are initially recognized and subsequently measured at amortized cost; net of transaction costs incurred. The transaction costs are amortized over the period of borrowings using the effective interest method and subsequently under finance costs in profit and loss account.
- ii) Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- iii) Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- iv) Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortized cost.
- v) Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet only when there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(l) FAIR VALUE MEASUREMENT:

- i) 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

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

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. The principal or the most advantageous market must be accessible by the Company.

- ii) The fair value of an asset or 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.
- iii) 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.
- iv) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(m) FOREIGN CURRENCY TRANSACTIONS:

- i) The Company's financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency and all values are rounded to the nearest Lakhs (00,000) except otherwise indicated.
- ii) Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.
- iii) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

(n) BORROWING COSTS:

- i) Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.
- ii) General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.
- iii) All other borrowing costs are expensed in the period in which they are incurred.

(o) ACCOUNTING FOR TAXES ON INCOME:

- i) Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.
- ii) Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

- iii) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.
- iv) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Un recognized deferred tax asset are reassessed at each reporting date and are recognized to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- v) Deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.
- vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

(p) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- i) Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- ii) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities are disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.
- iii) Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.
- iv) Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(q) CURRENT AND NON-CURRENT CLASSIFICATION:

- i) The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- ii) The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- iii) An asset is current when it is (a) expected to be realized or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

- iv) A liability is current when it is (a) expected to be settled in normal operating cycle; (b) held primarily for the purpose of trading; (c) due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

(r) EARNING PER SHARE:

- i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(s) SEGMENT REPORTING:

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company's chief operating decision maker is the Managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(t) EXPENSES FOR CORPORATE SOCIAL RESPONSIBILITY:

In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred or an irrevocable contribution is made to any agency to be spent by the later on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

3 (A) PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Buildings	Plant and Equipment	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Road	Total
Gross Carrying Value										
As at 31st March 2023	995.22	2,079.90	3,843.80	289.95	187.84	556.76	155.86	84.95	138.30	8,332.58
Addition	-	5.50	77.87	1.82	33.77	48.51	16.16	1.62	46.43	231.70
Disposal / Adjustments	-	-	-	-	-	69.47	-	-	-	69.47
As at 31st March 2024	995.22	2,085.40	3,921.68	291.77	221.61	535.81	172.01	86.57	184.74	8,494.82
Addition	-	3.56	125.16	1.81	32.39	39.07	20.41	1.78	-	224.17
Disposal / Adjustments	-	-	-	-	-	0.71	-	-	-	0.71
As at 31st March 2025	995.22	2,088.96	4,046.83	293.59	254.00	574.17	192.42	88.35	184.74	8,718.28
Accumulated Depreciation										
As at 31st March 2023	-	476.24	2,260.96	184.11	117.52	409.63	95.95	76.30	92.63	3,713.34
Charge for the year	-	70.36	189.26	28.69	12.14	33.84	16.53	2.25	13.82	366.88
Disposal / Adjustments	-	-	-	-	-	62.28	-	-	-	62.28
As at 31st March 2024	-	546.60	2,450.22	212.80	129.66	381.19	112.48	78.55	106.45	4,017.95
Charge for the year	-	70.77	173.14	27.43	15.27	29.92	18.97	2.62	13.77	351.88
Disposal / Adjustments	-	-	-	-	-	0.59	-	-	-	0.59
As at 31st March 2025	-	617.36	2,623.35	240.24	144.93	410.52	131.45	81.17	120.21	4,369.24
Net Carrying Value										
As at 31st March 2024	995.22	1,538.81	1,471.46	78.97	91.95	154.62	59.54	8.02	78.29	4,476.87
As at 31st March 2025	995.22	1,471.60	1,423.48	53.35	109.07	163.65	60.97	7.18	64.53	4,349.05

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

3 (B) CAPITAL WORK IN PROGRESS

The Capital work in progress represent Capital Inventory and direct/ incidental expenses incurred during construction period in connection with proposed project which will be capitalised on commencement of commercial production, consequently expenses disclosed under the respective note are net of such amount .The details of the same is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance (a)	-	-
Additions (b)	42.75	-
Less: Amount capitalized/ deduction during the year (c)	-	-
Closing Balance (a) + (b) - (c)	42.75	-

(i) CWIP Ageing Schedule:

As at 31st March, 2025

(₹ in Lakhs)

Capital Work In Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	42.75	-	-	-	42.75
Projects temporarily suspended	-	-	-	-	-
Total	42.75	-	-	-	42.75

As at 31st March, 2024

(₹ in Lakhs)

Capital Work In Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**3 (C) INTANGIBLE ASSETS**

(₹ in Lakhs)

Particulars	GOODWILL	TECHNICAL KNOWHOW	COMPUTER SOFTWARE	TOTAL
Gross Carrying Value				
As at 31st March 2023	0.37	43.65	211.13	255.14
Addition	-	-	12.66	12.66
Disposal / Adjustments	-	-	-	-
As at 31st March 2024	0.37	43.65	223.79	267.81
Addition	-	-	1.45	1.45
Disposal / Adjustments	-	-	-	-
As at 31st March 2025	0.37	43.65	225.24	269.26
Accumulated Amortization				
As at 31st March 2023	-	43.65	130.73	174.37
Charge for the year	-	-	45.99	45.99
Disposal / Adjustments	-	-	-	-
As at 31st March 2024	-	43.65	176.72	220.37
Addition	-	-	40.43	40.43
Disposal / Adjustments	-	-	-	-
As at 31st March 2025	-	43.65	217.15	260.80
Net Carrying Value				
As at 31st March 2024	0.37	-	47.07	47.44
As at 31st March 2025	0.37	-	8.09	8.46

4 NON CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Investment in Equity instruments-quoted (Measured at FVTPL):		
14,000 Shares of M/s. Gujarat State Financial Corporation of Rs.10/- each	2.8	2.8
Less: Provision for diminution in the value of Investments	2.8	2.8
	-	-
Total	-	-

4a TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(Unsecured, Considered good)	77.00	143.78
(REFER TO NOTE NO. 4a.1)		
Less: Provision for Expected Credit Loss	1.78	-
Total	75.22	143.78

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

4a.1 AGEING OF TRADE RECEIVABLES (LONG-TERM)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
As at 31st March, 2025							
i) Undisputed - considered good	-	-	-	-	-	77.00	77.00
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	-	-	-
iv) Disputed - considered good	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
Less: Provision for Expected Credit Loss	-	-	-	-	-	1.78	1.78
Total	-	-	-	-	-	75.22	75.22
As at 31st March, 2024							
i) Undisputed - considered good	-	-	-	-	-	143.78	143.78
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	-	-	-
iv) Disputed - considered good	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	143.78	143.78

5 LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(Unsecured, Considered good)		
	-	-
Total	-	-

6 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(Unsecured, Considered good)		
Security Deposits	6.48	7.96
Bank deposits More then 12 Months (Including Interest)	245.29	203.40
Balance With Govt Authorities	50.52	50.81
Total	302.29	262.17

