

Axtel Industries Limited
Regd. Office-Vadodara Halol Highway, Baska,
Panchmahals - 389350, Gujarat,
Email-info@axtelindia.com,
Website-www.axtelindia.com, Tel-+91 2676-247900
CIN: - L91110GJ1991PLC016185

Date: 28-07-2025

The Corporate Relationship Dept.,
The Bombay Stock Exchange Limited,
Ground Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, MUMBAI - 400 001

Ref: **Scrip Code: 523850**

Subject: Annual Report – 2024-25

Sir,

We submit annual report for the financial year 2024-25 as required under Regulation 34(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annual General Meeting of our Company will be held on Tuesday, 19th August, 2025 at 11.00 a.m. through VC /OVAM.

Annual report shall also be available on the website of the Company in FY 2024-25 – Financial results tab and can be accessed by clicking weblink: <https://www.axtelindia.com/investor-relations/financial-results>.

Thanking you,

Yours faithfully

FOR AXTEL INDUSTRIES LIMITED

DHARABEN MEHULKUMAR THAKAR
Company Secretary & Compliance Officer



Process
Engineering
Systems

Annual Report
2024-2025

AXTEL INDUSTRIES LIMITED

33rd ANNUAL REPORT 2024-2025

BOARD OF DIRECTORS : 1. Mr. Ajay Naishad Desai, Executive Director
2. Mr. Ajay Nalin Parikh, Executive Director
3. Mr. Ajit Singh Bubber, Non-Executive Director
4. Mr. Ameet Nalin Parikh, Non-Executive Director
5. Mr. Nimish Patel, Independent Director
6. Ms. Deepti Sharma, Independent Director
7. Mr. Paresh Jaisinh Rajda, Independent Director
*(Appointed w.e.f 03.05.2024)

COMPANY SECRETARY : CS Prerna Sudeep Bokil

CHIEF FINANCIAL OFFICER : Mr. Rajendra K. Bhavsar

AUDITORS : VRCA & Associates,
Chartered Accountants,
Vadodara.

BANKERS : Bank of Baroda, Halol

REGISTERED OFFICE & WORKS : Vadodara-Halol Highway, Baska,
Panchmahal-389350, Gujarat
Tel : [02676] 247900
Fax : [02676] 247125

Corporate Identification Number (CIN) : L91110GJ1991PLC016185

E-mail address : info@axtelindia.com

Website : www.axtelindia.com

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the members of Axtel Industries Limited will be held at 11.00 a.m. on Tuesday, 19th August, 2025 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2025 and the reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Mr. Ajitsingh Mohansingh Bubber (DIN 00454111), as Director who retires by rotation and being eligible offers himself for re-appointment.
3. To declare dividend for the financial year ended on 31st March, 2025.

SPECIAL BUSINESS :

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

Fixation of Remuneration of Mr. Ajay Naishad Desai, Whole-time Director

RESOLVED that pursuant to section 197, 198, 200 and other provisions applicable, if any and schedule V of the Companies Act, 2013 and rules made thereunder, consent of the members of the Company be and is hereby accorded to fix remuneration of Mr. Ajay Naishad Desai, (DIN: 00452821) Whole-time Director of the Company with effect from the 1st August, 2026 within the limits prescribed hereunder from time to time:

[i] Salary:

Not exceeding Rs. 20,00,000 (Rupees Twenty Lac Only) per month.

[ii] Perquisites and other allowances:

Perquisites and other allowances shall also be allowed in addition to salary. However, total managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum.

[iii] Gratuity payable should not exceed half a month's salary for each completed year of service.

[iv] Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

[v] Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the individual appointee concerned.

RESOLVED FURTHER THAT, where in any financial year, during the currency of tenure of Mr. Ajay Naishad Desai as Whole-time Director, the Company has no profit or its profits are inadequate, it may pay him minimum remuneration by way of salary, perquisites and allowances not exceeding the limits specified above for a period from 1st August, 2026 till the remaining period of his appointment (i.e. upto 28th February, 2027).

RESOLVED FURTHER THAT the Board be and is hereby authorised to vary and /or revise the remuneration of Mr. Ajay Naishad Desai within limits permissible under the Act and do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.

5. To consider and if thought fit, to pass the following resolutions as special resolutions:

Fixation of Remuneration of Mr. Ajay Nalin Parikh, Whole-time Director

RESOLVED that pursuant to section 197, 198, 200 and other provisions applicable, if any and schedule V of the Companies Act, 2013 and rules made thereunder, consent of the members of the Company be and is hereby accorded to fix remuneration of Mr. Ajay Nalin Parikh (DIN: 00453711), Whole-time Director of the Company with effect from the 1st August, 2026 within the limits prescribed hereunder from time to time:

[i] Salary:

Not exceeding Rs. 20,00,000 (Rupees Twenty Lac Only) per month.

[ii] Perquisites and other allowances:

Perquisites and other allowances shall also be allowed in addition to salary. However, total managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum.

[iii] Gratuity payable should not exceed half a month's salary for each completed year of service.

[iv] Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

[v] Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the individual appointee concerned.

RESOLVED FURTHER THAT, where in any financial year, during the currency of tenure of Mr. Ajay Nalin Parikh (DIN: 00453711), Whole-time Director of the Company has no profit or its profits are inadequate, it may pay him minimum remuneration by way of salary, perquisites and allowances not exceeding the limits specified above for a period from 1st August, 2026 till the remaining period of his appointment (i.e. upto 31st July, 2028).

RESOLVED FURTHER THAT the Board be and is hereby authorised to vary and /or revise the remuneration of Mr. Ajay Nalin Parikh within limits permissible under the Act and do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.

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

Approval to give authority under Section 186 of the Companies Act, 2013

RESOLVED THAT pursuant to Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), if any, the Consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herewith referred to as the "Board" which term shall include any committee constituted by the Board or any person(s) authorised by the Board to exercise the power conferred on the Board by this resolution) to make loans or investments, in one or more tranches by subscription, purchase or otherwise in subsidiary(ies)/ anybody/bodies Corporate(s) in India or abroad (existing or which may be promoted /incorporated), in any kind of securities, or by providing of guarantees and security in connection with a loan made by any other person to any subsidiary (ies)/ anybody/ bodies Corporate(s) in India or abroad (existing or which may be promoted /incorporated), in excess of the limits prescribed under Section 186 of the Companies Act, 2013 but subject to maximum limit of Rs. 250 Crores (Rupees Two Hundred Fifty Crores only).

RESOLVED FURTHER THAT Board be and is hereby authorized to negotiate and finalize the term and condition of said investments, loan, guarantee and provision of security on the behalf of the company as it may deem fit in the interest of the company, to take all such actions and to settle all matters arising out of and incidental thereto and to sign and to execute all deeds, applications, documents and investments, loan, guarantee and provision of security and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

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

Approval for appointment of Secretarial Auditors for consecutive five years from financial year 2025-26

RESOLVED THAT pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), other applicable laws/statutory provisions, if any, as amended from time to time, and based on the recommendation of the Audit Committee and the Board of Directors, Ruchita Patel & Associates, Practising Company Secretaries be and are hereby appointed as Secretarial Auditors of the Company for term of five consecutive years commencing from financial year 2025-26 to financial year 2029-30, on such remuneration as may be mutually agreed between the Board of Directors and the Secretarial Auditors.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution.

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

Approval for ratification of remuneration of Cost Auditors for financial year 2025-26

RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act 2013 and rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 60,000 (Rupees Sixty Thousand Only) per annum and reimbursement of out-of-pocket expenses, which may be incurred by M/s K. H. Shah & Co., Cost Accountants in Practice, who has been appointed by the Board of Directors on the recommendation of Audit Committee, as the Cost Auditor of the Company for the financial year 2025-26, be and is hereby ratified.

By the Order of the Board of Directors

Date: 16/07/2025
Registered Office :
Vadodara-Halol Highway
Baska, Panchmahal-389350
Gujarat

Ajay Nalin Parikh
Executive Director
DIN: 00453711

NOTES:

- 1) The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2024 dated 19th September, 2024 (MCA Circulars), & SEBI vide its latest Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) till 30th September, 2025. In compliance with the provisions of the Companies Act 2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (Listing Regulations) and MCA Circulars, the 33rd AGM of the Company shall be conducted through VC/OAVM.
- 2) The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
- 3) 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 his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA 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 the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 4) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to investors@axtelindia.com with a copy marked to enotices@MUFGintime.co.in.
- 5) Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024, the company is not required to close its registers of members and share transfer book. Therefore, the Company shall not close its registers of members and share transfer book. Members may join the 33rd AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10:30 a.m. IST i.e. 30 minutes before the time scheduled to start the 33rd AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 33rd AGM.

Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

- 6) As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, MUFG Intime India Private Limited ("MUFG") for assistance in this regard.

- 7) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
- 8) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent.

- 9) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company before 7 days of the date of AGM through email on investors@axtelindia.com. The same will be replied by the Company suitably.
- 10) Pursuant to Section 72 of the Companies Act, 2013, 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. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA in case the shares are held in physical form.
- 11) **The company has created an exclusive E-mail Id: investors@axtelindia.com for quick redressal of shareholders/investors grievances.**

- 12) In compliance with the aforesaid MCA Circulars dated September 19, 2024 and latest SEBI Circular dated October 3, 2024 read with circular issued by MCA dated December 28, 2022, May 5, 2022, January 13, 2021 and May 12, 2020 and SEBI Circular dated January 5, 2023, notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.axtelindia.com.
- 13) In terms of Section 152 of the Companies Act, 2013, Mr. Ajitsingh Mohansingh Bubber (DIN 00454111), Director retires by rotation at the ensuing annual general meeting and being eligible, offers himself for reappointment. The disclosures required under Secretarial Standard No. 2 & Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed at the end of explanatory statement, covering all disclosures required to be made.
- 14) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company is pleased to provide E-voting facility through MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited) for all the members of the Company to enable them to cast their votes electronically.
- 15) The Board of Directors of the Company has appointed Ms. Ruchita Patel, Company Secretary in Practice as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.
- 16) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on the cut-off date i.e. Tuesday, 12th August, 2025. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. Tuesday, 12th August, 2025 only, shall be entitled to avail the facility of e-voting / Poll.
- 17) The Scrutinizer, after scrutinizing the votes cast at the meeting through e-voting and through remote e-voting will, not later than 48 hours of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.axtelindia.com and the results shall simultaneously be communicated to the Bombay Stock Exchange.
- 18) **DIVIDEND:** The dividend, as recommended by the Board of Directors at their meeting held on Wednesday, 16th July, 2025, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable, within 30 days from the declaration of dividend, if any, to those persons or their mandates:
 - a) whose names appear as Beneficial Owners as at the end of the business hours on Tuesday, 12th August, 2025 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b) whose names appear as Members in the Register of Members of the Company as at the end of the business hours on Tuesday, 12th August, 2025 after giving effect to valid request(s) received for transmission/ transposition of shares.
- 19) **DIVIDEND THROUGH ELECTRONIC MODE:** SEBI has made it mandatory for listed companies to make all payments to investors including dividend to Members, by using any RBI approved electronic mode of payment viz. Electronic Clearing Service / Direct Credit / Real Time Gross Settlement / National Electronic Fund Transfer etc. Members are, therefore, requested to add / update their bank account details as under:
 - a) In case of holding of shares in demat form, update your bank account details with your Depository Participant(s) (DP) immediately.
 - b) In case of physical shareholding, submit bank details such as name of the bank, branch details, bank account number, MICR code, IFSC code etc. to the MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), Registrar & Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated 3rd November, 2021 (SEBI Circular). This will facilitate the remittance of the dividend amount, as and when declared by the Company, in the Bank Account electronically. In case, the Company is unable to pay the dividend to any Member by electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant / demand draft / cheque to such members by post / speed post/registered post/ courier.
- 20) **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof.
- 21) **UNCLAIMED DIVIDENDS AND IEPF:** Dividends, if not encashed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

The Members whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or RTA and submit the required documents for issue of Entitlement Letter.

- 22) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting.
- 23) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this notice.
- 24) Explanatory statement setting out all material facts concerning the special business u/s 102 of the Companies Act, 2013 is annexed hereto.
- 25) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by MUFG Intime India Private Limited, on all the resolutions set forth in this Notice.
- 26) The remote e-voting period begins from 9.00 a.m. (IST) on Saturday, 16th August, 2025 and end e-voting at 5.00 p.m. (IST) on Monday, 18th August, 2025.
- 27) During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date (record date) of Tuesday, 12th August, 2025, may cast their vote electronically.
- 28) The e-voting module shall be disabled by Link In time for voting thereafter. Those Members, who will be 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 during the AGM.
- 29) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.
- 30) The instructions for e-voting along with the details of the process and manner for remote e-voting are annexed to the notice.

Explanatory statement in respect of the special business u/s Section 102 of the Companies Act, 2013, Regulation 36 of SEBI (LODR) Regulations, 2015 & Secretarial Standard 2 issued by ICSI**Item No. 4:**

Fixation of Remuneration of Mr. Ajay Naishad Desai, Whole-time Director

Mr. Ajay Naishad Desai was re-appointed as Whole-time Director of the Company for a period of five years w.e.f. 1st March, 2022 till 28th February, 2027 as per special resolutions passed by the members of the Company at the annual general meeting of the Company held on 15th September, 2021.

He is looking after the marketing and administration department of the Company. Looking to the responsibilities shouldered by Mr. Ajay Naishad Desai, nomination and remuneration committee of the Company has recommended to take approval of members to increase his managerial remuneration having overall limits to Rs. 20,00,000 per month and accordingly Board of the Directors have considered the recommendation and consent was also accorded by the shareholders of the Company at annual general meeting held on 10th July, 2023 for a term till 31st July, 2026.

He is paid remuneration of Rs. 15,00,000 per month with effect from 1st August, 2023 as per special resolution passed at the annual general meeting of the members of the Company held on 10th July, 2023.

The Board of Directors at their meeting held on 16th July, 2025 approved managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum from 1st July, 2025 till 31st July, 2026 as per consent accorded by shareholders at the annual general meeting of the Company held on 10th July, 2023.

The Board of the Directors at their meeting held on 16th July, 2025, considering nomination and remuneration committee recommendation, recommend to fix managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum for a period for a further period from 1st August, 2026 till their remaining period of appointment i.e. 28th February, 2027 at the ensuing annual general meeting of the Company.

The information required as per clause iv of proviso of section II of part II of schedule V of the Companies Act, 2013 is furnished hereunder:

I. General Information:

- Nature of Industry & commencement of commercial production:** Engineering industry manufacturing food processing plant, machinery and equipment and dairy machinery since 1993.
- Financial Performance:** The Company's net profit after taxation is Rs. 1802.52 lacs for the year ended 31st March, 2025. The Company has made export of Rs. 3119.92 lacs during the year ended 31st March, 2025.
- Foreign investments or collaborations, if any:** NA

II. Information about Mr. Ajay Naishad Desai:

- Back Ground Details:** He is a 1st Class graduate in Electrical Engineering. He possesses over 42 years of wide and rich experience in the field of process and equipment design for food and pharmaceutical industries.
- Past remuneration:** He is paid remuneration of Rs. 15,00,000/- per month for FY 2024-25 with effect from 1st August, 2023 as per limit sanctioned by passing special resolutions at the annual general meeting held on 10th July, 2023.
- Recognition or awards:** Nil
- Job profile and his suitability:**
 - Graduated from The Maharaja Sayajirao University at Vadodara in the year 1981 as an Electrical Engineer and having scored a first class. He possesses over 42 years of experience in the field of process and equipment design for food and pharmaceutical industries. A brief overview of his career profile is as follows:
 - 1981-83: Worked as a marketing and sales engineer with M/s Finex Sieves Pvt. Limited, who were at that time a leading company for supply of knowhow and equipment for sieving and straining applications in food, pharmaceutical, chemical, paint, paper and other industries. Mr. Ajay Naishad Desai was instrumental in increasing the turnover of the company manifold, which was achieved in a short period.
 - 1985-86: Together with others, he formed a partnership company, Aro-Grad Engineering and set up a workshop to manufacture equipment for food and dairy industries. The first customer of Aro-Grad Engineering was Amul Dairy followed by the National Dairy & Development Board. Mr. Ajay Naishad Desai worked closely with eminent personalities such as Dr. Verghese Kurien, Dr. V. H. Shah and others to develop various dairy and food equipment as import substitutes for many large dairies all over India. During this period he gained rich experience in the design, development, manufacture and use of GMP equipment for the dairy, food and pharmaceutical sectors.
 - 1986-92: Promoted Age Technologies Pvt. Limited which was a larger version of Aro-Grad Engineering. This company continued the activities of Aro-Grad Engineering, with a substantially increased manufacturing facility. Age Technologies successfully commissioned various equipment and plants for dairies, food, animal feed and other similar industries. Many of these were import substitutes, eliminating the need for importing similar equipment from advanced countries.

- 1992-till date, as Executive Director with Axtel Industries Limited since its inception. Due to Mr. Ajay Desai's efforts, Axtel today is the preferred supplier to Indian and MNC food processing companies such as Kraft Foods, Nestle, Cadbury, Glaxo Smith Kline, Heinz, ITC, Unilever and several others in India and abroad. Axtel, under the leadership of Mr. Ajay Desai, has over the last 28 years designed processes/systems equivalent to the best in class.