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**7 OTHER NON CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(Unsecured, Considered good)		
Capital Advances	2.94	1.46
Loans and Advances	-	10.94
Balance With Govt Authorities	2.18	-
Total	5.12	12.40

8 INVENTORIES

(As taken valued and Certified by Management)

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Raw Materials	2,161.39	2,996.32
Work In Progress	9,322.93	13,923.03
Tools and Spares	7.07	13.60
Traded goods	22.96	22.91
Total	11,514.35	16,955.86

Note: Inventories are valued at lower of cost or Net realisable value.**9 TRADE RECEIVABLES**

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, considered good	9,399.71	10,639.19
(REFER TO NOTE NO. 9.1)		
Less: Provision for Expected Credit Loss	2.21	-
Total	9,397.50	10,639.19

9.1 AGEING OF TRADE RECEIVABLES (SHORT-TERM)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
As at 31st March, 2025							
i) Undisputed - considered good	5,257.54	1,981.36	1,253.15	907.66	-	-	9,399.71
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	-	-	-
iv) Disputed - considered good	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
Less: Provision for Expected Credit Loss	-	1.70	-	0.51	-	-	2.21
Total	5,257.54	1,979.66	1,253.15	907.15	-	-	9,397.50

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
As at 31st March, 2024							
i) Undisputed - considered good	4,614.01	4,251.99	1,460.72	290.03	22.44	-	10,639.19
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	-	-	-
iv) Disputed - considered good	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
Total	4,614.01	4,251.99	1,460.72	290.03	22.44	-	10,639.19

10 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balances with banks		
(i) In current accounts	570.88	52.71
(ii) Debit Balance in Over Draft Account	2,075.73	336.25
(iii) In EEFC Account	91.56	44.10
Cash on hand	9.23	7.52
Total	2,747.40	440.58

11 BANK BALANCE (OTHER THAN CASH AND CASH EQUIVALENTS)

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance With Bank		
- In dividend accounts	14.28	14.26
Total	14.28	14.26

12 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, considered good		
Export Incentives Receivable	30.81	12.51
Bank deposits within 12 Months (Including Interest)	1499.95	1,455.44
Total	1,530.76	1,467.95

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**13 CURRENT TAX ASSETS (NET)**

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advance Income Tax & TDS (Net of Provision for Taxation)	243.61	-
Total	243.61	-

14 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, considered good		
Balance with government authorities	238.71	1,503.76
Advances for goods and services	295.62	1,019.59
Prepaid expenses	66.42	82.99
Other Receivable	-	-
Total	600.75	2,606.34

15 EQUITY SHARE CAPITAL

(₹ in Lakhs except No. of Shares)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Authorized Share Capital	70,00,000	700.00	70,00,000	700.00
Issued, Subscribed & Paid up share capital	54,70,240	547.02	54,70,240	547.02
Total	54,70,240	547.02	54,70,240	547.02

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period**Equity Shares**

(₹ in Lakhs except No. of Shares)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Balance at the beginning of the reporting year	54,70,240	547.02	54,70,240	547.02
Issued during the period *	-	-	-	-
Bought back during the year	-	-	-	-
Balance at the end of the reporting year	54,70,240	547.02	54,70,240	547.02

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

b. Terms/rights attached to equity shares

The Company has only one class of shares i.e. equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in indian rupees. The dividend, recommended by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

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

c. Share holding details of the Company as at Balance Sheet date and name of persons holding more than 5% shares.

Name of Shareholder/Company	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares held	% of Total Shares	No. of Shares held	% of Total Shares
Names of person holding more than 5% shares				
Therm Flow Engineers Private Limited	13,62,512	24.91	13,62,512	24.91
Sanjivkumar Narayanbhai Patel*	4,11,276	7.51	3,07,326	5.62
Devidas Chelaram Narumalani	2,90,145	5.30	2,90,145	5.30

Note (*) *2,27,776 Equity Shares (4.16%) held in the name of Late Shri Narayanbhai G. Patel, promoter, who passed away on 3rd October, 2023, transmitted to his immediate relative, also promoter, Mr. Sanjivkumar N. Patel pursuant to Will left behind by Late Shri Narayanbhai G. Patel.

d. Shares held by the promoters:

Name of Promoters	As at 31 st March, 2025		As at 31 st March, 2024		% Change during the year
	No. of Shares held	%	No. of Shares held	%	
Narayanbhai Gangaram Patel ^	-	-	2,27,776	4.16	(4.16)
Sanjiv Narayanbhai Patel	4,11,276	7.51	1,83,500	3.35	4.16
Shivang Prakashchandra Patel	82,400	1.51	82,400	1.51	-
Devidas Chelaram Narumalani	2,90,145	5.30	2,90,145	5.30	-

^ 2,27,776 Equity Shares (4.16%) held in the name of Late Shri Narayanbhai G. Patel, promoter, who passed away on 3rd October, 2023, transmitted to his immediate relative, also promoter, Mr. Sanjivkumar N. Patel pursuant to Will left behind by Late Shri Narayanbhai G. Patel.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**16 OTHER EQUITY**

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
General Reserves		
Balance as per last balance sheet	815.00	815.00
Capital Subsidy		
Balance as per last balance sheet	15.00	15.00
Securities premium		
Opening Balance	888.00	888.00
Additions During the year	-	-
Deduction during the year	-	-
Balance as at balance sheet date	888.00	888.00
Retained earnings:		
Balance as per last balance sheet	12,041.24	10,735.91
Net Profit for the year	1,651.01	1,469.45
Appropriations:		
Dividend	(164.11)	(164.11)
Balance as at balance sheet date	13,528.14	12,041.24
Other Comprehensive Income/(Expenses)		
Balance as per last balance sheet	(33.80)	(38.73)
Additions During the year	(17.47)	4.93
Deduction during the year		
Balance as at balance sheet date	(51.26)	(33.80)
Total	15,194.88	13,725.45

Nature and purpose of reserves:

General reserve: Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

Capital Subsidy: represents investment linked capital subsidy received from the State Government.

Retained earnings: This represents the accumulated profits earned by the Company till date.