5. Remuneration proposed: Overall managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum with effect from 1st August, 2026 till 28th February, 2027.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The remuneration is proposed to be paid is purely based on merit. Nomination and remuneration committee before recommending remuneration, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks, profile and responsibilities by comparing his efforts and responsibility as Executive Director of the Company.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel: Mr. Ajay Naishad Desai has no pecuniary relationship directly or indirectly with the Company as managerial personnel except remuneration as Executive Director drawn by him and dividend on equity shares, declared if any, by the Company for his shareholding in the Company

III. Other information:

1. Reasons for inadequate profit: The Company is earning profits which may be deemed inadequate for purpose of limits of managerial remuneration.

2. Steps taken or proposed to be taken for improvement: The Company is always looking forward to take steps and measures and also has expanded its production capacity by expansion of its existing factory shed and installed more machineries to cope with the rise in orders from the clients. The company shall make all possible efforts to improve margins and measures such as expansion, diversification, restructuring which can be best in interest of the company.

3. Expected increase in productivity and profits in measurable terms: The Company is constantly concerned about improvement in productivity and take constant measures to improve. However, it is not measurable in terms to predict profits of the company.

4. Disclosures:

Other disclosures have been mentioned under head 'Remuneration of Directors' of Corporate Governance, mentioned as Annexure G of Board of Directors' report.

The Board of Directors recommends the resolution for the approval of the members as special resolution.

No Director, Key Managerial Personnel or their relatives, except Mr. Ajay Naishad Desai for drawing his remuneration is directly or indirectly concerned or interested in the above resolution, except to the extent of his shareholding (including his relatives), if any, in the Company.

This explanatory statement together with the accompanying notice may also be considered as an abstract of terms and conditions of the contract for the remuneration of Mr. Ajay Naishad Desai as Executive Director.

DETAILS OF DIRECTORS AS PER SECRETARIAL STANDARDS 2 ON GENERAL MEETING ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of the Director	Mr. AJAY NAISHAD DESAI
DIN	00452821
Date of Birth	09/09/1958
Age	67 Years
Date of Appointment/ Reappointment	28/08/1991 - Appointment 01/03/2022 - Last re-appointment
Terms of appointment	Appointed as Whole-time Director of the Company with effect from 01/03/2022 for a period of five years on remuneration of Rs. 15 lacs per month.
Details of last remuneration	Rs. 15.00 lacs per month paid for FY 2024-25.
Details of sought to be paid	Overall remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum from 1st August, 2026 to 28th February, 2027.
Areas of Specialization	Engineering, marketing and administration
Qualifications	B.E.

No. of Shares Held in the Company	9,21,935 equity shares of Rs. 10 each
List of Directorship held in other Companies	1. Mannk Foods (India) Private Limited
Chairman/member of the Committee of the Board of Directors of this Company Chairman/member of the Committee of the Board of Directors of other Companies	1. Vigil Mechanism Committee 2. Stakeholders Committee
Relation with Key Managerial Personnel and Directors	NA
Personnel and Directors	NA

Item No. 5
Fixation of Remuneration of Mr. Ajay Nalin Parikh, Whole-time Director

Mr. Ajay Nalin Parikh was re-appointed as Whole-time Director of the Company for a period of five years w.e.f. 1st August, 2023 as per special resolutions passed by the members of the Company at the annual general meeting of the Company held on 29th September, 2022.

He is looking after the designing and engineering department of the Company. Looking to the responsibilities shouldered by Mr. Ajay Nalin Parikh, nomination and remuneration committee of the Company has recommended to take approval of members to increase his managerial remuneration having overall limits to Rs. 20,00,000 per month and accordingly Board of the Directors have considered the recommendation and consent was also accorded by the shareholders of the Company at annual general meeting held on 10th July, 2023 for a term till 31st July, 2026.

He is paid remuneration of Rs. 15,00,000 per month with effect from 1st August, 2023 as per special resolution passed at the annual general meeting of the members of the Company held on 10th July, 2023.

The Board of Directors at their meeting held on 16th July, 2025 approved managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum from 1st July, 2025 till 31st July, 2026 as per consent accorded by shareholders at the annual general meeting of the Company held on 10th July, 2023.

The Board of the Directors at their meeting held on 16th July, 2025, considering nomination and remuneration committee recommendation, recommend to fix managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum for a period for a further period from 1st August, 2026 till their remaining period of appointment i.e. 31st July, 2028 at the ensuing annual general meeting of the Company.

The information required as per clause iv of proviso of section II of part II of schedule V of the Companies Act, 2013 is furnished hereunder:

I. General Information:

- Nature of Industry & commencement of commercial production:** Engineering industry manufacturing food processing plant, machinery and equipment and dairy machinery since 1993.
- Financial Performance:** The Company's net profit after taxation is Rs. 1802.52 lacs for the year ended 31st March, 2025. The Company has made export of Rs. 3119.92 lacs during the year ended 31st March, 2025.
- Foreign investments or collaborations, if any:** NA

II. Information about Mr. Ajay Nalin Parikh:

- Back Ground Details:** He is a Bachelor of Engg. (Mechanical) with distinction from The Maharaja Sayajirao University at Vadodara in the year 1980. He possesses over 42 years of experience in the field of design, engineering and manufacturing of high-quality process equipment and plant for the food and pharmaceutical industries.
- Past remuneration:** He is paid remuneration of Rs. 15,00,000/- per month with effect from 1st August, 2023 as per limit sanctioned by passing special resolutions at the annual general meeting held on 10th July, 2023.
- Recognition or awards:** Nil
- Job profile and his suitability:**

Mr. Ajay Nalin Parikh is a Bachelor of Engg. (Mechanical) with distinction from The Maharaja Sayajirao University at Vadodara in the year 1980. He possesses over 42 years of experience in the field of design, engineering and manufacturing of high-quality process equipment and plant for the food and pharmaceutical industries. A brief overview of his career profile is as follows:

- 1980-82 worked as a Design Engineer with M/s Vulcan Engineers Pvt. Ltd., Mumbai, who are engaged in providing complete heat treatment plant and furnaces for large steel manufacturers and for wheel and axle plants of the Indian Railways. As a design engineer, he was responsible for heat and mass transfer calculations, machine and equipment design, structural design, P & IDs and plant drawings and leading a team of draftsmen to produce detailed manufacturing drawings.
 - 1982-84 worked as Design Engineer for Finex Sieves Pvt. Ltd. at Vadodara, manufacturing rotary and gyratory sieving and straining equipment for the food, pharmaceutical and chemical industries.
 - 1984-85 He ventured out on his own and was partner in a company called Wynsales. Wynsales represented various engineering goods manufacturing companies for sales in the State of Gujarat. Here he was responsible in selling material handling equipment, non-destructive testing equipment and other engineered equipment.
 - 1985-86 He formed another company, Aro-Grad Engineering and set up a workshop to manufacture equipment for the food and dairy industry. The first customer of Aro-Grad Engineering was Amul Dairy followed by the National Dairy & Development Board. Mr. Parikh worked closely with eminent personalities such as Dr. V. H. Vyas, Dr. Kurien and others to develop various dairy and food equipment as import substitutes for many large dairies all over India. During this period, he gained rich experience in the design, development, manufacture and use of GMP equipment for the dairy, food and pharmaceutical sectors.
 - 1986-92 Promoted and managed Age Technologies Pvt. Ltd. which continued the activities of Aro-Grad Engineering with a much larger manufacturing facility at Vadodara. Age Technologies successfully commissioned various cattle feed, dairy and powder handling plant and equipment. Many of these substituted the need for importing such equipment from Europe and other developed countries.
 - 1992-till date, as Executive Director with Axtel Industries Ltd. since its inception. He was involved in setting up the company, its manufacturing facilities and subsequent expansion of the same. During his tenure, Mr. Ajay Nalin Parikh has to his credit the development of a very large range of equipment, plant and machinery, most of which are import substitutes. Axtel today has a state-of-the-art manufacturing facility and is the preferred supplier to many multi-national and large FMCG and food processing companies in India and abroad. Axtel, under the leadership of Mr. Ajay Nalin Parikh, has over the last 28 years developed and manufacture these equipment equivalent to the best in class that are made in the developed nations. Various innovative ideas have also been applied for indigenization and cost reduction. All of these have been completely developed in-house without any foreign collaboration. Axtel exports these equipment and machinery to Europe, Middle East, Far East and our neighbouring countries to the various food manufacturing companies there.
5. **Remuneration proposed:** Overall managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum with effect from 1st August, 2026 till 31st July, 2028.
6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** The remuneration is proposed to be paid is purely based on merit. Nomination and remuneration committee before recommending remuneration, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks, profile and responsibilities by comparing his efforts and responsibility as Executive Director of the Company.
7. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:** Mr. Ajay Nalin Parikh has no pecuniary relationship directly or indirectly with the Company as managerial personnel except remuneration as Executive Director drawn by him and dividend on equity shares, declared if any, by the Company for his shareholding in the Company.
- III. **Other information:**
1. **Reasons for inadequate profit:** The Company is earning profits which may be deemed inadequate for purpose of limits of managerial remuneration.
2. **Steps taken or proposed to be taken for improvement:** The Company is always looking forward to take steps and measures and also has expanded its production capacity by expansion of its existing factory shed and installed more machineries to cope with the rise in orders from the clients. The company shall make all possible efforts to improve margins and measures such as expansion, diversification, restructuring which can be best in interest of the company.
3. **Expected increase in productivity and profits in measurable terms:** The Company is constantly concerned about improvement in productivity and take constant measures to improve. However, it is not measurable in terms to predict profits of the company.
- IV. **Disclosures:**
- Other disclosures have been mentioned under head 'Remuneration of Directors' of Corporate Governance, mentioned as Annexure G of Board of Directors' report.
- The Board of Directors recommends the resolution for the approval of the members as special resolution.
- No Director, Key Managerial Personnel or their relatives, except Mr. Ajay Nalin Parikh for drawing his remuneration and Mr. Ameet Nalin Parikh, Director being a relative of Mr. Ajay Nalin Parikh are directly or indirectly concerned or interested in the above resolution except to the extent of his shareholding (including his relatives), if any, in the Company.

This explanatory statement together with the accompanying notice may also be considered as an abstract of terms and conditions of the contract for the remuneration of Mr. Ajay Nalin Parikh as Executive Director.

DETAILS OF DIRECTORS AS PER SECRETARIAL STANDARDS 2 ON GENERAL MEETING ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of the Director	MR. AJAY NALIN PARIKH
DIN	00453711
Date of Birth	02/04/1957
Age	68 Years
Date of Appointment/ Reappointment	28/08/1991 - Appointment 01/08/2023 - Last re-appointment
Terms of appointment	Appointed as Whole-time Director of the Company with effect from 01/08/2023 for a period of five years on remuneration of Rs. 15 lacs per month.
Details of last remuneration	Rs. 15.00 lacs per month paid for FY 2024-25.
Details of sought to be paid	Overall remuneration by way of salary, perquisites and other allowances shall not exceed the overall ceiling limit of Rs. 2,40,00,000 (Rupees Two Crore Forty Lac Only) per annum from 1st August, 2026 to 31st July, 2028.
Areas of Specialization	Engineering, designing and administration
Qualifications	B.E.
No. of Shares Held in the Company	4,66,044 equity shares of Rs. 10 each
List of Directorship held in other Companies	NA
Chairman/member of the Committee of the Board of Directors of this Company	1. Member - Stakeholders Committee 2. Member - CSR Committee 3. Member - Risk Management Committee
Chairman/member of the Committee of the Board of Directors of other Companies	NA
Relation with Key Managerial Personnel and Directors	Brother of Mr. Ameet Nalin Parikh, Director

Item No. 6:

Approval to give authority under Section 186 of the Companies Act, 2013

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

As per the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding Rs. 250 Crores (Rupees Two Hundred Fifty Crores only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

Your board recommends the above resolution as special resolution.

No Director, Key Managerial Personnel or their relatives, is directly or indirectly concerned or interested in the above resolution.

Item No. 7:

Approval for appointment of Secretarial Auditors for consecutive five years from financial year 2025-26

The Board of the Directors of the Company, at its meeting held on 16th July, 2025, based on recommendation of the Audit Committee, and after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved to consider the appointment of M/s Ruchita Patel & Associates, Practising Company Secretaries, a peer reviewed firm as Secretarial Auditors of the Company having experience more than 10 years, for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, for approval of the Members at the general meeting of the Company.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s Ruchita Patel & Associates have consented to the said appointment and confirmed that their appointment, if made, would be within the limit specified by the Institute of Companies Secretaries of India. M/s Ruchita Patel & Associates have further confirmed that they have not incurred any disqualification and are eligible to be appointed as Secretarial Auditor of the Company in terms of Regulation 24A (1A) of SEBI Listing Regulations, 2015, provisions of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/ CIR/P/ 2024/185 dated 31st December 2024.

Your board recommends the above resolution as an ordinary resolution.

No Director, Key Managerial Personnel or their relatives, is directly or indirectly concerned or interested in the above resolution.

Item No. 8:**Approval for ratification of remuneration of Cost Auditors for financial year 2025-26**

Your Company is required to appoint Cost Auditor as per section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014. Audit committee of your Company has recommended the appointment of M/s. K. H. Shah & Co., as Cost Auditor of the Company for the financial year 2025-26 and also recommended their remuneration of Rs. 60,000/- per annum and out of pocket expenses incurred, if any. The Board of Directors of your Company has agreed with the recommendation for appointment of M/s. K. H. Shah & Co., as Cost Auditor and also for their remuneration of Rs. 60,000/- and out of pocket expenses incurred, if any. Your Board has appointed M/s. K. H. Shah & Co., as Cost Auditor of the Company for the financial year 2025-26.

Your Board recommends ratification of remuneration including out of expenses of Cost Auditor of your Company.

Your board recommends the above resolution as an ordinary resolution.

No Director, Key Managerial Personnel or their relatives, is directly or indirectly concerned or interested in the above resolution.

By the Order of the Board of Directors

Date: 16-07-2025

Registered Office:

**Vadodara Halol Highway,
Baska, Gujarat – 389350**

**Ajay Nalin Parikh
Executive Director
DIN: 00453711**

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AS PER REGULATION 36 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 AND SECRETARIAL STANDARDS 2 ON GENERAL MEETING ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of the Director	Mr. Ajitsingh Mohansingh Bubber
DIN	00454111
Date of Birth & Age	16/06/1962 & 63 years
Type of appointment	Director retiring by rotation
Date of Appointment/ Reappointment	01/04/1995 (Date of Appointment) 10/07/2023 (Date of re-appointment)
Terms and conditions of earlier appointment, if any	Appointed as Non-Executive Director of the Company and is being paid sitting fees for attending board meetings.
Areas of Specialization	Business
Qualifications	S.Y.B.A.
Experience	Having experience of more than 25 years in business

No. of Shares Held in the Company NIL		
List of Directorship held in other Companies	1.	Punjab Steel Rolling Mills (Baroda) Private Limited, Director
	2.	Windwalker Advisors & Agents Private Limited, Director
Chairman/member of the Committee of the Board of Directors of this Company	NA	
Chairman/member of the Committee of the Board of Directors of other Companies	NA	
Relation with Key Managerial Personnel and Directors	No relationship between the directors inter-se	
Justification for appointment	Knowledge in business	
Skills and capabilities required from Director as per matrix of skills / capabilities / competencies of Director by the Board	Business management	
Performance evaluation Summary	NA	

INSTAMEET VC INSTRUCTIONS:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30 September 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- Visit URL: <https://instameet.in.mpms.mufig.com> & click on "Login".
 - Select the "Company Name" and register with your following details:
 - Select Check Box - **Demat Account No. / Folio No. / PAN**
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box - Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box - PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Click "Go to Meeting"
- You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- Shareholders who would like to speak during the meeting must register their request with the company.
- Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting

can cast the vote as under:

- a) On the Shareholders VC page, click on the MUFG for e-Voting "Cast your vote"
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on 'Submit'.
- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 - 4918 6000 / 4918 6175.

REMOTE EVOTING INSTRUCTIONS:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "IDeAS Login Section".
- b) Click on "Beneficial Owner" icon under "IDeAS Login Section".
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting MUFG displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".
- c) Enter the last 4 digits of your bank account / generate 'OTP'

- d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

METHOD 2 - NSDL e-voting website

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting MUFG displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 3 - NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/ mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting MUFG displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders registered with CDSL Easi/ Easiest facility**METHOD 1 - CDSL Easi/ Easiest facility:**Shareholders registered for Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com & click on New System Myeasi Tab.
- b) Enter existing username, Password & click on "Login".
- c) Post successful authentication, user will be able to see e-voting option. The evoting option will have MUFGs of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting MUFG displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields for registration.
- c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

METHOD 2 - CDSL e-voting page

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) Post successful authentication, user will be able to see e-voting option. The evoting option will have MUFGs of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting MUFG displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through "e-voting" option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) Post successful authentication, click on "MUFG InTime" or "evoting MUFG displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP to InstaVote
Shareholders registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.MUFGintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- b) Enter details as under:

1. User ID: Enter User ID
2. Password: Enter existing Password
3. Enter Image Verification (CAPTCHA) Code
4. Click "Submit".

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is <u>Event No + Folio no.</u> , registered with the Company

(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

Shareholders not registered for INSTAVOTE facility:

- e) Visit URL: <https://instavote.MUFGintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders holding shares in NSDL form, shall provide 'D' above
 - Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
5. Set the password of your choice.
(The password should contain minimum 8 characters, at least one special Character (!#\$%*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is <u>Event No + Folio no.</u> , registered with the Company

Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
- B. Select 'View' icon. E-voting page will appear.
- C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file MUFG).
- D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")
STEP 1 - Custodian / Corporate Body/ Mutual Fund Registration

- A. Visit URL: <https://instavote.MUFGintime.co.in>
- B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- C. Fill up your entity details and submit the form.
- D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@MUFGintime.co.in.
- E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 - Investor Mapping

- A. Visit URL: <https://instavote.MUFGintime.co.in> and login with InstaVote Login credentials.
- B. Click on "Investor Mapping" tab under the Menu Section
- C. Map the Investor with the following details:
 - 1) 'Investor ID' - Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
 - 2) 'Investor's Name' - Enter Investor's Name as updated with DP.
 - 3) 'Investor PAN' - Enter your 10-digit PAN.
 - 4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be - DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.
- D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 - Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.MUFGintime.co.in> and login with InstaVote Login credentials.
- b) Click on "Votes Entry" tab under the Menu section.
- c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".
- d) Enter "16-digit Demat Account No.".
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file MUFG). After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

- a) Visit URL: <https://instavote.MUFGintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will see "Notification for e-voting".
- c) Select "View" icon for "Company's Name / Event number".
- d) E-voting page will appear.
- e) Download sample vote file from "Download Sample Vote File" tab.
- f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.
- g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.muvg.com or contact on: - Tel: 022 - 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.MUFGintime.co.in>

- Click on "Login" under 'SHARE HOLDER' tab.
- Click "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.MUFGintime.co.in>

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- ✦ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ✦ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ✦ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

BOARD'S REPORT

To,
The Members,

Your Directors have pleasure in presenting their 33rd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2025.

1. Financial summary

The financial results for the year are as under:

[Rupees in Lacs]

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Sales and other Income	18,322.42	22,652.64
Profit before depreciation, amortization and exceptional items	2781.19	4,561.72
Less: Depreciation and amortization	387.92	275.77
Less: Exceptional items	0.00	0.00
Profit before tax	2393.27	4,285.95
Less: Provision for tax	593.69	1,241.06
Provision for deferred tax	-2.94	-168.45
Profit after taxation	1802.52	3,213.34

2. Dividend

Your Board had considered Interim dividend declared @ Rs. 6.00 (INR Six Only) per equity share (i.e. 60%) of Rs. 10 on 9th March, 2024 as final dividend for the financial year 2023-24 at the annual general meeting of the Company held on 1st August, 2024 as per recommendation of the Board of Directors on 3rd May, 2024.

Your Board had declared interim dividend @ Rs. 5.00 (INR Five Only) per equity share (i.e. 50%) of Rs. 10 for the financial year 2024-25, at the meeting of the Board of Directors held on 15th March, 2025.

The Board further recommended additional dividend of Rs. 6.00 (INR Six only) per equity share (i.e. 60%) of Rs. 10 for the financial year 2024-25, at the meeting of the Board of Directors held on 16th July, 2025.

Accordingly, the Board recommended total dividend @ Rs. 11.00 (INR Eleven only) per equity share (i.e. 110%) for the financial year 2024-25 as final dividend for the financial year 2024-25 for according consent of the members at the annual general meeting of the company to be conducted for the financial year 2024-25.

As stipulated in Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has adopted dividend distribution policy and the same can be viewed at:

https://axtelindia.com/userfiles/corporate_governance/document/1629293145.pdf

3. Reserves

Your Board does not propose to carry to any reserves for the financial year 2024-25.

4. Brief description of the Company's working during the year/State of Company's affair

Total turnover during the year 2024-25 was Rs. 17,855.87 lacs compared to Rs. 22,333.30 lacs of previous year 2023-24 which shows decrease of Rs. 4477.43 lacs (20.05%). There is profit of Rs. 1,802.52 lacs (after tax) during the year 2024-25 compared to profit of Rs. 3,213.34 lacs (after tax) during the year 2023-24.

5. Change in the nature of business, if any

There is no change in the nature of business during the financial year 2024-25.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

7. 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

No significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the financial year and or subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The Company has appointed internal auditor for adequacy of internal financial controls and your Board has taken adequate care for financial control.

9. Details of Subsidiary/Joint Ventures/Associate Companies

Your Company has no Subsidiary/Joint Ventures/Associate Companies during the year.

10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement, if any.

Your Company has no Subsidiary/Joint Ventures/Associate Companies during the year.

11. Deposits

Your Company has not accepted any deposit during the year and there was no deposit at the beginning of the year. Therefore the details relating to deposits, covered under Chapter V of the Act is not applicable.

12. Statutory Auditors & Internal Auditors**Statutory Auditors:**

M/s. VRCA & Associates, Chartered Accountants has been appointed for a period five years pursuant to the provisions of section 139 of the Companies Act 2013 at the AGM held on 29th September, 2022 and is eligible to act as statutory auditor for the current financial year.

Internal Auditors:

M/s. Sharp & Tannan, Chartered Accountants were appointed at the meeting of the board of directors held on 18th May, 2024 for FY 2024-25 for conducting internal audit of the Company.

13. Auditors' Report

The observations of the Auditors are explained, wherever necessary, in an appropriate note to the Audited Statement of Accounts. No qualification, reservation or adverse remark or disclaimer has been made by the auditor in their auditors' report for the year 2024-25.

14. Share Capital

During the year under review, the Company has not issued any securities nor has granted any stock option or sweat equity.

Employee Stock Option Schemes

With a view to attract, reward and retain talented and key employees in the competitive environment and encourage them to align individual performance with Company objectives, the Company has introduced 'Axtel Industries Ltd Employee Stock Option Plan 2024' (hereinafter referred to as "ESOP 2024" / the "Scheme" or the "Plan").

The ESOP Scheme is in compliance with the Act and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the disclosures relating to the ESOP Schemes as required under the abovementioned SEBI Regulations are available on the Company's website www.axtelindia.com.

The certificate of Secretarial Auditor confirming compliance of the ESOP Schemes with the Act and abovementioned SEBI Regulations is given in Annexure H to this Report.

15. Annual return

As per latest amendment in section 92 of the Companies Act, 2013, a copy of annual return will be displayed on Company's web site i.e. www.axtelindia.com after filing annual return, on completion of ensuing annual general meeting, with the Registrar of Companies within the time stipulated in said Section 92 of Act.

16. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are attached herewith (Annexure-A)

17. Corporate Social Responsibility (CSR)

The Company is required to spend towards corporate social responsibility under section 135 of the Companies Act, 2013. The Annual report on CSR Activities for the year under review as per Annexure II inserted vide MCA notification dated 22nd January, 2021 in terms of section 135 of the Companies Act, 2013 is attached in Annexure D.

18. Directors & Key Managerial Personnel

A) Following changes incorporated during the financial year 2024-25:

1. Mr. Paresh Jaisinh Rajda have been appointed as an Additional Independent Director of the Company with effect from 3rd May, 2024 for a period of five years, subject to shareholders approval at the ensuing general meeting.
 2. Mr. Paresh Jaisinh Rajda (DIN: 00680340), Additional Independent Director of the Company regularized as Independent Director of the Company with effect from 3rd May, 2024 to hold office for five consecutive years at the annual general meeting of the Company held on 1st August, 2024.
 3. Mr. Ameet Nalin Parikh (DIN 00007036), retires by rotation, reappointed at the annual general meeting of the Company held on 1st August, 2024.
- B) Mr. Ajitsingh Mohansingh Bubber (DIN 00454111), retires by rotation at the ensuing annual general meeting and being eligible offered himself for re-appointment as Director.

- C) Declaration by an Independent Director(s) and re- appointment, if any

Declarations

A declaration, by Independent Directors that they have met the criteria provided in sub-section (6) of Section 149 of the Companies Act, 2013, have been received.

The Independent Directors of the Company have also confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

Re-appointments:

Mr. Ajitsingh Mohansingh Bubber (DIN 00454111), Director of the Company and eligible for re-appointment has given his consent and declaration under Form DIR-8 pursuant to Section 164(2) read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

Details of Mr. Ajitsingh Mohansingh Bubber, Director seeking re-appointment as per Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Bombay stock exchange is already annexed to the notice of the annual general meeting.

D) Formal Annual Evaluation

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and individual Directors which includes criteria for performance evaluation of executive directors and non-executive directors.

In evaluating the suitability of individual Board members, the Committee may take into account factors, such as:

- i. General understanding of the Company's business;
- ii. Educational back ground and experience;
- iii. Personal and professional ethics, integrity and values;
- iv. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

E) Opinion of the Board:

Your Board is of opinion that independent directors of the Company, possess requisite qualifications, experience and expertise and they hold good standard of integrity in various fields.

19. Number of meetings of the Board of Directors

During the year from 1st April, 2024 to 31st March, 2025, the Board of Directors met seven times on the following dates:

Sr No.	Date	Board Strength	No. of Directors Present
1	03-05-2024	6	6
2	18-05-2024	7	7
3	27-06-2024	7	7
4	07-08-2024	7	7
5	25-10-2024	7	7
6	30-01-2025	7	6
7	15-03-2025	7	7

The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the erstwhile Listing Agreement.

20. Audit Committee

The Audit Committee was reconstituted w.e.f. 3rd May, 2024 due to cessation of Mr. Sandeep Gul Lalwani as Independent Director and appointment of Mr. Paresh Jaisinh Rajda as an Independent Director of the Company:

Sr. No.	Name of Director	Designation
1	Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director
2	Mr. Nimish Patel	Non-Executive Independent Director
3	Mr. Ameet Nalin Parikh	Non-Executive Director
4	Mrs. Deepti Sharma	Non-Executive Independent Director

There was no occasion regarding non-acceptance of any recommendation of the Audit Committee during the year.

The Audit Committee Meetings were duly convened during the year ended 31st March, 2025 on following dates:

- 03-05-2024, 07-08-2024, 25-10-2024 & 30-01-2025.

21. Details of establishment of vigil mechanism for directors and employees

The Board has appointed the following persons as members of vigil committee:

Sr. No.	Name of Director	Designation
1	Mr. Ajay Naishad Desai	Whole-time Director
2	Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director
3	Mr. Ameet Nalin Parikh	Non-Executive Director

The Company has framed a whistle blower policy in terms of listing agreement and the same may be accessed on the Company's website.

22. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was reconstituted w.e.f. 3rd May, 2024 due to cessation of Mr. Sandeep Gul Lalwani as an Independent Director and appointment of Mr. Paresh Jaisinh Rajda as an Independent Director of the Company:

No.	Name of Director	Designation
1	Mr. Nimish Patel	Non-Executive Independent Director
2	Mrs. Deepti Sharma	Non-Executive Independent Director
3.	Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director

The Committee was further reconstituted on 18th May, 2024 to appoint Mr. Ameet Nalin Parikh as member of the Committee and have following members:

No.	Name of Director	Designation
1	Mr. Nimish Patel	Non-Executive Independent Director
2	Mrs. Deepti Sharma	Non-Executive Independent Director
3.	Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director
4.	Mr. Ameet Nalin Parikh	Non-Executive Director

The policy formulated by nomination and remuneration committee:

The terms of reference of the committee inter alia include succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria, identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual and group and also maintains a balance between both short and long-term objectives of the company.

The Nomination and Remuneration Committee Meeting was held on 01-05-2024, 18-05-2024 & 29-03-2025 during the year ended 31st March, 2025.

23. CSR Committee

The CSR Committee was reconstituted w.e.f. 3rd May, 2024 due to cessation of Mr. Sandeep Gul Lalwani as Independent Director and appointment of Mrs. Deepti Sharma as member of the Committee:

No.	Name of Director	Designation
1	Mrs. Deepti Sharma	Non-Executive Independent Director
2	Mr. Ajay Nalin Parikh	Whole-time Director
3	Mr. Ameet Nalin Parikh	Non-Executive Director

The Corporate Social Responsibility Committee Meeting was held on 03-05-2025 during the year ended 31st March, 2025.

24. Stakeholders Committee:

The members of stakeholders Committee of the Company as on 31st March, 2025 are as under:

No.	Name of Director	Designation
1	Mr. Ajay Naishad Desai	Executive Director
2	Mr. Ajay Nalin Parikh	Executive Director
3	Mrs. Deepti Sharma	Independent Director

The Stakeholders relationship Committee Meetings were duly convened during the year ended 31st March, 2025 on following dates:

- 03-05-2024, 07-08-2024, 25-10-2024 & 30-01-2025.

25. Risk Management Committee:

The Risk Management Committee was reconstituted w.e.f. 3rd May, 2024 due to cessation of Mr. Sandeep Gul Lalwani as Independent Director and appointment of Mrs. Deepti Sharma as member of the Committee:

No.	Name of Director	Designation
1	Mr. Ameet Nalin Parikh	Non- Executive Director
2	Mr. Ajay Nalin Parikh	Executive Director
3	Mrs. Deepti Sharma	Independent Director

The Risk Management Committee Meeting was held on 07-08-2024 & 05-03-2025 during the year ended 31st March, 2025.

26. Particulars of loans, guarantees or investments under section 186:

The Company has not given any loan, guarantees or made investments under section 186 to any person or body corporate except loan to employees of the Company as per Company's policy for employees and investment in mutual funds.

27. Particulars of contracts or arrangements with related parties:

The Company has entered into contract or arrangement with related party referred to in sub-section (1) of section 188 of the Companies Act, 2013 with Morphis Business Advisory LLP, Bombay with effect from 1st April, 2023 which has been approved by the Board of Directors at the meeting, held on 18th May, 2023 for a period of five years.

Form No. AOC -2 regarding transactions under section 188 of the Companies Act, 2013 is enclosed herewith (Annexure-B).

28. Managerial Remuneration

Disclosures pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed herewith (Annexure-C).

29. Secretarial Audit Report

The Secretarial Audit Report pursuant to section 204(1) of the Companies Act, 2013 given by M/s. DRP & Associates, Practicing Company Secretaries has been enclosed herewith along with Annual Secretarial Compliance Report as required under Regulation 24A of LODR Regulations, 2015. (Annexure-E).

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

30. Corporate Governance Report

A detailed corporate governance report including compliance certificate received from M/s. DRP & Associates, Practicing Company Secretaries, regarding compliance of conditions of corporate governance as stipulated in Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 is attached as Annexure F.

The management discussion and analysis report as stipulated in Regulation 34 (2) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been annexed to Directors' report as Annexure G.

The requirement of submitting Business Responsibility and Sustainability Reporting as stipulated in Regulation 34 (2) (f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 is applicable to top 1000 listed companies on the basis of market capitalization and shall continue to apply for a period of three consecutive years as per Regulation 3 of SEBI (LODR) Regulations, 2025. The Company does not fall under top 1000 listed companies on basis of market capitalization from FY 2021-22 and have remained outside the applicable threshold for a period of three consecutive years, therefore the Business Responsibility and Sustainability Reporting as stipulated in Regulation 34 (2) (f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 is not applicable to the Company from the financial year 2024-25.

31. Code of Conduct

The Company has adopted a code of conduct for its directors and senior designated management personnel. All the Board members and senior management personnel have affirmed their compliance of code of conduct.

32. Risk management policy

In today's economic environment, risk management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your company has identified the following risks:

Key Risk	Impact to Axtel Industries Ltd	Mitigation Plans
Commodity Price Risk	Risk of price fluctuation on basic raw materials like steel, components, power as well as finished goods used in the process of manufacturing.	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
Uncertain global economic environment – slow growth in global economy	Impact on demand and realization of exports of food processing plant and machinery.	The people do not compromise on food and it will not affect much.
Interest Rate Risk	Any increase in interest rate can affect the finance cost.	Dependence on debt is very minimum and Company has enough funds to meet the need arises.
Foreign Exchange Risk	Any volatility in the currency market can impact the overall profitability.	The Company has potentiality in domestic market. In case of major fluctuation either upwards or downwards, the effect will be minimal.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company	By continuously benchmarking of the best HR practices and carrying out necessary improvements to attract and retain the best talent. Company does not anticipate any major issue for the coming years.
Competition Risk	Every company is always exposed to competition risk. The increase in competition can create pressure on margins, market share etc.	By continuous efforts to enhance the brand image of the Company by focusing on quality, cost, timely delivery and customer service. By introducing new product range commensurate with demands, your company plans to mitigate the risks so involved.
Compliance Risk – Increasing regulatory Requirements.	Any default can attract penal provisions.	By regularly monitoring and review of changes in regulatory framework.
Industrial Safety, Employee Health and Safety Risk.	The engineering industry is exposed to accidents and injury risk due to human negligence.	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee.

33. Directors' Responsibility Statement

Your Directors' state that—

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- 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.

34. Compliance with Secretarial Standards and SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015:

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 from time to time.