Security Premium : Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

17 BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Secured:		
Rupee Term Loans from Banks:		
From Banks (refer note (a) & (b) below)	354.27	826.60
Unsecured:		
Loans from related parties:	-	
From Directors	513.34	141.08
From Relatives of Directors	642.10	562.00
Total	1,509.71	1,529.67

Notes:

- Rupee term loan of ₹ 325 lakhs from Axis Bank Limited is secured by way of Hypothecation charge (2nd charge) on primary securities available for existing facilities on second ranking basis. 2nd charge over entire current assets and movable assets of the company, both present and future. The applicable interest rate is 7.75% p.a and repayable in 35 equal monthly principal instalments of ₹ 9.02 lakhs each and last instalment of ₹ 9.05 lakhs after moratorium period of 24 months from the date of first disbursement.
- Rupee term loan from Bank of Baroda aggregating to ₹ 1,092 lakhs is secured by way of Hypothecation charge (2nd charge) with existing credit facilities in terms of cash flows (including repayments). Existing primary/ collateral securities would be extended to cover the ECLGS facility. The applicable interest rate is 7.50% p.a. and would be repaid in 36 equal monthly instalments of Rs. 30.33 lakhs after moratorium period of 24 months from the date of first disbursement.
- Above term loans from Axis Bank Limited & Bank of Baroda are further secured by way of equitable mortgage of revised survey Block No. 727, 728, 729, 730 and 714 (Old Block No. 805, 806, 807, 810 & 811) at Rakanpur, Tal. Kalol, Dist. Gandhinagar and Land & Factory Building situated at new amalgamated Survey No. 100 (Old Survey No. 100, 101, 102, 103 and 105) mouje Dudhai, Tal. Kadi, Dist. Mehsana and is further secured by personal guarantee of (a) Mr. Apurva V. Shah (b) Mr. Sanjivkumar N. Patel (c) Mr. Shivang P. Patel, directors of the company.
- All the loans taken by the Company have been utilised for the purpose for which the same was taken. The Company is regular in payment of interest and installment thereon.

18 PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for Employee Benefits	44.38	37.46
Total	44.38	37.46

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**19 DEFERRED TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(a) Deferred tax Liabilities:		
Difference between book and tax block	200.64	205.93
	200.64	205.93
(b) Deferred tax assets		
Disallowances of employee benefits, Others etc u/s. 43B of the Income Tax	25.80	241.54
Remeasurement benefit of the defined benefit plans through OCI	22.23	16.35
	48.03	257.89
Deferred Tax Liabilities (Net)	152.61	(51.96)

19a OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Security Deposit	4.20	5.00
Total	4.20	5.00

20 BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Secured :		
Working capital facilities from Banks (Refer Note below)	5,251.87	7,262.97
Current maturity of long term Debt	472.32	472.32
Working Capital Demand Loan Unsecured :		
Loan From JIO finance Ltd	1763.12	-
Total	7,487.31	7,735.30

Note:

- (a) Working Capital facilities from Banks is secured by way of hypothecation of raw-materials, stores and spares, work-in-progress of finished goods and book debts of the company both present and future and first pari passu charge on plant & machinery, other movable assets of the company as well as further secured by way of equitable mortgage of Plot No. 805, 806, 807, 810 and 811 at Rakanpur, Tal. Kalol, Dist. Gandhinagar and Land & factory Building situated at New amalgamated survey No.100 (Old Survey No. 100,101,102,103 and 105) mouje Dudhai, Tal. Kadi, Dist. Mehsana as well as Lien over FDR of Rs.59.00 Lakhs as collateral security and is further secured by personal guarantee of (a) Mr. Apurva V. Shah (b) Mr. Sanjivkumar N. Patel and (c) Mr. Shivang P. Patel, directors of the company.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

21 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer Note No 39)	547.64	1,854.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	1957.24	5,524.03
(REFER TO NOTE NO.21.1)		
Total	2,504.88	7,378.17

21.1 AGEING OF TRADE PAYABLES

(₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
As at 31st March, 2025						
MSME	547.64					547.64
Others	1,929.30	19.82	7.58	0.05	0.49	1,957.24
Disputed dues – MSME						-
Disputed dues - Others						-
Total	2,476.94	19.82	7.58	0.05	0.49	2,504.88
As at 31st March, 2024						
MSME	1,714.94	139.20	-	-	-	1,854.14
Others	4,465.87	1,055.86	1.60	0.70	-	5,524.03
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	6,180.81	1,195.06	1.60	0.70	-	7,378.17

21a OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Salary , Wages and Bonus Payable	163.43	141.27
Creditors for capital expenditure	0.37	2.07
Unclaimed Dividend	14.28	14.26
Total	178.08	157.60

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**22 OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Advance Received from Customers	2675.41	5,666.45
Statutory Remittances	494.23	24.90
Total	3,169.64	5,691.35

23 PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Employee Benefits	38.84	26.09
Total	38.84	26.09

23a CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Taxation (Net of Advance Tax, TDS and TCS)	-	285.69
Total	-	285.69

24 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Sale of products		
Domestic	36,104.90	36,072.29
Export	2,274.65	525.32
	38,379.55	36,597.61
Sale of Services	159.17	72.01
Other Operating Revenue (incl. export incentives)	242.91	406.55
Total	38,781.63	37,076.17

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Reconciliation of revenue from operations with the contracted price:		
Contracted Price	38,389.83	36,679.95
Adjustment :		
- Discounts/ Rate Difference	-	-
- Sales Returns	(10.28)	(82.34)
Sales of Products	38,379.55	36,597.61
Other Operating Revenue (including sales of services)	402.08	478.56
Revenue From Operations	38,781.63	37,076.17
Revenue Disaggregation by Geography		
India	36,104.90	36,072.29
Outside India		
- Canada	1,449.55	515.85
- USA	235.48	9.46
- Zambia	132.16	-
- UK	168.17	-
- Netherlands	179.91	-
- Israel	109.38	-
Total	38,379.55	36,597.61

25 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest received	145.35	142.62
Foreign Exchange Rate Difference (Net)	-	42.09
Rent Received	9.50	11.30
Misc income	-	2.94
Profit on sale of Property Plant and Equipment	0.13	-
Total	154.98	198.94

26 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Stocks of Raw materials at the beginning of the year	2,996.32	2,658.85
Add: Purchases during the year	19,877.64	26,187.44
	22,873.96	28,846.29
Less: Stocks of Raw materials at the end of the year	2,161.39	2,996.32
Total	20,712.57	25,849.97

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**27 PURCHASE OF STOCK-IN-TRADE**

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Purchase of traded goods- Window & Split AC & Accessories	148.08	264.46
Total	148.08	264.46

28 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE & WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Closing Inventories		
Work -in-Progress	9322.93	13,923.03
Finished Goods	-	-
Stock-in-trade	22.96	22.91
	9,345.89	13,945.94
Opening Inventory		
Work -in-Progress	13923.03	12,248.86
Finished Goods	-	-
Stock-in-trade	22.91	22.88
	13,945.94	12,271.73
Total	4,600.05	(1,674.20)

29 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Salaries, wages and allowances	1426.45	1,265.75
Contributions to Provident Fund and other Funds	104.28	120.14
Staff welfare expenses	73.83	81.52
Total	1,604.56	1,467.41

30 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest Expense	825.36	888.62
Other borrowing costs	308.19	355.95
Interest on Income Tax	-	41.70
Total	1,133.55	1,286.27

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

31 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Rates and taxes	7.03	8.54
Insurance	22.85	22.26
Power and Fuel	158.56	175.43
Consumption of Stores , Spares & Tools	1156.01	1,026.23
Consumption of Packing Materials	108.41	68.34
Labour Charges	3193.45	3,149.46
Testing & Inspection charges	295.04	428.44
Repairs to Buildings	51.51	67.23
Repairs to Machinery	198.24	178.36
Repairs to Others	45.12	49.92
Printing and stationery	78.11	62.35
Communication Expenses	37.71	35.64
Travelling and conveyance	285.32	221.55
Provision for Expected Credit Loss	3.99	-
Legal and professional fees	316.10	255.90
Payments to auditors*	5.88	4.38
Freight and forwarding Charges	752.22	700.31
Commission expenses	98.88	55.03
Business Promotion Expenses	29.42	14.44
Expenditure incurred towards Corporate Social Responsibility (Refer Note-38)	35.09	32.00
Settlement Charges (Refer to Note No. 55)	28.53	-
Foreign Exchange Rate Diffrence (Net)	3.66	-
Late Delivery Charges /Liquidated damages	859.22	700.88
Bad debts written off	23.56	25.84
Loss on sale of Property, Plant & Equipment (Net)	-	2.64
Investment in Subsidiary Company Written off due to dissolution	-	7.18
Loan in Subsidiary Compnay written off due to dissoltuion	-	5.33
General Charges	363.70	363.04
Total	8,157.61	7,660.70

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

* Particulars of Auditor's Remuneration	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Statutory audit fees (including Tax Audit)	4.50	3.00
Certification fees & Other Services	1.38	1.38
Reimbursement of Expenses	-	-
Total	5.88	4.38

32 CONTINGENT LIABILITIES & CAPITAL COMMITMENTS NOT PROVIDED FOR:**a) Contingent Liabilities**

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
a) Claims against Company not acknowledged as Debt		
i) Disputed Income Tax demand	7.44	6.48
ii) Disputed Tax Demand under Goods & Service Tax.	7.50	-
b) Guarantees excluding financial guarantees :		
• Outstanding Bank Guarantees	11,599.64	12,307.40
• Outstanding Foreign Bank Guarantees	US\$ 14,73,832.8	US\$ 16,37,888.30
• Outstanding Inland/Foreign LC	-	US\$ 30,110.00

b) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account [net of advances] and not provided for Rs. NIL (P.Y Rs. NIL).

Note:

- It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.
- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

33. RELATED PARTY INFORMATION

a) List of Related Parties :

Enterprise over which Key Management Personnel exercise significant influence	Therm Flow Engineers Private Limited Shiv Fintrade LLP
Key Managerial Personnel (KMP)	Sanjivkumar N. Patel (Chairman & Managing Director) Apurva V. Shah (Whole Time Director) Shivang P. Patel (Whole Time Director) Kamlesh R. Shah (Chief Financial Officer) Nikhil M. Patel (Company Secretary) Hareshkumar I. Shah (Independent Director) (upto 29/08/2024) Vinaben B. Patel (Independent Director) (upto 19/03/2025) Rajendrakumar C. Patel (Independent Director) Nidhi Y. Patel (Independent Director) (w.e.f. 29/03/2025) Naimish B. Patel (Independent Director)
Close Member of Key Managerial Personnel (KMP)	Aarti P. Patel Jalpa S. Patel Narayanbhai G. Patel-HUF Prakashbhai N. Patel-HUF Sanjivkumar N. Patel-HUF Vedang S. Patel

Note: Related Parties have been as identified by the Management and relied upon by the auditors.

b) Details of Related Party Transactions for the year ended 31st March, 2025:

Category	Name of the Related Party	For the year ended on 31st March, 2025 (₹ in Lakhs)	For the year ended on 31st March, 2024 (₹ in Lakhs)
Managerial Remuneration paid	Narayanbhai G. Patel	-	20.44
	Sanjivkumar N. Patel	61.90	49.51
	Shivang P. Patel	64.18	52.82
	Apurva V. Shah	41.91	36.08
Salary paid	Aarti P. Patel	9.94	9.28
	Kamlesh R. Shah	15.41	13.90
	Nikhil M. Patel	15.73	14.84

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Category	Name of the Related Party	For the year ended on 31st March, 2025 (₹ in Lakhs)	For the year ended on 31st March, 2024 (₹ in Lakhs)
Sitting Fees	Hareshkumar I. Shah	0.09	0.18
	Vinaben B. Patel	0.23	0.14
	Rajendrakumar C. Patel	0.27	0.18
	Himanshu N. Rawal	-	0.09
	Naimish B. Patel	0.27	0.09
	Nidhi Y. Patel	0.05	-
Unsecured Loans Accepted	Narayanbhai G. Patel	-	17.50
	Sanjivkumar N. Patel	229.16	77.19
	Shivang P. Patel	196.00	32.65
	Aarti P. Patel	63.95	17.65
	Jalpa S. Patel	15.70	10.80
	Vedang S. Patel	22.85	20.95
Unsecured Loans Repaid	Narayanbhai G. Patel	-	83.46
	Sanjivkumar N. Patel	29.45	9.75
	Shivang P. Patel	23.45	24.22
	Aarti P. Patel	22.40	16.40
	Sanjivbhai N. Patel- HUF	-	0.03
Interest on Unsecured Loans	Narayanbhai G. Patel	-	3.17
	Sanjivkumar N. Patel	30.66	8.96
	Shivang P. Patel	18.46	3.26
	Aarti P. Patel	15.53	11.75
	Jalpa S. Patel	4.16	2.74
	Vedang S. Patel	29.21	27.00
	Narayanbhai G. Patel-HUF	1.21	1.22
	Sanjivbhai N. Patel- HUF	8.10	8.12
Gratuity Paid	Prakashbhai N. Patel-HUF	10.21	10.24
	Sanjivbhai N. Patel	-	10.00
	Shivang P. Patel	-	5.00
Rent Income	Aarti P. Patel	-	5.00
	Therm Flow Engineers Private Limited	0.18	0.18
	Shiv Fintrade LLP	0.18	0.18
Unsecured Loans written off	Patels Airtemp (USA) Inc.	-	5.33
Investment written off	Patels Airtemp (USA) Inc.	-	7.18

Notes:

1. Mr. Hareshkumar I. Shah (DIN: 00216585) ceased to be an Independent Director of the company with effect from 30th August, 2024 due to completion of his second term as Independent Director. Mrs. Vinaben B. Patel (DIN: 07131341) resigned as a Director of the company (Non-Executive & Independent Woman Director) w.e.f. 20th March, 2025. Mrs. Nidhi Yash Patel (DIN: 10944244)

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

has been appointed as an Independent Woman Director of the company (Non-executive Independent) for a first term of five years from 29th March, 2025 up to 28th March, 2030.