35. Cost Audit.

M/s. K. H. Shah & Co., Cost Accountants, were appointed with the approval of the Board to carry out the cost audit for F.Y. 2024-25. Based on the recommendation of the Audit Committee, M/s. K. H. Shah & Co., Cost Accountants, being eligible, have also been appointed by the Board of Directors in their meeting held on 13-05-2025 as the Cost Auditors for F.Y. 2025-26. The remuneration to be paid to M/s. K. H. Shah & Co., for F.Y. 2025-26 is subject to ratification by the shareholders at the ensuing AGM.

Cost records as specified by the Central Government under sub-section 1 of section 148 of the Companies Act, 2013, are maintained by the Company for the financial year 2024-25.

36. Details of fraud reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

There was no fraud reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

37. Details of proceedings under the Insolvency and Bankruptcy Code, 2016

There was no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

38. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has been employing about 8 women employees in various cadres within the factory premises. The Company has in place an anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been set up to redress complaints received regularly and are monitored by women line supervisors who directly report to the Executive Director. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

During the year, the number of complaints received and disposed is mentioned below:

Sr. No.	Grievance Details	
(a)	number of complaints of sexual harassment received in the year;	0
(b)	number of complaints disposed off during the year;	0
(c)	number of cases pending for more than ninety day	0

39. Compliance with Maternity Benefit Act, 1961

The Company is in compliance with Maternity Benefit Act, 1961. Current Leave policy of the company is in line with provisions of Maternity Benefit Act, 1961 and other applicable labour laws and rules made thereunder. All employees are covered under the said policy.

40. Acknowledgements

The Board of Directors gratefully acknowledge the assistance and co-operation received from the Bank of Baroda and all other statutory and non-statutory agencies for their co-operation. The Board of Directors also wish to place on record their gratitude and appreciation to the members for their trust and confidence shown in the Company. The Board of Directors would like to especially thank all the employees of the Company for their dedication and loyalty.

By Order of the Board of Directors

Date: 16-07-2025

Registered Office:

Vadodara-Halol Highway,
Baska, Panchmahal-389350, Gujarat

Ajay Naishad Desai

Executive Director

DIN: 00452821

Ajay Nalin Parikh

Executive Director

DIN: 00453711

ANNEXURE - A

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Income and Outgo as per rule 8(3) of the Companies (Accounts) Rules, 2014:

(A) Conservation of energy:

No.	Particulars	Steps taken
(i)	The steps taken or impact on conservation of energy	Low power illumination is used in factory.
(ii)	The steps taken by the company for utilising alternate sources of energy	The Company has already installed solar power system in past.
(iii)	The capital investment on energy conservation equipment	N.A.

(B) Technology absorption:

No.	Particulars	Steps taken
(i)	The efforts made towards technology absorption	Technology developed by the Whole-time Directors
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	The Company developed, improved various products, and import substitution in- house.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv)	The expenditure incurred on Research and Development	N.A.

(C) Foreign exchange earnings and Outgo:

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

No.	Particulars	Details
(i)	Activities relating to exports	Sales of food processing plants & machinery
(ii)	Initiatives taken to increase export	The Directors visit clients abroad several times and the Company expects to receive several export orders from time to time.
(iii)	Development of new export markets for products and services and export plans	N.A.

Details of foreign exchange used and earned:

[Rupees in Lacs]

Particulars	F.Y. 2024-25	F.Y. 2023-24
Total foreign exchange used	284.42	373.58
Total foreign exchange earned	2997.75	2365.80

By Order of the Board of Directors

Date: 16.07.2025

Registered Office:

Vadodara-Halol Highway,
Baska, Panchmahal-389350, Gujarat

Ajay Naishad Desai

Executive Director

DIN: 00452821

Ajay Nalin Parikh

Executive Director

DIN: 00453711

Annexure-B**Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NOT APPLICABLE

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) date(s) 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 contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Morphis Business Advisory LLP, Mr. Ameet Nalin Parikh, Non-Executive Director of the Company is partner in the said LLP.
- (b) Nature of contracts/arrangements/transactions: Availing professional service in connection with growth, value creation and financial security.
- (c) Duration of arrangements: From 01.04.2023 to 31.03.2028.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Morphis Business Advisory LLP provides services for establishment of vision and a strategy for the Company, a sound strategy for each of the enablers and for growth and implementation and monitoring the said strategies to enhance company's growth. (During the financial year: Rs. 48.00 lacs paid as professional fees)
- (e) Date of approval by the Board: Board approved on 18th May, 2023 for a period of 5 Years from 01.04.2023 to 31.03.2028.
- (f) Amount paid as advances, if any: No advance is paid.

By Order of the Board of Directors

Date:

Registered Office:

Vadodara-Halol Highway,
Baska, Panchmahal-389350, Gujarat

Ajay Naishad Desai
Executive Director
DIN: 00452821

Ajay Nalin Parikh
Executive Director
DIN: 00453711

ANNEXURE-C

Information as per Section 134 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

(i)	The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2024-25	Director's Name	Ratio to median remuneration
		Mr. Ajay Naishad Desai, Whole Time Director	25.17
		Mr. Ajay Nalin Parikh, Whole Time Director	25.17
(ii)	The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2024-25 compared to 2023-24	Director's/CFO/CEO/CS/name	% increase in remuneration
		Mr. Ajay Naishad Desai, WTD	NIL
		Mr. Ajay Nalin Parikh, WTD	NIL
		Mrs. Purna Sudeep Bokil, CS	14.68%
		Mr. R K Bhavsar, CFO	9.80%
(iii)	Percentage increase in the median remuneration of employees in the financial year 2024-25 compared to 2023-24	5.21%	
(iv)	Number of permanent employees on the rolls of the company	As on 31.03.2025	As on 31.03.2024
		228	233
(viii)	Average percentile increase in salaries of Employees other than managerial personnel	During 2024-25	During 2023-24
		0.63%	1.62%
	Justification for increase / decrease with reasons for any exceptional circumstances	It is in line with the industry practice and is within the normal range.	It is in line with the industry practice and is within the normal range.

Information under Rules 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company in receipt of remuneration for the year in the aggregate of Rs. One Crore and two lakh and/ or Rs. eight lakh fifty thousand per month during the financial year 2024-25:

Name	Age - Years	Designation	Nature of employment	Qualification & Experience (Yrs)	Remuneration received (Rs. In lacs)	Date of Commencement of employment	Last employment/ Designation
i. Employed throughout the financial year							
Mr. Ajay Naishad Desai	67	Whole time Director	Contractual	B.E.(Elec.) 42 years	1,50,00,000	01.03.1992	Age Technologies Pvt. Ltd./ Director
Mr. Ajay Nalin Parikh	68	Whole time Director	Contractual	B.E.(Mech.) 42 years	1,50,00,000	01.03.1992	Age Technologies Pvt. Ltd./ Director
ii. Employed for a part of financial year	NA	NA	NA	NA	NA	NA	NA
iii. Employed throughout the year of part thereof	NA	NA	NA	NA	NA	NA	NA

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

By Order of the Board of Directors

Date: 16.07.2025

Registered Office:

Vadodara-Halol Highway,
Baska, Panchmahal-389350, Gujarat

Place: Vadodara-Halol Highway, Baska, Panchmahal-389350, Gujarat

Ajay Naishad Desai
Executive Director
DIN: 00452821

Ajay Nalin Parikh
Executive Director
DIN: 00453711

ANNEXURE - D

Annual Report on CSR Activities as mentioned in Annexure - II pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

1. Brief outline on CSR Policy of the Company.
To actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

2. Composition of CSR Committee:

Sl. No.	Name of 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	Ajay Nalin Parikh	Chairman & Executive Director	01	01
2	Ameet Nalin Parikh	Non-Executive Director	01	01
3	Deepthi Sharma	Non- Executive Independent Director	01	01

CSR Meeting held on 03-05-2024 during the financial year.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - - www.axtelindia.com
4. Provide the 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 as average CSR Obligation calculated is less than ten crore rupees.
5.
 - (a) Average net profit of the company as per sub-section (5) of section 135: Rs. 27,51,08,163/-
 - (b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 55,02,163/-
 - (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Rs. 0.00/-
 - (d) Amount required to be set off for the financial year, if any - Rs. 13/-
 - (e) Total CSR obligation for the financial year [(b)+(c)-(d)] - Rs. 55,02,150/-
6.
 - (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 55,04,876/- (See Attachment)
 - (b) Amount spent in Administrative Overheads: NA
 - (c) Amount spent on Impact Assessment, if applicable: NA
 - (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 55,04,876/-
 - (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (6) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
55,04,876/-	0.00	NA	NA	0.00	NA

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

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135.	Rs. 55,02,163/- Less: Set off amount of previous year Rs. 13/- Rs. 55,02,150/-
(ii)	Total amount spent for the Financial Year	Rs. 55,04,876/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 2,726/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. 0/-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 2,726/-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.).	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, 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	0.00	0.00	NA	0.00	NA	0.00
2.	2022-23	0.00	0.00	NA	0.00	NA	0.00
3.	2021-22	0.00	0.00	NA	0.00	NA	0.00
	Total	0.00	0.00				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

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

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)
					CSR Registration Number, if applicable
					Name
					Registered address
1	NA	NA	NA	NA	NA

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

For Axtel Industries Limited

Ajay Nalin Parikh
Executive Director
DIN: 00453711

Date: 03.05.2024

Place: Vadodara-Halol Highway, Baska, Panchmahal-389350, Gujarat

Attachment to Annexure
Amount spent on CSR Projects on other than Ongoing Projects: Rs. 55,04,876/-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number
1.	Donation to Charutar Arogya Mandal, towards promoting healthcare including preventive healthcare	1	No	Gujarat	Karamsad	3,00,000	No	Charutar Arogya Mandal	CSR00002068
2.	Donation to Jumpstart Skill Foundation towards sustainable development & livelihood enhancement amongst disadvantaged women	4	Yes	Gujarat	Vadodara	1,87,000	No	Jumpstart Skill Foundation	CSR00017537
3.	Donation to Akshar Trust towards promoting education including special education	2	Yes	Gujarat	Vadodara	5,00,000	No	Akshar Trust	CSR00000100
4.	Donation to Dhiram Trust towards promotion of vocational skills, employability of specially abled persons	2	Yes	Gujarat	Vadodara	8,00,000	No	Dhiram Trust	CSR00029946
5.	Skill Development Initiative in association with KJIT, Savli for providing vocational and skill-based training to students of KJIT, Savli towards promotion of vocational skills and training	4	Yes	Gujarat	Halol	18,71,876	Yes	Jana Jansahayak Trust	CSR00016115
6.	Donation to Lagni Foundation towards meals to under privileged elders in slum areas	3	Yes	Gujarat	Vadodara	3,00,000	No	Lagni Foundation	CSR00003051

7.	Executed project with Panchayat, Ampad for Electrification including installing lights around Ampad Lake located at Ampad Village, towards rural development projects	10	Yes	Gujarat	Vadodara	6,96,000	Yes	Jay Ambe Construction	NA
8.	Donation to Maharaja Sayajirao University (MSU) towards promoting education	2	Yes	Gujarat	Vadodara	50,000	No	Maharaja Sayajirao University (MSU)	CSR00026500
9.	Donation to Udayan Care towards promotion of vocational skills, employability of specially abled persons	2	No	Delhi	New Delhi	3,00,000	No	Udayan Care	CSR00000619
10.	Donation to Bhasha Research & Publication Centre towards promoting healthcare in tribal areas	1	Yes	Gujarat	Vadodara	5,00,000	No	Bhasha Research & Publication Centre	CSR00006659
	TOTAL					55,04,876			

ANNEXURE - E**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 No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,
The Members,
Axtel Industries Limited,
Vadodara Halol Highway,
Baska, Gujarat - 389350.

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 (audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the audit period)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the audit period)
 - (i) The Securities and Exchange Board of India (Listing and Obligations Disclosure Requirements) 2015.
- VI. As informed to us other laws specifically applicable to the company are as under:
 1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 2. The Factories Act, 1948
 3. The Industrial Employment (Standing Orders) Act, 1946
 4. The Maternity Benefit Act, 1961
 5. The Minimum Wages Act, 1948
 6. The Payment of Wages Act, 1936
 7. The Negotiable Instruments Act, 1881
 9. The Payment of Gratuity act, 1972
 10. The Workmen's Compensation Act, 1922
 11. The Contract Labour (Regulation & Abolition) Act, 1970
 12. The Industrial dispute Act, 1947
 13. The Payment of Bonus Act, 1965
 14. The Employment Exchange Act, 1959
 15. The Apprentice Act, 1961
 16. The Equal Remuneration Act, 1976
 17. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In respect of above laws specifically applicable to the Company, we have relied on information /records produced by the company during the course of our audit on test check basis and limited to that extent, the company has complied with the above laws applicable to the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange. Now Disclosure under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Following are the details of change of Directors in the year under review:

Sr. No.	Name of the Director	Nature	Date of Changes	Designation
1.	PARESH JAISINH RAJDA	Appointment	03-05-2024 (Board Meeting)	Additional Independent Director
		Change in Designation	01-08-2024 (Annual General Meeting)	Independent Director

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.

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

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

Signature:
For DRP & Associates.
Company Secretaries

Ruchita Patel
FCS No.: 13531
C P No.: 15669
PR: 1204/2021
UDIN: F013531G000683376

Place: Vadodara
Date: 30-06-2025

Annexure A

To,
The Members,
Axtel Industries Limited,
Vadodara Halol Highway,
Baska, Gujarat - 389350.

Our Secretarial Audit Report of even date is to be read along with this letter:-

- Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial Year ended on 31st March, 2025.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- The compliance of the provisions of the Corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
- 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.

**Secretarial Compliance Report of
AXTEL INDUSTRIES LIMITED
for the year ended 31st March, 2025**

To,
The Board of Directors,
AXTEL INDUSTRIES LIMITED
VADODARA HALOL HIGHWAY,
BASKA Panch Mahals GJ 389350

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by AXTEL INDUSTRIES LIMITED (hereinafter referred as 'the listed entity'), having its Registered Office at Vadodara Halol Highway Baska Panch Mahals GJ 389350. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I, Ruchita Patel, Partner of M/s. DRP & Associates, Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by AXTEL INDUSTRIES LIMITED,
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended on 31st March, 2025 ("Review Period") 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 thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not applicable as there was no issue of capital during the review period.
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - Not applicable as there was no buyback of securities during the review period.
- e. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- f. Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations, 2021; -Not applicable as there was no issue and listing of non-convertible and redeemable preference shares during the review period.
- g. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h. other regulations as applicable and circulars/ guidelines issued thereunder;

Based on the above examination, I/We hereby report that, during the Review Period:

- I. (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

SN	1
Compliance Requirement (Regulations / Circulars / Guidelines / including specific clause)	NA
Regulation / Circular No.	NA
Deviations NA	
Action taken by NA	
Type of Action (Advisory /Clarification /Fine /Show Cause Notice / Warning, etc.)	NA
Details of violation	NA
Fine Amount	NA
Observations / Remarks of the Practicing Company Secretary (PCS)	NA
Management -Response	NA
Remarks	NA

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

SR. NO.	1
Observations/ remarks of the Practicing Company Secretary in the previous reports (PCS)	NA
Observations made in the secretarial compliance reports for the year ended ----- (The years are to be mentioned)	NA
Compliance requirement (regulations/circulars/guidelines including specific clause)	NA
Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	No penalty was imposed on the company.
Remedial actions, if any, taken by the listed entity	NA
Comments of the PCS on the actions taken by the listed entity	NA

I/we hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status Yes/No/NA	Observation /Remarks by PCS
1	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	YES	No Observation / Remark
2	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities <p>All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI</p>	YES	No Observation / Remark
3	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional Website Timely dissemination of the documents/ information under a separate section on the website <p>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website</p>	YES	No Observation / Remark
4	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	YES	No Observation / Remark
5	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	NA	No Observation/ Remark
6	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	YES	No Observation / Remark
7	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	YES	No Observation / Remark
8	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the audit committee.	YES	No Observation / Remark
9	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	No Observation / Remark
10	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	YES	No Observation / Remark

11	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or) The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	No action taken by SEBI or Stock Exchange	NA
12	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	There was no resignation of the Auditor during the year under review. M/s. VRCA & Associates had been appointed for the term of 5 years as statutory auditors during the AGM held on 29/09/2022.
13	Additional non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc except as reported above.	YES	No Observation / Remark

Observations/Remarks by PCS are mandatory if the compliance status is provided as 'No' or 'NA'

We further, report that the listed entity is in compliance/ strike through with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Signature:
For DRP & Associates.
Company Secretaries

Place: Vadodara
Date: 29-05-2025

Ruchita Patel
FCS No.: 13531
C P No.: 15669
PR: 1204/2021
UDIN: F013531G000490106

ANNEXURE – F

REPORT ON CORPORATE GOVERNANCE

The Company has taken necessary steps to comply with all the requirement of the guidelines on Corporate Governance as would be applicable to it.

1. Company's Philosophy on Corporate Governance

Axtel Industries Limited ('the Company' / Axtel) recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. Transparency in the decision-making process has been providing comfort to all stakeholders.