2. The remuneration to directors and other members of key management personal during the year are in the nature of short-term benefits.

c) Closing Balances of Related Party Transactions for the year ended 31st March, 2025:

Category	Name of the Related Party	For the year ended on 31st March, 2025 (₹ in Lakhs)	For the year ended on 31st March, 2024 (₹ in Lakhs)
Unsecured Loans	Narayanbhai G. Patel	-	-
	Sanjivkumar N. Patel	314.90	115.19
	Shivang P. Patel	198.44	25.89
	Aarti P. Patel	142.78	101.23
	Jalpa S. Patel	46.03	30.33
	Vedang S. Patel	275.82	252.97
	Narayanbhai G. Patel-HUF	11.02	11.02
	Sanjivbhai N. Patel- HUF	73.60	73.60
	Prakashbhai N. Patel-HUF	92.85	92.85
Unsecured Loans Given	Patels Airtemp (USA) Inc.	-	-
Investment	Patels Airtemp (USA) Inc.	-	-

34. SEGMENT INFORMATION

Primary Segment – Business Segment

The Company's operation predominantly comprises of only one segment. In view of the same, separate segmental information is not required to be disclosed as per the requirement of Indian Accounting Standard 108 Operating Segment.

Secondary Segment – Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

Sales within India include sales to customers located within India. Sales outside India include sales to customers located outside India.

Information pertaining to Secondary Segment

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**Gross revenue from operations as per Geographical Locations**

(₹ in Lakhs)

Particulars	For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Within India	36,104.90	36,072.29
Outside India		
- Canada	1449.55	515.86
- USA	235.48	9.46
- Zambia	132.16	-
- UK	168.17	-
- Netherlands	179.17	-
- Israel	109.38	-
Total	38,379.55	36,597.61

35. EARNING PER SHARE

(₹ in Lakhs except EPS)

Particulars	For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Net Profit for the year before other Comprehensive Income	1651.01	1,469.45
Number of Equity Shares:		
Opening Number of Shares	54,70,240	50,70,240
Weighted Average Number of Shares	54,70,240	54,70,240
Basic & Diluted Earnings per Share (EPS) (Price per share Rs. 10)	30.18	26.86

- 36.** In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.
- 37.** The balance confirmation from the suppliers and customers have been called for, but the same are awaited till date of audit. Thus, the balances or receivables and trade payables have been taken as per the books of accounts submitted by the company and are subject to Confirmation from respective parties.

38. CORPORATE SOCIAL RESPONSIBILITY

(₹ in Lakhs)

	Particulars	Year ended on 31st March, 2025	Year ended on 31st March, 2024
(1)	Amount required to be spent by the company	35.09	32.00
(2)	Amount of expenditure incurred on:		
(i)	Construction/acquisition of any asset	-	-
(ii)	On purposes other than (i) above	35.09	32.00
(3)	Shortfall at the end of the year	-	-
(4)	Previous year shortfall	-	-
(5)	Reason for shortfall	N.A.	N.A.
(6)	Nature of CSR Activities	Education & Health*	
(7)	Details of related party transactions in relation to CSR expenditures	--	--

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

- * a. Educational, Social Development/ Services and employment enhancing vocational skills and especially among children and women.
- b. Medical treatment & rehabilitation, eradicating hunger poverty and malnutrition, promoting rural development and preventive healthcare, setting up day care centers and promoting livelihood enhancement projects.

39. OUTSTANDING DUES OF MICRO & SMALL ENTERPRISES

As per the Micro, Small & Medium Development Act, 2006 and to the extent of the information available, amounts unpaid as at the year end together with the interest paid / payable, is as follows:

(₹ in Lakhs)

Particulars	2024 – 25	2023 – 24
The Principal Amount	547.64	1,854.14
Interest Paid under MSMED Act, 2006	-	-
Interest due (Other than 23.3 (b))	-	-
Interest accrued and unpaid	-	-
Interest due and payable till actual payment	-	-

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

40. EMPLOYEE BENEFIT OBLIGATION

As per Indian Accounting Standard (Ind AS) 19 “Employee Benefits”, the disclosures of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution Plan:

- i) Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

(₹ in Lakhs)

Particulars	2024 - 25	2023 – 24
Employer’s Contribution to Provident Fund	85.04	77.04

- ii) Defined Contribution Plan: Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organization established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the profit and loss account of the year when the contributions to the respective funds are due.
- iii) Defined Benefit Plan: Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third-party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

- iv) **Following are the risks associated with the plan:**

Interest rate risk:

A fall in the discount rate which is linked to the G. Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk:

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk:

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

v) Changes in the Present Value of Projected Benefit Obligation:

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Opening defined benefit obligation	263.37	253.97
Current Service Cost	19.73	17.73
Past Service Cost	--	--
Interest Cost	18.99	19.02
Actuarial losses/(gains) due to change in Financial Assumptions	7.70	5.27
Actuarial losses/(gains) due to experience	13.95	(13.58)
Actuarial losses/(gains) due to demographic assumptions	--	--
Losses (gains) on curtailments	--	--
Liabilities extinguished on settlements	--	--
Benefits Paid Directly by Employer	--	--
Benefits paid from the Fund	(13.01)	(19.04)
Closing defined benefit obligation	310.73	263.37

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

vi) Changes in Fair Value of Plan Assets:

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Opening fair value of plan assets	246.25	214.04
Interest Income	17.75	16.03
Return on plan assets excluding Interest Income	(1.71)	(1.71)
Assets distributed on settlements	--	--
Contributions by employer	35.00	36.93
Benefits paid	(13.01)	(19.04)
Closing balance of fair value of plan assets	284.28	246.25

vii) Amount Recognized in Balance Sheet:

(₹ in Lakhs)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Present value of Defined Benefit Obligation at the end of the year	(310.73)	(263.37)
Fair value of Plan Assets at the end of the year	284.28	246.25
Funded Status Surplus/(Deficit)	(26.45)	(17.12)
Net (Liability)/Assets recognized in the Balance sheet	(26.45)	(17.12)

viii) Expenses Recognized in Statement of Profit or Loss for Current period:

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Current Service Cost	19.73	17.72
Net Interest Cost	1.23	2.99
Past Service Cost	-	-
Expected Contribution by the Employees	-	-
(Gains)/Losses on curtailments and settlements	-	-
Expenses Recognized in Statement of Profit & Loss	20.96	20.71

ix) Expenses Recognized in the Other Comprehensive Income (OCI):

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Actuarial (Gains)/Losses on Obligations for the period	21.64	(8.31)
Return on Plan Assets, excluding interest income	1.71	1.72
Net Expenses for the period Recognized in OCI	23.35	(6.59)

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**x) Sensitivity Analysis of Defined Benefit Obligation:**

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Projected Benefit Obligation on Current Assumptions	310.73	263.38
Delta Effect of +1% Change in Rate of Discounting	(20.35)	(17.79)
Delta Effect of -1% Change in Rate of Discounting	23.92	20.89
Delta Effect of +1% Change in Rate of Salary Increase	22.02	19.27
Delta Effect of -1% Change in Rate of Salary Increase	(19.06)	(16.72)
Delta Effect of +1% Change in Rate of Employee Turnover	0.58	0.77
Delta Effect of -1% Change in Rate of Employee Turnover	(0.69)	(0.94)

Sensitivities have been calculated to show the movement in Defined Benefit Obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

xi) Actuarial Assumptions:

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Expected Return on Plan Assets	6.85 %	7.21 %
Rate of Discounting	6.85 %	7.21 %
Rate of Salary Increase	7.00 %	7.00 %
Rate of Employee Turnover	2.00 %	2.00 %
Mortality Rate During Employment	Indian Assured Lives Mortality (2012 -14) (Urban)	Indian Assured Lives Mortality (2012 -14) (Urban)
Mortality Rate After Employment	N.A.	N.A.

xii) The above details are certified by the actuary M/s. K.A. Pandit Consultants & Actuaries.