2. Board of Directors as on 31st March, 2025.

The Board comprised of seven Directors comprising two Executive Directors, two Non-Executive Directors and three Non-Executive Independent Directors. The Chairman of the Board was a Non-Executive Independent Director.

a) Composition of the Board for the period from 1st April, 2024 to 31st March, 2025:

Name of the Director	Designation	Number of shares held
Mr. Ajay Naishad Desai	Executive Director	9,21,935
Mr. Ajay Nalin Parikh	Executive Director	4,66,044
Mr. Ameet Nalin Parikh	Non-Executive Director	NIL
Mr. Ajit Singh Bubber	Non-Executive Director	15,000
Mr. Nimish Patel	Non-Executive Independent Director	NIL
Mrs. Deepti Sharma	Chairperson & Non-Executive Independent Director	NIL
Mr. Paresh Jaisinh Rajda (Appointed w.e.f. 3rd May, 2024)	Non-Executive Independent Director	NIL

b) Attendance of Directors:

c) Details of names of listed entities where person is a director

Name of the Director	No. of Board Meetings held	No of Board Meetings Attended	Attendance at the last Annual General Meeting	No. of Directorship in the other Boards as on 31 st March, 2025 (excluding AXTEL) and names of the listed entities where the person is a director and the category of directorship	No. of Memberships in other Board Committees as on 31 th March, 2025 (i.e. committee of AXTEL)
Mr. Ajay Naishad Desai	7	6	Present	1	1
Mr. Ajay Nalin Parikh	7	7	Present	0	3
Mr. Ameet Nalin Parikh	7	7	Present	4 Independent Director in Simmonds Marshall Ltd.	4
Mr. Ajit Singh Mohansingh Bubber	7	7	Present	2	0
Mr. Paresh Jaisinh Rajda	6	6	Present	1	2
Mr. Nimish Patel	7	7	Present	8	2
Mrs. Deepti Sharma	7	7	Present	6 Independent Director in Panasonic Energy India Company Limited	5

d) Board Meeting:

The meetings of the Board of Directors are scheduled well in advance. The notice convening the meeting and the detailed agenda is sent at least seven days in advance to all the Directors. The Board meets at least once a quarter to review the quarterly performance and financial results.

Number of Board Meeting :

During the year from 1st April, 2024 to 31st March, 2025 the Board of Directors met seven times on the following dates:

Sr	Date	Board Strength	No. of Directors Present
1	03-05-2024	6	6
2	18-05-2024	7	7
3	27-06-2024	7	7
4	07-08-2024	7	7
5	25-10-2024	7	7
6	30-01-2025	7	6
7	15-03-2025	7	7

e) Disclosure of relationships between directors inter-se:

- Mr. Ajay Nalin Parikh and Mr. Ameet Nalin Parikh are siblings.
- None of the other directors are related to any other Director on the Board.

f) Number of shares and convertible instruments held by non-executive directors:

Name of the Director	Designation	Number of shares held
Mr. Ameet Nalin Parikh	Non-Executive Director	NIL
Mr. Ajit Singh Bubber	Non-Executive Director	15,000
Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director	NIL
Mr. Nimish Patel	Non-Executive Independent Director	NIL
Mrs. Deepti Sharma	Chairperson & Non-Executive Independent Director	NIL

g) The details of familiarization programmes imparted to independent directors is disclosed on the company's website i.e. www.axtelindia.com.
h) Chart or matrix setting out skills / expertise / competence of board of directors:
i. List of core skills/expertise/competencies identified by the Board of Directors:

Skill Area	Description
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.
Policy Development	Ability to identify key issues and opportunities for the Company and develop appropriate policies to define the parameters within which the organisation should operate.
Governance, Risk and Compliance	Experience in the application of corporate governance principles as per law. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance. Experience in the appointment and evaluation of a CEO and senior executive managers
Financial Performance	- Qualifications and experience in accounting and/or finance and the ability to: - Analyze key financial statements; - Critically assess financial viability and performance; - Contribute to strategic financial planning; - Oversee budgets and the efficient use of resources; - Oversee funding arrangements and accountability
Government Relations (policy & process)	Experience in managing government relations and industry advocacy strategies.
Marketing & Communications	Knowledge of and experience in marketing the product of the Company. Experience in, or a thorough understanding of, communication with industry groups and/or end users through a range of relevant communication channels.

Skill Area	Description
Member and stakeholder engagement	High level reputation and established networks and the ability to effectively engage and communicate with key stakeholders.
Commercial Experience	A broad range of commercial/business experience, preferably in the small to medium enterprise context, in areas including communications, marketing, branding and business systems, practices and improvement.
Legal	Qualification and experience in legal practice with emphasis on: <ul style="list-style-type: none"> • Commercial laws • Employment laws • Health & Safety legislations
Human Resource Management	Qualification and experience in human resource management with an understanding of: <ul style="list-style-type: none"> • Engineering Industry • Employment laws
Information Technology / Digital Skills	Qualification and experience in Information Technology and/or Digital industries with an ability to apply new technology to the Company

ii. List of names of directors possessing core skills/expertise/competencies:

Name of Director	Category of Director	Particulars of skills / expertise / competency
Mr. Ajay Naishad Desai	Executive Director	Engineering, marketing and administration
Mr. Ajay Nalin Parikh	Executive Director	Engineering, designing and administration
Mr. Ameet Nalin Parikh	Non-Executive Director	Risk management & finance
Mr. Ajit Singh Bubber	Non-Executive Director	Business management
Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director	Sales and marketing Finance and HR management
Mr. Nimish Patel	Non-Executive Independent Director	Finance, business and administration
Mrs. Deepti Sharma	Non-Executive Independent Director	Project management, financial management, risk management

- i) **Confirmation of the Board:** The Board of Directors confirm that the independent directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 and are independent of the management of the Company. Further, the Board has obtained a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of company by the SEBI/Ministry of Corporate Affairs or any such statutory authority.
- j) **Detailed reasons for the resignation of Independent Directors:** Not applicable as no Independent Director has tendered resignation during the year 2024-25.

3. Audit Committee:

a) Broad Terms of reference of the Audit Committee:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters, if any.

b) Audit Committee comprising of the following Directors of the Board as on 31st March, 2025:

No.	Name of Director	Designation
1	Mrs. Deepti Sharma, Chairperson of Committee	Non-Executive Independent Director
2	Mr. Nimish Patel	Non-Executive Independent Director
3	Mr. Ameet Nalin Parikh	Non-Executive Director
4	Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director

c) Meetings and attendance:

- Audit committee meetings were held four times during the year on 03-05-2024, 07-08-2024, 25-10-2024 & 30-01-2025 during the year ended 31st March, 2025.
- Attendance during the year 2024-25 in Audit Committee:

No.	Name of Director	Number of meetings held	Number of meetings entitled to attend	Number of meetings attended	% of Attendance
1	Mr. Paresh Jaisinh Rajda	4	3	3	100%
2	Mr. Nimish Patel	4	4	4	100%
3	Mr. Ameet Nalin Parikh	4	4	4	100%
4	Mrs. Deepti Sharma	4	4	4	100%

4. Nomination and Remuneration Committee:
a) Broad Terms of reference of the Nomination and Remuneration Committee:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- To recommend and review remuneration package of Executive Directors, Chief Financial Officer and Company Secretary of the Company.
- To formulate criteria for evaluation of performance of independent directors and the board of directors.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Remuneration Policy:

The Company follows a market linked remuneration policy, which is aimed at enabling the Company to attract and retain the best talent. The Company does not have an Employee Stock Option Policy.

b) Composition of Committee:

Nomination and Remuneration Committee comprising of the following Directors of the Board as on 31st March, 2025:

No.	Name of Director	Designation
1	Mr. Nimish Patel, Chairman	Non-Executive Independent Director
2	Mr. Ameet Nalin Parikh	Non-Executive Director
3	Mrs. Deepti sharma	Non-Executive Independent Director
4	Mr. Paresh Jaisinh Rajda	Non-Executive Independent Director

c) Meeting and attendance:

- Nomination and Remuneration Committee meetings were held three times during the year on 01-05-2024, 18-05-2024 & 29-03-2025 during the year ended 31st March, 2025.
- Attendance during the year 2024-25 in Nomination and Remuneration Committee:

No.	Name of Director	Number of meetings held	Number of meetings entitled to attend	Number of meetings attended	% of Attendance
1	Mr. Paresh Jaisinh Rajda	3	2	2	100%
2	Mr. Nimish Patel, Chairman of Committee	3	3	3	100%
3	Mrs. Deepti Sharma	3	3	3	100%
4	Mr. Ameet Nalin Parikh	3	2	2	100%

d) Performance evaluation criteria for independent directors:

- i. General understanding of the Company's business;
- ii. Educational back ground and experience;
- iii. Personal and professional ethics, integrity and values;
- iv. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

5. Stakeholders Relationship Committee:

a) Name of non-executive director heading the committee	Mrs. Deepti Sharma, Independent Director is Chairperson of the Stakeholders Relationship Committee.
b) Name and designation of compliance officer	Mrs. Prerna Bokil, Company Secretary
c) Number of shareholders' complaints received so far during the year 2024-25	21
d) Number of complaints not solved to the satisfaction of shareholders	0
e) Number of pending complaints as on 31/03/2025	0
f) Other details	Mentioned below

• Committee members.

No.	Name of Director	Designation
1	Mr. Ajay Naishad Desai	Executive Director
2	Mr. Ajay Nalin Parikh	Executive Director
3	Mrs. Deepti Sharma, Chairperson of Committee	Independent Director

- Stakeholders Relationship Committee Meeting was held on 03-05-2024, 07-08-2024, 25-10-2024 & 30-01-2025 during the year ended 31st March, 2025.
- Attendance during the year in Stakeholders Committee meetings during the year 2024-25::

No.	Name of Director	Number of meetings held	Number of meetings entitled to attend	Number of meetings attended	% of Attendance
1	Mr. Ajay Nalin Parikh	4	4	4	100 %
2	Mr. Ajay Naishad Desai	4	4	3	75 %
3	Mrs. Deepti Sharma	4	4	4	100 %

5A. Risk management Committee:
a. Broad Terms of reference of the Risk Management Committee:

- To manage and monitor implementation of action plans
- To set up internal process and systems to control action plans
- To monitor and evaluate performance of management in managing risk
- To regularly review and update material business risks
- To ensure compliance with regulatory requirements associated with risk Management
- To periodically review the framework for risk management
- To review cyber security risks

b. Composition, name of members and Chairperson:

This committee, comprises of the following Executive Director and Non-Executive Independent Directors as on 31st March, 2025.

No.	Name of Director	Designation
1	Mr. Ameet Nalin Parikh	Non-executive Director
2	Mr. Ajay Nalin Parikh	Executive Director
3	Mrs. Deepti Sharma, Chairperson	Independent Director

c. Meetings and attendance during the year:

- Risk Management Committee Meeting was held on 07-08-2024 & 05-03-2025 during the year ended 31st March, 2025.

- Attendance during the year in Risk Management Committee meetings during the year 2024-25:

No.	Name of Director	Number of meetings held	Number of meetings entitled to attend	Number of meetings attended	% of Attendance
1	Mr. Ajay Nalin Parikh	2	2	2	100 %
2	Mr. Ameet Nalin Parikh	2	2	1	50 %
3	Mrs. Deepti Sharma	2	2	2	100%

5B. Senior Management:

Particulars of senior management including the changes therein since the close of the previous financial year:

Sr. No.	Name	Designation	Changes during the year
1.	Rajendra Bhavsar	CFO (KMP)	NA
2.	Krishnam Raju KR	Senior Vice President	NA
3.	Prerna Bokil	CS (KMP)	NA

There was no other change in the particulars of Senior Management Personnel during the year under review. However, Ms. Prerna Bokil resigned with effect from 31st May, 2025 and Ms. Dhara Thakar appointed with effect from 2nd June, 2025.

6. Remuneration of directors:
a) Pecuniary relationship or transactions of non-executive directors:

The Company did not have any pecuniary relationship with any non-executive directors except sitting fees paid for attending board and committee meetings during the year 2024-25.

b) Criteria of making payments to non-executive directors:

The company did not make any payments to non-executive directors except sitting fees paid for attending board and committee meetings during the year 2024-25.

c) Disclosures of remuneration:

- Executive Directors:**

Name of the director	Salary	Bonus	Total
Mr. Ajay Naishad Desai	1,80,00,000	NIL	1,80,00,000
Mr. Ajay Nalin Parikh	1,80,00,000	NIL	1,80,00,000

- Terms of Contract:**

Name of the director	Date of appointment	Expiry of the contract
Mr. Ajay Naishad Desai	1st March, 2022	28 th February, 2027
Mr. Ajay Nalin Parikh	1st August, 2023	31 st July, 2028

The above Executive Directors are required to give 3 months notice period for resignation as Executive Director. If before expiry of service contract, their tenure of office of the Executive Directors is determined, they will be entitled compensation as per section 202 of the Companies Act, 2013.

- Non-Executive Directors:**

Sitting fee paid to Non-Executive Directors during the year 2024-25 as under:

Name of the director	Sitting fee to attend Board meetings (Rupees)	Sitting fee to attend committee (Rupees)	Total (Rupees)
Mr. Paresh Jaisinh Rajda	2,20,000/-	50,000/-	2,70,000/-
Mr. Nimish Patel	3,90,000/-	90,000/-	4,60,000/-
Mrs. Deepti Sharma	3,90,000/-	1,10,000/-	5,20,000/-
Mr. Ameet Nalin Parikh	1,40,000/-	80,000/-	2,20,000/-
Mr. Ajitsing Bubber	1,40,000/-	NA	1,40,000/-
Mr. Sandeep Gul Lalwani	1,50,000/-	NA	1,50,000/-

• **Key Managerial Personnel:**

Name	Designation	Salary	Remarks
Mrs. Prerna Bokil	Company Secretary	Rs. 9,92,040	-
Mr. Rajendra K. Bhavsar	Chief Financial Officer	Rs. 78,17,526	-

No stock options have been issued by the Company to directors till date.

7. General Body Meetings:

The last three Annual General Meetings [AGMs] of the Company were held on the following dates and time mentioned below:

A. Details of last three AGMs held:

AGM	DAY AND DATE	TIME
30th AGM held through VC	Thursday, 29th September, 2022	11.00 a.m.
31st AGM held through VC	Monday, 10th July, 2023	11.00 a.m.
32nd AGM held through VC	Thursday, 1st August, 2024	11.00 a.m.

B. Whether special resolutions passed in the previous three general meetings?: YES

C. Whether any special resolution passed through postal ballot last year?: NO

Generally, all the resolutions in the General Body Meetings are passed through e-voting/poll.

D. Person who conducted the Postal Ballot exercises: Not Applicable

E. Whether any special resolution is proposed to be conducted through postal ballot? - No

F. Procedure for postal ballot – Not Applicable

8. Means of Communication:

- Quarterly / Half Yearly Financial Results of the Company are forwarded to the Stock Exchange, Mumbai, where the shares of the Company are listed.
- Further, the same are published in English and Gujarati Newspapers. Half yearly reports are not sent to each household of shareholders as the results of the Company are published in the Newspapers and kept on Company's website. Company has its own website and all the vital information relating to the company and its products is displayed on website – www.axtelindia.com.
- The official and required news releases are displayed on website – www.axtelindia.com.
- The company has not made any presentations to any institutional investors / analysts during the period.

9. General Shareholder Information:

[A] Annual General Meeting

Day and Date

33rd Annual General Meeting

Time

Thursday, 19th August, 2025

Venue

11.00 a.m.

Through VC /OAVM

[B] Financial Calender

(1st April, 2025 to 31st March, 2026)

1st Quarterly Result - Declared on 16/07/2025

2nd Quarterly Result - by 14/11/2025

3rd Quarterly Result - by 14/02/2026

Audited result for the year ending on 31/03/2026 by 30/05/2026

[C] Dividend payment date which was declared at previous AGM

13/03/2024 - As interim dividend was recommended as Final dividend and consent from shareholders accorded on AGM dated 01/08/2024

[D] Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);

The BSE Limited, Mumbai Phiroze Jee Jeebhoy Towers,
Dalal Street, Mumbai – 400 023
Tel: [022] 22721234, 22721233 Fax: [022] 22723719

The payment of annual listing fees for FY 2024-25 is paid to BSE where shares are listed.

[E] *

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024

[F] *

w.e.f. 13.12.2024, said clauses have been omitted.

[G] *

- [H] In case the securities are suspended from trading, the directors report shall explain the reason thereof;
- [I] Address of Registrars and Share transfer agent: MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited),
Geetakunj, 1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road, Vadodara – 390015
Telephone No. 0265- 3566 768
E-mail: vadodara@in.mpms.mufig.com
Website: https://in.mpms.mufig.com/
- [J] **Share Transfer System:** The Company's shares are traded in the Bombay Stock Exchange compulsorily in dematerialized mode. Shares in physical mode which are lodged for transmission are processed and returned to the shareholders within the stipulated time by the share transfer agent Link Intime India Private Limited, Vadodara.
- [K] **Distribution of shareholding as on 31st March, 2025:** Shareholding as per ownership is as under:
- | Category | No. of Shares | Percent |
|-------------------------------|--------------------|----------------|
| Promoter Group | 80,69,307 | 49.95% |
| NRI/OCB | 10,57,861 | 6.55% |
| Bodies Corporate | 2,96,068 | 1.83% |
| Alternate Investment Funds | 1,60,037 | 0.99% |
| Foreign Portfolio Investors | 99,372 | 0.62% |
| Non-institutions - Individual | 63,21,015 | 39.13% |
| LLP | 29,287 | 0.18% |
| Others | 1,21,853 | 0.75% |
| Total | 1,61,54,800 | 100.00% |
- [L] **Dematerialization of share and liquidity:** As on 31st March, 2025, 88.99% of the Company's total shares representing 1,43,76,005 shares were held in dematerialized form and the balance 11.01% representing 17,78,795 shares were held in physical form.
- [M] **Outstanding GDR's /ADR's/ Warrants or any Convertible instruments, conversion date and likely impact on equity** NIL
- [N] **Commodity price risk or foreign exchange risk and hedging activities**
Commodity price risk Mentioned below:
Risk of price fluctuation on basic raw materials like steel, components, power as well as finished goods used in the process of manufacturing.
Foreign exchange risk and hedging activities Any volatility in the currency market can impact the overall profitability.
- [O] **Plant Locations:** The Company's Plant is located at: Vadodara-Halol Highway, Baska, Panchmahal-389350, Gujarat Tel: [02676] 247900
- [P] **Address for correspondence with Company** Vadodara-Halol Highway, Baska, Panchmahal-389350, Gujarat Tel: [02676] 247900
- [Q] **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad** The Company has not issued debt instruments or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds. However, the Company had availed annual surveillance credit rating service for banking facilities (borrowed funds) of the Company for FY 2024-25 and received report from CARE EDGE Ratings with Rating: CARE A-; Stable / CARE A2+ for long term borrowings and CARE A2+ for short term borrowings.

10. Other Disclosures:

- | | |
|---|---|
| <p>(a) Disclosures on materially significant related party transactions i.e. Transaction of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large</p> | <ul style="list-style-type: none"> • There is no materially significant related party transactions with its promoters, the Directors or the management, their subsidiaries or relatives etc. during the year. However, the details for payment of remuneration and professional fee is given here under: • Managerial Remuneration is paid to Mr. Ajay Naishad Desai, Executive Director and Mr. Ajay Nalin Parikh, Executive Director. • Professional fees have been paid to Morphis Business Advisory LLP, in which Mr. Ameet Nalin Parikh is partner, from 01.04.2024 to 31.03.2025. <p>There was no instance of non-compliance by the company.</p> |
| <p>(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets during the last three years</p> | <p>There was no instance of non-compliance by the company.</p> |
| <p>(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee</p> | <ul style="list-style-type: none"> • The Board has appointed the following persons as members of vigil committee: <ol style="list-style-type: none"> 1. Mr. Ajay Naishad Desai, Whole time Director 2. Mr. Paresh Jaisinh Rajda, Non-Executive Independent Director 3. Mr. Ameet Nalin Parikh, Non-Executive Director • Whistle Blower Policy: The Company has adopted whistle blower policy. • There was no instance of denying access to audit committee by any personnel. |
| <p>(d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements</p> | <p>The company has complied with all mandatory requirements and the company has not adopted any non-mandatory requirements.</p> |
| <p>(e) web link where policy for determining material subsidiaries is disclosed</p> | <p>Not applicable as there is no subsidiary company of the company</p> |
| <p>(f) web link where policy on dealing with related party transactions</p> | <p>www.axtelindia.com</p> |
| <p>(g) disclosure of commodity price risks and commodity hedging activities</p> | <p>Risk of price fluctuation on basic raw materials like steel, components, power as well as finished goods used in the process of manufacturing.</p> |
| <p>(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).</p> | <p>NOT APPLICABLE</p> |
| <p>(i) a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.</p> | <p>Certificate attached with the corporate governance report</p> |
| <p>(j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:
Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.</p> | <p>NOT APPLICABLE</p> |

- | | | |
|-----|--|--|
| (k) | Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.] | Total fees paid to the statutory auditor: during the FY 2024-25: Rs. 2.69 lacs
Bifurcation of the same is as under:
Audit fees and tax audit matters: Rs. 2.69 lacs
Other Certifications: NIL |
| (l) | Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: | The Company has in place an anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been set up to redress complaints received regularly and are monitored by women line supervisors who directly report to the Executive Director. All employees (permanent, contractual, temporary, trainees) are covered under the policy |
| a. | Number of complaints filed during the financial year | NIL |
| b. | Number of complaints disposed of during the financial year | NIL |
| c. | Number of complaints pending as on end of the financial year. | NIL |
| (m) | Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount | No loans and advance in nature of loans granted to firms / companies in which directors are interested during the period under review. |
| (n) | Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries | There is no subsidiary of the Company |
11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof:
There was no instance of any non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) specified.
12. The company has not adopted any discretionary requirements as specified in Part E of Schedule II.
13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are made in this corporate governance report which is a part of the annual report.
14. The Executive Director and CFO have given appropriate certification as required under regulation 17(8) read with Schedule II part B of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the Board of Directors.
- 15. Disclosures required under Schedule V of Annual Report pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015:**
- Disclosures mentioned in part D of Schedule V:**
The Executive Director has signed declaration stating that members of the Board of Directors and senior management personnel have affirmed compliance with code of conduct of Board of Directors and senior management as required as per Para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- Disclosures mentioned in part E of Schedule V:**
Compliance certificate from practicing company secretary regarding compliance of conditions of corporate governance has been annexed with this report.
- Disclosures mentioned in part F of Schedule V:**
There are no shares in demat suspense account or unclaimed suspense account.
- Disclosures mentioned in part G of Schedule V:**
The Company has not entered into Shareholders Agreement as per clause 5A of paragraph A of Part A of Schedule III of SEBI (LODR) Regulations, 2015.

On behalf of the Board of Directors

Date: 16-07-2025
Registered office:
Vadodara-Halol Highway,
Baska, Panchmahal-389350, Gujarat

Ajay Naishad Desai
Executive Director
DIN: 00452821

Ajay Nalin Parikh
Executive Director
DIN: 00453711

**Certificate on Compliance of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,
Axtel Industries Limited,
Vadodara Halol Highway,
Baska, Panch Mahals - 389350, Gujarat,

We have reviewed the records concerning the company's compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2025.

The compliance of conditions on Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions on the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for the review and the information and explanations given to us by the company.

Based on such review, in our opinion, the company has complied with the conditions on Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Signature:
DRP & Associates
Company Secretaries

Place: Vadodara
Date: 30.06.2025

Sd/-
Ruchita Patel
FCS No.: 13531
C P No.: 15669
PR: 1204/2021
UDIN: F013531G000683497

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
Axtel Industries Limited,
Vadodara Halol Highway,
Baska, Panch Mahals - 389350, Gujarat,

On the verification of company information and directors' details and records provided to us by the Company and after verifying the details and records of directors on Ministry of Corporate Affairs site, we hereby confirm that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority for FY 2024-25.

This certificate is issued specifically for disclosures to be required for Corporate Governance.

Signature:
DRP & Associates
Company Secretaries

Place: Vadodara
Date: 30.06.2025

Sd/-
Ruchita Patel
FCS No.: 13531
C P No.: 15669
PR: 1204/2021
UDIN: F013531G000683431

COMPLIANCE CERTIFICATE

We, the Executive Directors and CFO of the Company, pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015 read with Schedule II, hereby furnish the following:

- A. We have reviewed financial statements and the cash flow statement for the financial year 2024-25 and that to the best of their knowledge and belief:
- (1) The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) The statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We inform to the best of our knowledge and belief that no transactions are entered into by the Company during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we were aware and the steps we had taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee regarding:
- (1) Any significant changes in internal control over financial reporting during the year;
 - (2) Any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Any instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For AXTEL INDUSTRIES LIMITED

AJAY NALIN PARIKH
Executive Director
DIN: 00453711

AJAY NAISHAD DESAI
Executive Director
DIN: 00452821

RAJENDRA BHAVSAR
Chief Financial Officer (CFO)
Date: 16-07-2025

ANNEXURE - G

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This section shall include discussion on the following matters within the limits set by the listed entity's competitive position:

a) Industry Structure and Developments:

Axtel Industries Ltd. is engaged in manufacturing custom-designed food processing plants and machinery, tailored to the specific requirements of its clients. The company is a leading supplier of high-quality process engineering equipment and turnkey systems to the food and related industries, delivering solutions that meet the highest standards of quality, design and performance.

Axtel manufactures a wide range of process plants and equipment, supporting diverse applications across the industry. The company's growth is closely linked with the steady expansion of the food processing sector. A brief profile and outlook of this industry is given below.

• **Indian Food and Food Processing Industry**

India's food and food processing industry continues to register steady growth, driven by rising incomes, changing lifestyles, and a growing preference for packaged and processed foods. With one of the world's largest populations and a young demographic profile, India offers strong domestic demand and ample opportunities for value addition in food processing.

Multinational corporations and large Indian companies are expanding their operations and investments in this sector, encouraged by supportive government policies and increasing consumer awareness of quality and hygiene standards. Modernisation of processing facilities and the adoption of advanced machinery are key focus areas for both established players and new entrants.

India is also strengthening its position as a major exporter of processed foods, particularly in segments like spices, ready-to-eat products, and health foods. This rising export demand further fuels the need for reliable, high-quality process equipment.

The combination of population advantage, higher disposable incomes, export opportunities and the growing presence of organised players ensures a positive outlook for the industry and sustained demand for modern food processing solutions.

• **Global Food and Food Processing Industry**

Globally, the food and food processing industry is witnessing steady growth, supported by rising population, changing consumption patterns, and increased focus on food safety and quality. The demand for modern, efficient and hygienic food processing equipment is on the rise as producers strive to meet evolving consumer expectations and stringent regulatory standards.

Current geo-political dynamics are also creating opportunities for India. Ongoing global uncertainties and shifting relations between major economies like the USA, Russia and China are prompting companies to diversify supply chains and explore alternative sourcing bases. India, with its skilled workforce, cost advantages and established engineering capabilities, stands to benefit as multinational companies seek reliable partners outside Europe and the USA to optimise costs and capital investments while staying competitive.

Axtel is well positioned to support global food companies and large local players as they expand capacity, upgrade technology and shift sourcing to trusted partners in Asia. The company remains committed to delivering world-class process solutions that help its clients maintain efficiency, quality and competitiveness in a dynamic global market.

• **Developments:**

- ❖ Create new markets quickly through products based on technology
- ❖ Enhance growth by reaching new customers, deepening the customer experience and allowing them to dynamically manage pricing
- ❖ Increase profitability by altering operating cost structures through greater process automation
- ❖ Adopt business models that increase asset efficiency and long-term competitiveness

b) Opportunities and Threats:

- ❖ **Opportunities:** New elements involving new ways with understanding clients and exploring new markets and business models shall open new opportunities for us to build strategic relationship with clients. Our reliability and efficiency of the equipment and effective service are key factors for success in this highly competitive industry.
- ❖ **Threats:** The Company has developed and implemented a risk management framework that includes identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company and by adopting various factors such as risk identification, impact assessment, risk evaluation, risk reporting, risk disclosures, risk mitigation and reporting.

c) Segment-wise or product-wise performance:

The Company has only one segment of manufacturing food processing instruments / equipments.

d) Outlook:

- ❖ The outlook for business is positive as the company continue to remain focused on risk management and mitigation.
- ❖ Total turnover during the year 2024-25 was Rs. 17,855.87 lacs compared to Rs. 22,333.30 lacs of previous year 2023-24 which shows decrease of Rs. 4477.43 lacs (20.05%). There is profit of Rs. 1,802.52 lacs (after tax) during the year 2024-25 compared to profit of Rs. 3,213.34 lacs (after tax) during the year 2023-24

e) Risks and concerns:

- ❖ **Commodity Price Risk:** Risk of price fluctuation on basic raw materials like steel, components, power as well as finished goods used in the process of manufacturing.
- ❖ **Uncertain global economic environment – slow growth in global economy:** Impact on demand and realization of exports of food processing plant and machinery.
- ❖ **Interest Rate Risk:** Any increase in interest rate can affect the finance cost
- ❖ **Foreign Exchange Risk:** Any volatility in the currency market can impact the overall profitability
- ❖ **Human Resources Risk:** Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company
- ❖ **Competition Risk:** Every company is always exposed to competition risk from European Countries. The increase in competition can create pressure on margins, market share etc
- ❖ **Compliance Risk:** Increasing regulatory Requirements: Any default can attract penal provisions
- ❖ **Industrial Safety, Employee Health and Safety Risk:** The engineering industry is exposed to accidents and injury risk due to human negligence.

f) Internal Control Systems and their adequacy:

The Company has strengthened its internal control and audit aspects by appointing outside agency for internal audit of certain important aspects of operations, apart from usual transactional verifications. There are adequate checks and controls to ensure compliance of various statutes.

g) Discussion on Financial performance with respect to operational performance:

Total turnover during the year 2024-25 was Rs. 17,855.87 lacs compared to Rs. 22,333.30 lacs of previous year 2023-24 which shows decrease of Rs. 4477.43 lacs (20.05%). There is profit of Rs. 1,802.52 lacs (after tax) during the year 2024-25 compared to profit of Rs. 3,213.34 lacs (after tax) during the year 2023-24.

h) Material developments in Human Resources / Industrial Relations front, including number of people employed:

The Company considers its employees as its valuable assets. The Company focuses on building an organization through induction and development of talent to meet current and future needs. Various HR initiatives have been taken to align HR policies of the Company with the growth projections of the company.

During the year under review, the Company continued to have cordial and harmonious relations with its employees and total number of employees on payroll are 228.

i) Details of significant changes in financial ratio:

Details of significant changes as compared to the immediately previous financial year in key financial ratios, along with detailed explanations therefor, including:

Particulars	F.Y. 2024-25	F.Y. 2023-24
(i) Debtors Turnover	4.34	4.01
(ii) Inventory Turnover	1.96	2.21
(iii) Interest Coverage Ratio	0.00	0.00
(iv) Current Ratio	2.51	2.06
(v) Debt Equity Ratio	0.53	0.73
(vi) Net Profit Margin (%)	10.09	14.39

j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

Particulars	F.Y. 2024-25	F.Y. 2023-24
Return on Net Worth	0.15	0.29

Disclosure of Accounting Treatment:

The financial statements for the year ended 31st March, 2025 have been prepared as prescribed in accounting standards and there is no change in treatment of the said accounting standards. Therefore, no explanation by the management is required for the same.

By Order of the Board of Directors

Date: 16.07.2025

Registered office:

Vadodara-Halol Highway,
Baska, Panchmahal-389350, Gujarat

Ajay Naishad Desai
Executive Director
DIN: 00452821

Ajay Nalin Parikh
Executive Director
DIN: 00453711

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
Axtel Industries Limited,
Vadodara Halol Highway,
Baska, Panch Mahals - 389350, Gujarat,

This certificate is issued pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations"), the management of the Company has requested us to issue the required certificate with respect to the Employee Stock Option Scheme.

Management Responsibility:

It is the responsibility of the management of the Company to implement the scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented "Axtel Industries Ltd Employee Stock Option Plan 2024" viz Employee Stock Option Scheme in accordance with the Regulations and the Special Resolution(s) passed by the members at the General Meeting (s) of the Company held on 1st August, 2024.

For the purpose of verifying the compliances of the Regulations, we have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders resolutions passed at the General Meeting(s);
5. Shareholders resolution passed at General Meetings w.r.t variation in the scheme (if any); Not Applicable
6. Shareholders resolution passed at General Meeting w.r.t approval for implementing the scheme(s) through a trust(s); Not Applicable
7. Minutes of the meetings of the Compensation Committee;
8. Trust Deed; Not Applicable
9. Details of trades in the securities of the company executed by the trust through which the scheme is implemented; Not Applicable
10. Relevant Accounting Standards as prescribed by the Central Government;
11. Detailed terms and conditions of the scheme as approved by Compensation Committee;
12. Bank Statements towards Application money received under the scheme(s); Not applicable
13. Valuation Report; Not applicable as no ESOP as on date of report
14. Exercise Price / Pricing formula;
15. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations; Not Applicable
16. Disclosure by the Board of Directors;
17. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
18. Other relevant document/ filing/ records/ information such as sought and made available to us and the explanations provided by the Company.

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers,

We certify that the Company has implemented the "Axtel Industries Ltd Employee Stock Option Plan 2024" in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. 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.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

Place: Vadodara
Date: 30-06-2025

Signature:
DRP & Associates.
Company Secretaries

Ruchita Patel
FCS No.: 13531
C P No.: 15669
PR: 1204/2021
UDIN: F013531G000683530

INDEPENDENT AUDITOR'S REPORT

To the members of
AXTEL INDUSTRIES LIMITED

Report on the Financial Statements

Opinion:

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) 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, 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 of the standalone financial statements 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 financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

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

Key Audit Matters	How our Audit addressed the Key audit Matter
<p>1. Indirect tax - compliance and evaluating uncertainties</p> <p>The applicability of GST Act, since July 2017, and evaluating its compliances, along with the appropriateness of the availing of credits and exemptions. Proposed annual compliances for this year related to the act is not yet due and thus creating substantial uncertainty of the enumeration of the liability and credits, as available to the company. The reasonableness of the estimation and availability of its classification as identified by the company.</p>	<ul style="list-style-type: none"> Selecting a sample of data and its reflection in regular filing, Controls relating to areas covered and reflection of carry forward of amounts from subsumed legislations, Contracts and related information used in recording and disclosing obligations relating to revenue in accordance with the new revenue accounting standard. The terms of the contracts to determine the transaction price including any variable consideration and its indirect tax implications to sampled contracts. Samples in respect of tax obligations revenue recorded for time and material contracts were tested using a combination Review of statements of verification undertaken by third party for evaluating the obligation. Review of filing of Returns and Compliances.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the other information. The other information comprises the information included in the Management Discussions and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. 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.