41. APPROVAL OF FINANCIAL STATEMENT:

The financial statements were approved for issue by the board of directors on 24th May, 2025.

42. UNDISCLOSED TRANSACTIONS

As stated, & confirmed by the Board of Directors, The Company does not have 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).

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

43. BENAMI TRANSACTIONS

As stated, & confirmed by the Board of Directors, The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

44. LOAN OR INVESTMENT TO ULTIMATE BENEFICIARIES

As stated, & Confirmed by the Board of Directors, The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

45. LOAN OR INVESTMENT FROM ULTIMATE BENEFICIARIES

As stated, & Confirmed by the Board of Directors, The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

46. As stated, & Confirmed by the Board of Directors, the company has not been sanctioned any term loan during the year ended on 31st March 2025:

47. As stated, & confirmed by the board of Directors, the company has not revalued its Property, Plant and Equipment and intangible assets during the year under review. Further, all the Property, Plant and Equipment and intangible assets are in the name of the Company.

48. WILLFUL DEFAULTER

As stated, & Confirmed by the Board of Directors, the company has not been declared as willful defaulter by the bank during the year under review.

49. TRANSACTIONS WITH STRUCK OFF COMPANIES

As stated, & Confirmed by the Board of Directors, the company has not under taken any transactions nor has outstanding balance with the company Struck Off either under section 248 of the Act or under Section 560 of The Companies Act, 1956.

50. CRYPTO CURRENCY

As stated, & Confirmed by the Board of Directors, the Company has not traded or invested in Crypto Currency or Virtual Currency.

51. COMPLIANCE WITH APPROVED SCHEMES OF ARRANGEMENT

The Company has not applied for any scheme of Arrangements under sections 230 to 237 of The Companies Act, 2013.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

52. The Company has assessed internal and external information upto the date of approval of the audited financial statements while reviewing the recoverability of assets, adequacy of financial resources, Performance of contractual obligations, ability to service the debt and liabilities etc. Based on such assessment, the company expects to fully recover the carrying amounts of the assets and comfortably discharge its debts and obligations. Hence, the management does not envisage any material impact on the audited financial statements of the company for the year ended on 31st March 2025.

53. BORROWING BY WAY OF SECURED LOAN AGAINST CURRENT ASSETS

As stated, and Confirmed by the board of directors, below is the discrepancy in respect of Stock and Book Debt Statement filed by the company with bank.

For the Quarter	Name of the Bank	Nature of the Current Assets - Inventory	Amount as Per Unaudited Books of Accounts	Amount as per Quarterly Return & Statements	Amount of Difference	Nature of discrepancy
June 2024	Bank of Baroda and Axis Bank Limited	Raw Material	3209.72	2955.03	254.68	At the time of final submission of stock of raw material to the bank certain invoices from the suppliers were pending. The same were received and posted in the books of accounts at the time of finalization of books of accounts for the quarter. Hence, there is a difference.
June 2024	Bank of Baroda and Axis Bank Limited	Tools	12.76	NIL	12.76	The company is not required to submit the stock of tools to the bank. Hence, there is a difference.
September 2024	Bank of Baroda and Axis Bank Limited	Tools	8.51	NIL	8.51	The company is not required to submit the stock of tools to the bank. Hence, there is a difference.
December 2024	Bank of Baroda and Axis Bank Limited	Tools	6.11	NIL	6.11	The company is not required to submit the stock of tools to the bank. Hence, there is a difference.
March 2025	Bank of Baroda and Axis Bank Limited	Raw Material	2161.39	2063.69	97.70	At the time of final submission of stock of raw material to the bank certain invoices from the suppliers were pending. The same were received and posted in the books of accounts at the time of finalization of books of accounts. Hence, there is a difference.
March 2025	Bank of Baroda and Axis Bank Limited	Tools	7.07	NIL	7.07	The company is not required to submit the stock of tools to the bank. Hence, there is a difference.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

54. EVENT OCCURRING AFTER THE BALANCE SHEET DATE

On 24th May, 2025. The Board of Directors recommended a final dividend of Rs. 3 per equity share to be paid to the shareholders for the financial year 2024-25, which is subject to approved by the share holders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 164.11 lakhs.

- 55.** During the year under review, the company has paid settlement charges of Rs. 28.53 lakhs to Security & Exchange Board of India (SEBI) in respect of settlement application filed against Show Cause Notice (SCN) dated 1st September, 2023 issued to the Company by SEBI for non-compliance of Regulation 30(2) read with clause 4(d) of Para A of Schedule III of SEBI (LODR) Regulations, 2015 and Regulation 4(1)(c) read with Regulation 30(2) of SEBI (LODR) Regulations, 2015 pertaining to (a) non dissemination of copies of Agreement of Unsecured Loans (b) misleading statements in the explanatory statements to the notice of EGM (c) Non-declaration of Interest of Directors in the proposed resolution and said settlement charges are shown under Other expenses under Note no. 31 of notes forming part of Standalone financial statement.

56. Compliance with Number of Layers of Companies

As stated, & confirmed by the Board of Directors, the company has complied with the number of layer prescribed under clause (87) of Section 2 of the Act read with companies (Restriction on number of layers) Rules, 2017.

57. Satisfaction of Charge

As informed by the Management there are no charges which are yet to be registered or yet to be satisfied with Registrar of Companies beyond statutory period. However, while carrying out search on MCA portal, following charges are yet to be satisfied beyond the statutory period, details of which are as under:

(₹ in Lakhs)

Sr. No.	SRN	Charge ID	Charge Holder Name	Date of Creation	Date of Modification	Date of Satisfaction	Amount	Address
1	C40649634	10543789	Bank of Baroda	17-01-15	-	-	600.00	Navrangpura Branch, Navrangpura, Ahmedabad, Gujarat, India, 380014
2	C30180350	10526540	Bank of Baroda	29-09-14	-	-	70.00	Navrangpura Branch, Nr.incometax Under Bridge, Navjeevan Post Office ahmedabad, Ahmedabad, Gujarat, India, 380009
3	B44437044	10367325	Bank of Baroda	18-07-12	-	-	850.00	Navrangpura Branch, Nr. Income Tax Underbridge, Navjeevan Post Office Ahmedabad, Gujarat, India, 380009
4	Y10193061	90103369	Bank of Baroda	08-12-04	-	-	170.00	Corporate Banking Branch, Ahmedabad, Gujarat, India.
5	Y10192543	90102851	Bank of Baroda	15-04-04	-	-	1,300.00	Bank of Baroda Tower, 1st & 2nd Floor, CFS Branch, Opp. Law Garden, Ellisbridge, Ahmedabad

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**58. INCOME TAXES****a. Income taxes recognised in Statement of Profit and Loss**

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Current tax		
In respect of the current year	356.00	773.00
(Excess)/Short provision for tax of earlier years	(29.58)	4.18
	326.42	777.18
Deferred tax(credit) /Charged	210.45	(232.52)
Total income tax expense recognised in respect of continuing operations	536.87	544.66

b. Tax reconciliation

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Profit before taxes	2,187.88	2,014.11
Enacted tax rate in India*	25.168%	25.168%
Expected income tax (benefit)/expense at statutory tax rate	550.64	506.91
Effect of:		
Difference in Depreciation for the year as per books and as per Income tax	21.52	11.16
Timing difference of amounts deductible on actual payment (Net)	(107.18)	(53.12)
Tax effect on non-deductible expenses	101.46	75.52
Others	-	-
Adjustments for current tax of prior years	(29.58)	4.18
Income taxes recognised in the Statement of Profit and Loss	536.87	544.66

c. Income Tax Recognised in Other Comprehensive Income:

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	5.88	(1.66)
Total income tax asset/(liability) recognised in other comprehensive income	5.88	(1.66)
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	5.88	(1.66)
Income tax asset/(liability) recognised in other comprehensive income	5.88	(1.66)

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

d. Components of Deferred Tax charge/(benefit) for the year

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Depreciation and amortisation	(5.29)	(3.57)
Disallowances of employee benefits , Others etc u/s. 43B of the Income Tax	215.74	(228.95)
Total deferred tax Charge/(benefit) for the year	210.45	(232.52)

Note: Deferred tax liability has been calculated using effective tax rate of 25.168% (previous year 25.168%)

e. Components of deferred tax assets and liabilities

(₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
(a) Deferred Tax Liabilities		
Difference between book and tax depreciation	200.64	205.93
	200.64	205.93
(b) Deferred Tax Assets		
Disallowances of employee benefits, Others Etc u/s. 43B of the Income Tax	25.80	241.54
Remeasurement benefit of the defined benefit plans through OCI	22.23	16.35
	48.03	257.89
Deferred Tax Assets (Net)	152.61	(51.96)

59. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Equity Share Capital	547.02	547.02
Other Equity	-	-
Total Equity	547.02	547.02
Interest-bearing loans and borrowings	8,997.03	9,264.97
Less: cash and cash equivalent	2,747.40	440.58
Less: Other bank Balances	245.29	203.40
Net Debt	6,004.33	8,620.98
Gearing Ratio	10.98	15.76

60. Financial Instruments Disclosure**(i) Categories of Financial Instruments**

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Financial Assets		
Measured at Amortised Cost		
(i) Trade and Other Receivables	9,472.72	10,782.97
(ii) Cash and Cash Equivalents	2,747.40	440.58
(iii) Bank Deposits	1,745.24	1,658.84
Financial Liabilities		
Measured at Amortised Cost		
(i) Borrowings	8,997.03	9,264.97
(ii) Trade Payables	2,504.88	7,378.17
(iii) Other Financial Liabilities	178.08	157.60

(ii) Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets.

Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

(iii) Financial Risk Management Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Market Risk

Market risk is the risk of uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk.

i. Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Interest risk arises to the Company mainly from borrowings with variable rates. The Company measures risk through sensitivity analysis. The banks are now finance at variable rate only, which is the inherent business risk.

The Company's exposure to interest rate risk is as follows :

(₹ in Lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Liability		
Term Loans	826.60	1,298.92
Working Capital Loan - from Banks & Financial Institution (Including Interest Accrued thereon)	7,014.99	7,262.97
TOTAL	7,841.58	8,561.89

(₹ in Lakhs)

Particulars	Impact on Profit and Loss after Tax	
	As at 31 st March, 2025	As at 31 st March, 2024
Impact on Profit and Loss after Tax		
Interest Rate increase by 0.50 basis point	29.34	32.04
Interest Rate decrease by 0.50 basis point	(29.34)	(32.04)

ii. Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

The following are the contractual maturities of financial liabilities, based on contractual cash flows:

(₹ in Lakhs)

Particulars	Due in 1 Year	1 Year - 3 Years	More than 3 Years	Total
As at 31st March, 2025				
Borrowings	-	-	-	-
Trade Payables	2,497.25	7.63	-	2,504.88
Other Financial Liabilities	178.08	-	-	178.08
Total	2,675.32	7.63	-	2,682.95
As at 31st March, 2024				
Borrowings	-	-	-	-
Trade Payables	7,375.86	2.31	-	7,378.17
Other Financial Liabilities	157.60	-	-	157.60
Total	7,533.46	2.31	-	7,535.77

iii. Credit Risk

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

(₹ in Lakhs)

Particulars	Upto 1 Year	1 Year - 3 Years	More Than 3 Years	Total
As at 31st March, 2025				
(i) Trade and Other Receivables	8,492.05	907.66	77.00	9,476.71
(ii) Cash and Cash Equivalents	2,747.40	-	-	2,747.40
(iii) Bank Deposits	1,745.24	-	-	1,745.24
Total	12,984.69	907.66	77.00	13,969.35
As at 31st March, 2024				
(i) Trade and Other Receivables	10,329.72	352.51	143.78	10,826.01
(ii) Cash and Cash Equivalents	440.58	-	-	440.58
(iii) Bank Deposits	1,658.84	-	-	1,658.84
Total	12,429.14	352.51	143.78	12,925.43

61. IND AS 115 DISCLOSURE

The Company has recognised the following amounts relating to revenue in the statement of profit or loss:

(₹ in lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Revenue from contracts with customers	38,379.55	36,597.61
Total Revenue	38,379.55	36,597.61

Revenue is recognized upon transfer of control of products to customers.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

a. Disaggregation of revenue from contract with customers

Revenue from sale of products represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(₹ in lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Revenue from India	36,104.90	36,072.29
Revenue from Outside India	2,274.65	525.32

b. Information about major customers

Following are the customer representing more than 10% of the total revenue of the Company