Management's Responsibility for the Financial Statements

The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Act with respect to the

preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also include maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and quantitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

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 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" attached to this report, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose of our audit;

- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity, dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
- e. On the basis of 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 over financial reporting 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 operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the matter to be included in the Auditors' Report in accordance with requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. On the basis of written representations received from the management;
 - (a) it is stated that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (b) it is stated that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that were considered reasonable and appropriate by us in the circumstances, nothing has come to our notice that has caused us to believe that the representations of management under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The dividend declared or paid during the year, referred to at Point No. 16 (b) of Note No. 30(B) by the company is in compliance with section 123 of the Companies Act, 2013.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility, is applicable to the Company with effect from 1st April, 2023 and accordingly reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is in respect of Financial year ended 31.03.25. Based on our examination, the Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility. The audit trail facility has been implemented with effect from 1st April, 2023 for all relevant transactions recorded in the accounting software. During the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **VRCA & ASSOCIATES**
Chartered Accountants
FRN: 104727W

(CA. V K SHASTRI)
Partner

Membership No. : 042774
UDIN : 25042774BMJNGU2632

Place: Vadodara
Date: 13/05/2025

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Annexure Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2025.

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- 1) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment and relevant details of right-of-use of assets and also that of the intangible assets.
 - (b) The Property Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the property plant and equipment has been physically verified by the management during the year and no material discrepancies between the books records and the physical property plant and equipment have been noticed.
 - (c) The title deeds of immovable properties are held in the name of the company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) There are no proceedings that have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- 2)
 - (a) The management has conducted the physical verification of inventory at reasonable intervals and also the coverage and the procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of the inventory as compared to books records were not significant and have been properly dealt with in the books of account.
 - (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, from banks on the basis of security of current assets and other properties of the Company. As explained to us the Company submits quarterly certified Stock and Book-Debt statements to the bank which we found to be in agreement with the Books of account of the Company. The Company or the management does not file any other quarterly returns with the Bank.
- 3)
 - (a) The company has not made investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties, however the company has given guarantee for the business which is not prejudicial to the company's interest.
 - (b) Loans and advances are not in nature of loans and hence the schedule of repayment of principal and payment of interest has not been stipulated and hence there is no amount overdue for more than ninety days.
 - (c) There are no loans or advances in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
 - (d) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- 4) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the company as there are no transactions entered by the company in respect of loans, investments, guarantees, and security to which the provisions of section 185 and 186 of the Companies Act, 2013 apply.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As per information and explanation given by the management, maintenance of cost records has been prescribed by the Central Government under- sub-section (1) of Section 148 of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records.
- 7)
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess and any other statutory dues with the appropriate authorities and that no undisputed amounts payable in respect of the above were in arrears as at March 31, 2025 for a period of more than six months from the date on when they become payable. As informed to us the provisions relating to Employee State Insurance are not applicable to the Company.
 - (b) According to the information and explanation given to us, there are no dues of income tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess, Service Tax, value added tax outstanding on account of any dispute except for the Fringe Benefit Taxes. According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of Fringe Benefit Tax as at 31st March 2025 which have been deposited under protest as it is disputed, details of which is as follows:

Name of Statute	Name of Dues	Amount (Rs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Fringe Benefit Tax	1,93,150/-	P.Y. 05-06 A.Y. 06-07	Dy. Comm. of IncomeTax, Godhra for Re-assessment under order of ITAT, Ahmedabad
Goods and Service Tax Act, 2017	GST and Penalty Due	13,87,066/-	P.Y. 20-21 A.Y. 21-22	Assistant Commissioner, State Tax Office, Gwalior
Goods and Service Tax Act, 2017	GST and Penalty Due	9,74,384/-	P.Y. 22-23 A.Y. 23-24	Assistant Commissioner, State Tax Office, Gwalior

- 8) In our opinion and according to the information and explanations given to us, there are no transactions relating to previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (b) In our opinion and according to the information and explanations given to us, the company is not declared as wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, as the company is not having any subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, as the company is not having any subsidiaries, associates or joint ventures hence reporting on clause 3(ix)(f) of the Order is not applicable and hence not commented upon.
- 10) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company and hence not commented upon.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x) (b) of the Order are not applicable and hence not commented upon.
- 11) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company has been noticed or reported during the year.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, no report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) There are no reports of whistle blower which requires attention of auditors hence not considered in this report. Accordingly, the provisions of clause 3 (xi) (c) of the Order are not applicable and hence not commented upon.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the reporting provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- 14) (a) The company has an internal audit system commensurate with the size and nature of its business and reputed firm of Chartered Accountants have undertaken Internal Audit and furnished their report
- (b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor while conducting audit procedure.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- 17) The Company has not incurred any cash losses in the Financial Year and in the immediately preceding financial year therefore provisions of clause 3 (xvii) of the Order are not applicable to the Company.

- 18) There has been no resignation of the statutory auditors during the year.
- 19) In our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and as per the auditor's knowledge of the Board of Directors and management plans, we are having the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- 20) (a) The Company has no Ongoing CSR Project within the meaning of section 135 and that the Company has spent full amount on CSR due as calculated under section 135 during the last financial year therefore the provisions of clause 3 (xx) of the Order are not applicable to the Company.
- (b) There are no amount remaining unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, hence this clause is not applicable for the company.
- 21) There are No subsidiary or Associate companies of this Company which require preparation and presentation of Consolidated Financial Statement therefore provisions of clause 3 (xxi) of the Order are not applicable to the Company.

For **VRCA & ASSOCIATES**

Chartered Accountants

FRN: 104727W

(CA. V K SHASTRI)

Partner

Membership No. : 042774

UDIN : 25042774BMJNGU2632

Place: Vadodara
Date: 13/05/2025

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AXTEL INDUSTRIES LIMITED FOR YEAR ENDED 31ST MARCH, 2025**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Axtel Industries Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, and 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal control over financial reporting established by the Company considering the essential Components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI

For **VRCA & ASSOCIATES**

Chartered Accountants

FRN: 104727W

(CA. V K SHASTRI)

Partner

Membership No. : 042774

UDIN : : 25042774BMJNGU2632

Place: Vadodara

Date: 13/05/2025

BALANCE SHEET AS AT MARCH 31ST, 2025

(Amount Rs in lacs)

Particulars	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
(A) ASSETS :			
(1) Non - current assets			
(a) Property Plant and Equipment	1	2,761.20	2,485.24
(b) Other Intangible Assets	1	38.22	46.07
(c) Capital work in progress	1	84.27	42.91
(d) Financial Assets			
(i) Investments	2	-	-
(ii) Trade receivables	8	-	-
(iii) Loans and advances	3	331.72	387.47
(iv) Other financial Assets	4	3.71	-
(e) Deferred tax assets (Net)	5	225.87	210.32
(f) Other non current assets	6	5.44	-
Total Non-current Assets		3,450.44	3,172.01
(2) Current Assets			
(a) Inventories	7	3,736.70	5,213.17
(b) Financial Assets			
(i) Investments	2	5,719.63	3,522.03
(ii) Trade receivables	8	3,259.93	4,976.02
(iii) Cash and cash equivalents	9	2,158.70	2,461.42
(iv) Bank Balances other than above	-	-	-
(v) Loans and advances	3	2.77	3.06
(vi) Other financial Assets	4	14.32	11.58
(c) Current Tax Assets (Net)	10	69.59	80.17
(d) Other current assets	6	361.02	158.96
Total Current Assets		15,322.65	16,426.42
TOTAL ASSETS		18,773.09	19,598.43
(B) EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	11	1,615.48	1,615.48
(b) Other Equity	12	10,642.68	9,685.41
Total Equity		12,258.16	11,300.89
(1) Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	-	-
(ii) Trade payables	14	-	-
(iii) Other financial Liabilities	15	-	-
(b) Other Non-current liabilities	16	-	-
(c) Provisions	17	408.62	305.63
Total Non-current Liabilities		408.62	305.63
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	-	-
(ii) Trade payables	14		
(a) Dues to MSME Enterprise		1,648.79	1,953.98
(b) Dues to Other Than MSME Enterprise		776.91	1,317.20
(iii) Other financial Liabilities	15	600.24	682.36
(b) Other Current liabilities	16	3,020.85	3,984.86
(c) Provisions	17	59.52	53.51
Total Current Liabilities		6,106.31	7,991.91
TOTAL EQUITY AND LIABILITIES		18,772.89	19,598.43
Material Accounting Policy Information	30 (A)		
Notes on Financial statements	1-30 (B)		

In Accordance with our Report of even date

For and on behalf of the Board

For VRCA & ASSOCIATES

Chartered Accountants

Firm number: 104727W

 (CA V.K.SHASTRI)
 Partner/M.No. 042774

 (AJAY DESAI)
 Executive Director

 (AJAY PARIKH)
 Executive Director

 (PRERNA BOKIL)
 Company Secretary

 (RAJENDRA BHAVSAR)
 Chief Financial Officer

Date: 13.05.2025

Place : Vadodara

Date: 13.05.2025

Place : Vadodara

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

(Amount Rs in lacs)

Particulars	Note No.	For the year ended on 2024-25	For the year ended on 2023-24
REVENUE			
I. Revenue from Operations	18	17,855.87	22,333.30
II Other Income	19	466.54	319.34
III TOTAL REVENUE		18,322.42	22,652.64
IV EXPENSES			
Cost of materials consumed	20	7,708.88	11,350.95
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, Work in Progress and Stock in Trade	21	1,075.24	(597.89)
Employee benefits expense	22	4,041.16	3,822.32
Finance costs	23	67.98	161.59
Depreciation and amortization expense	24	387.92	275.77
Other expenses	25	2,647.96	3,353.95
TOTAL EXPENSES		15,929.15	18,366.70
V Profit/(Loss) before exceptional and tax (III-IV)		2,393.27	4,285.94
VI Exceptional Items		-	-
VII PROFIT / (LOSS) BEFORE TAX FOR THE YEAR (V-VI)		2,393.27	4,285.94
VIII TAX EXPENSE			
(1) Current tax (Refer Note No. 9 in other notes)	26	593.69	1,241.06
(2) Deferred tax (asset-/liability+)	26	(2.94)	(168.45)
IX PROFIT / (LOSS) AFTER TAX FOR THE YEAR (IX - XII)		1,802.52	3,213.34
X Other Comprehensive Income			
(i) Items that will be reclassified to profit or loss			
- Exchange Rate Fluctuation on conversion of Balances and Depreciation of P.P.E Revaluation		-	-
- Gain/(loss) on remeasurements of the defined benefits plan		(50.12)	(99.22)
(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		12.61	24.97
XI Total Other Comprehensive Incomes for the period (XIII+XIV)		(37.50)	(74.25)
XII Total Comprehensive Income for the year (IX+XI)		1,765.01	3,139.09
XIII Earning per equity share:	28		
(1) Basic		11.16	19.89
(2) Diluted		11.16	19.89

In Accordance with our Report of even date

For and on behalf of the Board

For VRCA & ASSOCIATES

Chartered Accountants

Firm number: 104727W

 (CA V.K.SHASTRI)
Partner/M.No. 042774

 (AJAY DESAI)
Executive Director

 (AJAY PARIKH)
Executive Director

 (PRERNA BOKIL)
Company Secretary

 (RAJENDRA BHAVSAR)
Chief Financial Officer

Date: 13.05.2025

Place : Vadodara

Date: 13.05.2025

Place : Vadodara

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2025

(Amount Rs in lacs)

Particulars	For the year ended on 2024-25	For the year ended on 2023-24
A Cash flows from operating activities		
Profit before taxation - continuing operations	2,393.27	643.94
Depreciation and amortization	387.92	275.77
(Profit)/loss on sale of current investments (net) and (gain)/loss on fair valuation of investments	(325.18)	(197.45)
Profit on sale of property, plant and equipment	(1.90)	-
Interest income	(18.44)	(21.15)
Finance Costs	67.98	161.59
Exceptional /Extra Ordinary Items :		
Provision for doubtful debts and advances (Net)	-	-
Provisions Not Required Reversed	-	-
Net Exchange differences	-	-
Operating profit before working capital changes	2,503.65	862.71
Changes in Working Capital		
(Increase)/ decrease in trade and other receivables	1,568.76	1,379.91
(Increase)/ decrease in inventories	1,476.47	(710.84)
Increase/(decrease) in trade payables and other Liabilities	(1,832.72)	(65.04)
Cash generated from operations	3,716.16	1,466.74
Income taxes paid/refund (Net)	593.69	(2,400.94)
Cash generated from operations	3,122.47	3,867.68
Proceeds from extraordinary item	-	-
Net cash from operating activities (A)	3,122.47	3,867.68
B Cash flows from investing activities		
Purchase of property, plant and equipment (including Capital WIP)	(697.79)	(1,091.42)
Proceeds from sale of property, plant and equipment	2.30	-
Sale/(Purchase) of Investments (net)	(1,872.42)	125.00
Interest received	18.44	21.15
Dividend received	-	-
Net cash from investing activities (B)	(2,549.47)	(945.27)
C Cash flows from financing activities		
Proceeds from Issuance of Equity Share capital	-	-
Proceeds from long term borrowings	-	-
Proceeds / (Repayment) of short term borrowings	-	-
Interest and Finance cost paid	(67.98)	(161.59)
Dividend paid and DDT	(807.74)	(1,453.93)
Net cash from financing activities (C)	(875.72)	(1,615.52)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(302.72)	1,306.89
Cash and cash equivalents at beginning of reporting period	2,461.42	1,154.53
Cash and cash equivalents at end of reporting period	2,158.70	2,461.42
Cash & Cash equivalents:		
Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments.		
Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:		
Cash on hand and bank balances	2,158.70	2,461.42
Short term investments	-	-
Cash and cash equivalents as reported	2,158.70	2,461.42
Effect on exchange rate changes	-	-
Cash and cash equivalents as restated	2,158.70	2,461.42

In Accordance with our Report of even date

For and on behalf of the Board

For VRCA & ASSOCIATES

Chartered Accountants

Firm number: 104727W

 (CA V.K.SHASTRI)
Partner/M.No. 042774

 (AJAY DESAI)
Executive Director

 (AJAY PARIKH)
Executive Director

 (PRERNA BOKIL)
Company Secretary

 (RAJENDRA BHAVSAR)
Chief Financial Officer

Date: 13.05.2025

Place : Vadodara

Date: 13.05.2025

Place : Vadodara

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st March, 2025

(Rs. In lacs)

Particulars	Equity Share Capital	Capital Reserve (Rs.)	Reserves & Surplus Other Reserves (Rs.)	Retained earnings (Rs.)	Total Other Equity (Rs.)
Balance as at 1st April, 2023	1,615.48	25.00	20.55	7,954.70	9,615.73
Profit for the year	-	-	-	3,213.34	3,213.34
Other Comprehensive Income of the year					
- Remeasurement gains (loss) on defined benefit plans	-	-	-	(74.25)	(74.25)
- Payment of Dividend (Final Dividend 22-23 & Interim 23-24)	-	-	-	(1,453.93)	(1,453.93)
Balance as at 31st March, 2024	1,615.48	25.00	20.55	9,639.86	11,300.89

Particulars	Equity Share Capital	Capital Reserve (Rs.)	Reserves & Surplus Other Reserves (Rs.)	Retained earnings (Rs.)	Total Other Equity (Rs.)
Balance as at 1st April, 2024	1,615.48	25.00	20.55	9,639.86	11,300.89
Profit for the year	-	-	-	1,802.52	1,802.52
Other Comprehensive Income of the year					
- Remeasurement gains (loss) on defined benefit plans	-	-	-	(37.50)	(37.50)
- Payment of Dividend (Interim Dividend FY 2024-25)	-	-	-	(807.74)	(807.74)
Balance as at 31st March, 2025	1,615.48	25.00	20.55	10,597.13	12,258.16

In Accordance with our Report of even date

For and on behalf of the Board

For VRCA & ASSOCIATES

Chartered Accountants

Firm number: 104727W

(CA V.K.SHASTRI)
Partner/M.No. 042774

Date: 13.05.2025

Place : Vadodara

(AJAY DESAI)
Executive Director

(AJAY PARIKH)
Executive Director

(PRERNA BOKIL)
Company Secretary

(RAJENDRA BHAVSAR)
Chief Financial Officer

Date: 13.05.2025

Place : Vadodara

Note no. 30(A) forming part of the Financial Statements**CORPORATE INFORMATION**

Axtel Industries Limited was incorporated in 1991 as public limited Company and presently has registered office at P.O. Nurpura, Vadodara – Halol Highway, Tal : Halol Dist.: Vadodara. The Equity Shares of the Company are listed on BSE Ltd. (BSE). The Company is principally engaged in business of manufacturing of process engineering equipment for food processing Industries

(I) SIGNIFICANT ACCOUNTING POLICIES**A Basis of preparation****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) Certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale – measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans – plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (Twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees in Lacs as per the requirement of Schedule III, unless otherwise stated

B Use of estimates and judgments

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

C Property, plant and equipment

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS. Hence, regarded thereafter as historical cost.