(₹ in lakhs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Revenue from such customers		
Customer attributing highest revenue	5,684.12	9,298.56
Customer attributing second highest revenue	3,741.45	6,659.65
Customer attributing third highest revenue	3,542.04	5,901.87
Customer attributing fourth highest revenue	2,857.58	3,643.47

c. Contract assets and liabilities

The Company has recognised the following revenue-related contract assets and liabilities:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Contract Assets	9,472.72	10,782.97
Total Contract Assets	9,472.72	10,782.97
Contract Liabilities	2,675.41	5,666.45
Total Contract Liabilities	2,675.41	5,666.45

d. Performance obligations

The performance obligation is satisfied upon delivery of the finished goods and payment is generally due within 1 to 3 months from delivery. The performance obligation to deliver the finished goods is started after receiving of sales order. The customer can pay the transaction price upon delivery of the finished goods within the credit period, as mentioned in the contract with respective customer.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**62. RATIO ANALYSIS**

(₹ in lakhs)

Particulars	Numerator	Denominator	31st March, 2025	31st March, 2024	Variation	Reasons
Current Ratio (times)	Current Assets	Current Liabilities	1.95	1.51	28.94%	Due to Significant decrease in the Current Assets and Current Liabilities
Debt Equity Ratio (times)	Total Debt	Share Holder's Equity	0.57	0.65	-11.96%	
Debt Service Coverage Ratio (times)	Earnings available for debt Service (Refer Note i below)	Debt Service	3.28	2.88	13.69%	
Return on Equity (ROE)	Net Profit after Taxes	Average Shareholder's Equity	11.00%	10.79%	1.99%	
Inventory Turnover Ratio (times)	Cost of Material Consumed + Changes in WIP/ FG	Average Inventory	1.79	1.53	16.77%	
Trade Receivable Turnover Ratio (times)	Revenue from Operations	Average Trade Receivables	3.83	3.39	13.08%	
Trade Payable Turnover Ratio (times)	Purchases	Average Trade Payables	4.05	3.53	14.81%	
Net Capital Turnover Ratio (times)	Revenue from Operations	Working Capital	3.06	3.42	-10.42%	
Net Profit Ratio	Net Profit	Revenue from Operations	4.26%	3.96%	7.41%	
Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	13.43%	14.02%	-4.25%	
Return on Investment	Income generated from investments	Average Investments	0.00%	0.00%	100.00%	Due to reduction in the Investment

Note : i: Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

Signature to Note No. 1 to 62

As per our report of even date attached.

For, **PARIKH & MAJMUDAR**

Chartered Accountants

Firm's Registration No. 107525W

CA Satwik A. Durkal

Partner

Membership No.107628

UDIN: 25107628BMHGBJ7355

PLACE: AHMEDABAD

DATE: 24th May, 2025

For and on behalf of the Board of Directors

Patels Airtemp (India) Limited

Sanjivkumar N. Patel

Chairman & Managing Director

DIN : 02794095

Kamlesh R. Shah

Chief Financial Officer

PLACE: AHMEDABAD

DATE: 24th May, 2025

Shivang P. Patel

Whole Time Director

DIN : 08136652

Nikhil M. Patel

Company Secretary

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Patels Airtemp (India) Limited



PATELS AIRTEMP (INDIA) LIMITED

CIN: L29190GJ1992PLC017801

Factory (Work): Plot No. 805, 806, 807, 810, Rakanpur – 382722,

Via: Sola-Bhadaj Village, Ta; Kalol, Dist: Gandhinagar, Gujarat, India

Ph. No.: +91-2764286634/35, Fax No. : +91-2764286301

Email : share@patelsairtemp.com, Website: www.patelairtemp.com

E-COMMUNICATION REGISTRATION FORM

Dear Shareholders,

You are aware that the provisions of Companies Act, 2013 have been made effective. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued thereunder, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository or with Registrar and Share Transfer Agent (RTA).

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow Shareholders to contribute towards a greener environment. This is a golden opportunity for every Shareholder of Patels Airtemp (India) Limited to contribute to the cause of Green Initiative.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode.

Please note that as a Member of the Company, you will be entitled to receive all such communication in physical form, upon request.

Best Regards,

Nikhil M. Patel

Company Secretary

Folio No. / DP ID and Client ID : _____

Name of the 1st Registered Holder : _____

Name of Joint Holder[s] : _____

Registered Address : _____

E-mail ID (to be registered) : _____

I / We Shareholder(s) of Patels Airtemp (India) Limited agree to receive communication from the Company in electronic mode. Please register my/our above e-mail ID in your records for sending communication in electronic form.

Date :

Signature :

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

NECS MANDATE FORM

Please Fill Up This Form And Arrange To Send It To :

The following address if shares are held in Physical Form OR to your DP if shares are held in Demat Form

To,

M/S. Bigshare Services Pvt. Ltd.

Unit: **Patels Airtemp (India) Limited**

A-802, Samudra Complex, off. C. G. Road

Navrangpura, Near Girish Cold Drinks,

Ahmedabad – 380009

Dear Sir,

Sub: Payment of Dividend through NECS

I/we hereby give my/our mandate to credit my/our Dividend on the shares held by me/us under the Folio mentioned directly to my/our Bank Account through the Electronic Clearing System (ECS)/ to prepare my/our dividend warrant with details of my/our Bank Account No. and Name of the Bank & Branch.

The Details of the Bank Account are given below.

Name of First/Sole Shareholder (IN BLOCK LETTERS)											
Folio No./DPID & Client ID No.											
Name of Bank in Full											
Branch Name											
Address & Telephone No. of the Bank											
9 MICR Code No. of the Bank & Branch as appearing on the Cheque issued by the Bank											
Type of Account with Code	Saving Bank-10			Current-11			Cash Cr.13				
A/c No. as Appearing on Cheque Book											
Bank Ledger No./ Bank Ledger Folio No. if any appearing on the cheque Book											
PAN/GIR No.											
Address of the Shareholder											
*11-Digit IFSC Code											
Signature of the First Registered Shareholder (As per the specimen signature with the Company / DP)						Date : Place :					

* The Company, its Registrars and Bankers will make best endeavors to remit dividend through NECS. However, for non CBS branches of the banks, the IFSC Code will be utilized to remit the dividend either by National Electronic Funds Transfer (NEFT) or Real Time Gross Settlement (RTGS). The branch where you operate your bank account will assist you to provide the IFSC, an 11-digit code to enable the remittance through NEFT or RTGS.

**I/We enclose a blank cancelled cheque.



Rakanpur Unit

(Corporate Office & Manufacturing Unit)



Dudhai Unit



If undelivered, Please return to :

Patels Airtemp (India) Limited

Registered Office : 5th Floor, Kalpana Complex,
Nr. Memnagar Fire Station, Navrangpura, Ahmedabad : 380009

Ph. No.: +91-79-27913694/95/96, Fax No.:+91-79-27913693

Email : share@patelsairtemp.com

Website: www.patelsairtemp.com