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

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

Depreciation:

- Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The Company has adopted Written Down Value method rates prescribed in Schedule II of the Act for providing depreciation.

Intangible Assets:

Intangible Assets representing

- Computer Software are amortised using Written down value method as per rates and life cycle of Computer stated as per schedule II of the Act

Asset Impairment:

The Company reviews the carrying values of tangible assets for any possible impairment at each balance sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

D Investments and other financial assets**(i) Classification**

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

- 1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- 2) those measured at amortized cost.

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

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit & Loss are expensed in the Statement of Profit and Loss.

E Valuation of Inventories

Inventories are valued as under:

Raw material, Components, tools, packing material, stores & Spares	At cost of Material
Manufacturing work-in-progress and finished goods	At cost of material, plus appropriate manufacturing overhead

The cost of the Manufacturing work-in-progress and finished goods inventories has been computed to include all costs of purchase, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

F Revenue recognition

The Company derives revenue primarily from sale of Machinery i.e. manufactured goods and the related services.

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes/Goods and Service Tax (GST). Since, the GST is collected by the seller on behalf of the Government, accordingly it is excluded from revenue.

The Company recognizes revenue when the amount of revenue can be reliably measured upon performance of obligation(s), it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Revenue from Sales are recognized when substantial risk and rewards of ownership are transferred to customer, in case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter.

In case of export customers, generally sales take place when goods are shipped on-board based on bill of lading.

The Performance Obligation in our contract are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms

Sales Return-

The Company recognizes provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Revenue from services

Revenue from services is recognized in the accounting period in which the services are rendered.

Other operating revenue – Export incentives

Rent and other incomes are recognised on accrual basis and Export Incentives are generally accounted in the year of export. However, Export incentive accruing under MEIS Scheme are accounted when sold.

G Foreign Exchange Transaction:

- i) Transactions in foreign currencies are accounted for at prevailing exchange rates, Gains and losses arising out of subsequent fluctuations are accounted for on actual payment / realizations in the statement of profit and loss. The Current Assets and Current Liabilities related to foreign currency transactions, other than those covered by forward contracts, remaining unsettled at the end of the year are adjusted at the rates prevailing at the year end.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and loss.

H Borrowings

The borrowings are initially recognized at net of transaction costs incurred and measured at amortised cost. Any difference

between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

I Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

J Tax Expense:

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

K Provision, Contingent Liabilities and Contingent Assets:

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

L Derivatives:

The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the Company and the Company does not use the foreign exchange forward contracts for trading or speculation purposes. The Company records the gain or loss on effective hedges in the Statement of Profit and Loss of that period when they arise

M Gratuity and other post-employment benefits

Retirement benefit in the form of provident fund and pension fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and pension fund maintained by Government's Employee Provident Fund Organisation. The Company recognizes contribution payable to the provident fund and pension fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity and Leave Encashment which are defined benefits are accrued based on actuarial valuation as at the Balance Sheet date. The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets of gratuity (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

N Leases :

The company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset in return for payment.

Ind AS 116 “Leases” is effective for annual periods beginning on or after 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on Balance Sheet model similar to the accounting for finance lease under Ind AS-17. The standard includes two recognition exemptions for lessees- leases of “low – value” assets and short-term leases (i.e. for 12 months or less term). At commencement date of Lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

There are no identifiable material leases to be reported and there will be no significant impact on financial statement in respect of Leases

O Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTES FORMING PART OF BALANCE SHEET

1 : PROPERTY, PLANT AND EQUIPMENT

(Rs. In lacs)

Class of assets	Gross Block			Depreciation		Book Value	
	As at 01 st Apr 2024	Additions	Deductions	As at 31 st Mar 2025	For the year As at 01 st Apr 2024	As at 31 st Mar 2025	As at 31 st Mar 2024
Land and Land Development	202.68	-	-	202.68	-	202.68	202.68
Factory Building	1,971.86	110.56	-	2,082.41	140.95	1,426.07	1,456.47
Plant & Machinery	1,032.47	91.65	-	1,124.13	634.56	408.82	397.91
Furniture & Fixture	139.61	30.64	-	170.25	84.90	68.50	54.71
Vehicles	187.76	243.58	5.19	426.15	169.21	251.16	18.55
Office Equipments	105.71	11.15	-	116.86	83.98	21.24	21.73
Office Building	138.84	-	-	138.84	44.29	89.95	94.56
Electrification	297.18	116.53	2.05	411.65	117.85	243.27	179.32
Computer System	307.07	40.68	-	347.75	249.07	48.66	58.13
Computer Server	12.37	-	-	12.37	11.06	0.84	1.19
TOTAL	4,395.56	644.79	7.25	5,033.10	1,910.32	2,271.90	2,485.24

Class of assets	Gross Block			Depreciation		Book Value	
	As at 01 st Apr 2023	Additions	Deductions	As at 31 st Mar 2024	As at 01 st Apr 2023	As at 31 st Mar 2024	As at 31 st Mar 2023
Land and Land Development	202.68	-	-	202.68	-	202.68	202.68
Factory Building	880.50	1,091.36	-	1,971.86	431.48	1,456.47	449.02
Plant & Machinery	894.13	138.34	-	1,032.47	563.95	397.91	330.18
Furniture & Fixture	107.83	31.78	-	139.61	72.39	54.71	35.44
Vehicles	187.76	-	-	187.76	160.78	18.55	26.98
Office Equipments	88.16	17.55	-	105.71	76.49	21.73	11.67
Office Building	138.84	-	-	138.84	39.45	94.56	99.40
Electrification	128.31	168.86	-	297.18	103.08	179.32	25.24
Computer System	261.63	57.82	-	319.45	210.96	59.31	50.67
TOTAL	2,889.85	1,505.71	-	4,395.56	1,658.58	2,485.24	1,231.27

1 : OTHER INTANGIBLE ASSETS

(Rs. In lacs)

Class of assets	Gross Block			Amortisation		Book Value	
	As at 01 st Apr 2024	Additions	Deductions	As at 31 st Mar 2025	As at 01 st Apr 2024	As at 31 st Mar 2025	As at 31 st Mar 2024
Computer software	256.41	11.64	-	268.05	210.34	38.22	46.07
TOTAL	256.41	11.64	-	268.05	210.34	38.22	46.07

Class of assets	Gross Block			Amortisation		Book Value	
	As at 01 st Apr 2023	Additions	Deductions	As at 31 st Mar 2024	As at 01 st Apr 2023	As at 31 st Mar 2024	As at 31 st Mar 2023
Computer software	239.96	16.46	-	256.41	186.30	46.07	53.65
TOTAL	239.96	16.46	-	256.41	186.30	46.07	53.65

Rs. In lacs
Particulars
**As at 31st March, 2025
(Rs.)**
**As at 31st March, 2024
(Rs.)**
2 Investments
Non - current Investment - Unquoted
Investment in Mutual Funds (at FVTPL)

(1) Mutual Fund Investment

Total - NON- Current Investment
Current Investment - Unquoted
Investment in Mutual Funds (at FVTPL)

(1) Mutual Fund Investment

Total - Current Investment

No of Units	Amount	No of Units	Amount
-	-	-	-
-	-	-	-
-	-	-	-
No of Units	Amount	No of Units	Amount
-	5,719.63	-	3,522.03
	5,719.63		3,522.03

(Unsecured Considered Good unless otherwise stated)
3 Loans & advances
Non - current

Loans/Advance to employees

Earmarked Funds

Deposits

Advance Given

Total Non-Current
Current

Loans/Advance to employees

Earmarked Funds

Deposits

Advance Given

Total Current

312.16	379.89
19.56	7.57
-	-
331.72	387.47
-	-
2.77	3.06
-	-
-	-
2.77	3.06

4 Other Financial Assets
Non - current

Balance with Govt. Authorities

Other Financial Assets

Total Non-Current
Current

Balance with Govt. Authorities

Other Financial Assets

Total Current

3.71	-
-	-
3.71	-
14.32	11.58
-	-
14.32	11.58

AXTEL INDUSTRIES LIMITED

		(Rs. In lacs)	
Particulars	As at 31.03.2025 (Rs.)	As at 31.03.2024 (Rs.)	
5 DEFERRED TAX (NET) AND MOVEMENT OF DEFERED TAX ASSET/LIABILITIES			
Net Deferred Tax Asset on at beginning of year	210.32	41.86	
Add : Property, Plant and Equip	4.43	(4.86)	
43B Disallowance and Allowances	(1.46)	173.31	
DTA/(DTL) on OCI Adjustment	12.61	-	
Total Deferred Tax Assets on 31-03-2025	225.90	210.31	
LESS : Deferred Tax Liabilities	-	-	
Net Deferred Tax Assets	225.90	210.31	
6 OTHER ASSETS			
Non - current			
Advance given	-	-	
Deposit/balance with Statutory Authorities	5.44	0.33	
Advance Given Against Orders	-	-	
Total- Non-Current	5.44	0.33	
Current			
Prepaid Expenses	314.49	93.62	
Loans/Advance to employee and others	6.28	7.76	
Advance Paid to Suppliers	40.26	57.59	
Interest Accrued on Deposits :	-	-	
Deposit/balance with Statutory Authorities	-	-	
Total - Current	361.02	158.96	
7 INVENTORIES			
Raw Materials and Components	2,330.84	2,732.07	
Work - in - Progress	1,405.86	2,481.10	
Total	3,736.70	5,213.17	
8 TRADE RECEIVABLES (Unsecured unless otherwise stated)			
Non - current Receivables			
- Considered Good	-	-	
- Considered Doubtful	-	-	
Total	-	-	
Current Receivables			
- Considered Good	3,329.39	5,031.80	
- Considered Doubtful	-	-	
Less : Allowance for Doubtful Debts	(69.46)	(55.78)	
Total	3,259.93	4,976.02	
Note: Refer note no: 30(B) 16 - a (2) for ageing			
9 CASH AND CASH EQUIVALENTS			
- Cash on hand	0.52	0.57	
Balance with Banks	-	-	
- In Current Account	1,615.23	2,097.81	
- In EEFC Account	282.89	64.69	
- In Fixed Deposit Account	260.06	298.34	
(with Original Maturity of less than 12 months)			
Total	2,158.70	2,461.42	

(Rs. In lacs)

Particulars	As at 31.03.2025 (Rs.)	As at 31.03.2024 (Rs.)
10 Current Tax Assets /Liabilites(Net)		
Current		
Advance Tax/Tax deducted At Source	660.25	1,321.23
Less : Current Tax Liabilities	-	-
Provision for taxes (*)	(590.66)	(1,241.06)
Total Current Tax Assets (NET)	69.59	80.17

(*) Also Refer to Note No 30B(4) for Tax

Particulars	As at 31.03.2025		As at 31.03.2024	
	Number	AMOUNT (Rs)	Number	AMOUNT (Rs)
Authorized:				
Equity shares of Rs.10 /- each	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Issued, subscribed and fully paid up:				
Equity shares of Rs.10 /- each	1,61,54,800	1,615.48	1,61,54,800	1,615.48
TOTAL		1,615.48		1,615.48

Reconciliation of Equity Shares Outstanding at the begining and at the end of the reporting year

11 (ii) RECONCILIATION OF THE NUMBER OF EQUITY
SHARES AND SHARE CAPITAL

Particulars	As at 31.03.2025		As at 31.03.2024	
	Number	AMOUNT (Rs)	Number	AMOUNT (Rs)
Issued, subscribed and fully paid up equity shares outstanding at beginning of the year	1,61,54,800	1,615.48	1,61,54,800	1,615.48
Add: shares issued during the year	-			
Issued, Subscribed and fully paid up equity shares outstanding at the end of the year	1,61,54,800	1,615.48	1,61,54,800	1,615.48

11 (iii): SHAREHOLDER HOLDING MORE THAN 5% OF
EQUITY SHARES AS AT THE END OF THE PERIOD

Particulars	As at 31.03.2025 Nos	As at 31.03.2024 Nos
1 Ajay Desai	9,21,935	9,21,935
2 Shivash Business Advisory LLP	31,00,000	31,00,000
3 Chaykar Business Advisory LLP	30,55,000	30,55,000

Shares held By Promoters at the end of year

Sr. No.	Name of Promoter	No of Shares as on 31.03.2025	% of Total Shares as on 31.03.2025	% Change during the year F.Y. 2024-25	No of Shares as on 31.03.2024	% of Total Shares as on 31.03.2024	% Change during the year F.Y. 2023-24
1	Ajay Naishad Desai	9,21,935	5.71%	NIL	9,21,935	5.71%	NIL
2	Ajay Nalin Parikh	4,66,044	2.88%	NIL	4,66,044	2.88%	NIL
3	Karan Ajay Parikh	3,70,230	2.29%	NIL	3,70,230	2.29%	NIL
4	Chhaya Parikh	1,43,298	0.89%	NIL	1,43,298	0.89%	NIL
5	Rati Ajay Desai	12,800	0.08%	NIL	12,800	0.08%	NIL
6	Shivash Business Advisory LLP	31,00,000	19.19%	NIL	31,00,000	19.19%	NIL
7	Chaykar Business Advisory LLP	30,55,000	18.91%	NIL	30,55,000	18.91%	NIL

The company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

		(Rs. In lacs)	
Particulars	As at 31.03.2025	As at 31.03.2024	
12 OTHER EQUITY			
Other Equity			
Reserves and Surplus (*)			
Capital Reserve	25.00	25.00	
Other Reserves	20.55	20.55	
Retained earnings	10,634.63	9,714.10	
Other Comprehensive Income Reserve	(37.50)	(74.25)	
Total	10,642.68	9,685.41	
13 BORROWINGS			
(A) Secured			
<u>Term Loans</u>			
Non - current			
- from banks	-	-	
- from Others	-	-	
Total Non-Current	-	-	
Current			
- from banks			
Working Capital Loan - Cash Credit	-	-	
Current Maturities of Long Term Borrowings	-	-	
- from Others	-	-	
Inter Corporate Deposit	-	-	
Total Current	-	-	
(B) Unsecured			
Non - current			
Total Non-Current	-	-	
Current	-	-	
Total Current	-	-	
14 Trade Payables			
Non - current			
Trade Deposits -Customers	-	-	
Balance with Statutory Authorities	-	-	
Total- Non-Current	-	-	
Current			
Due to micro and small enterprises	1,648.79	1,953.98	
Other trade payables	776.91	1,317.20	
Total - Current	2,425.70	3,271.18	

(Rs. In lacs)		
Particulars	As at 31 st March, 2025	As at 31 st March, 2024
15 OTHER FINANCIAL LIABILITES		
Non - current	-	-
Total- Non-Current	-	-
Current		
Interest Accrued but not due	-	-
Trade Deposits-Advances	-	-
Employee Related Liabilities	10.80	50.90
Liabilities for Expenses	252.92	372.33
Unpaid Dividend	336.51	259.13
Total Current	600.24	682.36
16 OTHER CURRENT LIABILITES		
Non - current		
Advance from customers		
Statutory Dues/liabilities	-	-
Total- Non-Current	-	-
Current		
Advance from customers	2,798.90	3,679.33
Statutory Dues/liabilities	221.95	305.53
Total Current	3,020.85	3,984.86
17 PROVISIONS		
Non - current		
Provision for Employee benefits	408.62	305.63
Provision for Indirect Taxes	-	-
Total- Non-Current	408.62	305.63
Current		
Provision for Employee benefits	59.52	53.51
Provision for Indirect Taxes	-	-
Total Current	59.52	53.51

AXTEL INDUSTRIES LIMITED

(Rs. In lacs)

Particulars	For the year ended on 31 st March, 2025	For the year ended on 31 st March, 2024
18 REVENUE FROM OPERATIONS:		
<u>Revenue from operations</u>		
Machines Manufactured	16,827.83	20,754.22
Sub -Total (a)	16,827.83	20,754.22
<u>Other Revenue Income</u>		
Scrap	92.17	111.50
Installation Commissioning Others Services	935.87	1,467.58
Sub -Total (b)	1,028.04	1,579.08
Grand -Total (a+b)	17,855.87	22,333.30
19 OTHER INCOME:		
Interest income	18.44	21.15
Excise Duty Drawback/Export Incentive	53.90	68.55
Other Incomes /Insurance claim received	2.15	2.95
Gain on Foreign Exchange realisation	64.97	29.20
Profit on Sale of Mutual Fund / Assets	132.31	189.30
Net gain on financial assets designated at fair value through profit and loss (*)	192.87	8.15
Profit on Sale of Assets	1.90	-
Provision of Leave Encashment Not Required	-	0.04
Total	466.54	319.34
20 COST OF MATERIALS CONSUMED:		
a) i) Consumption of raw materials	7,708.88	11,350.95
Total	7,708.88	11,350.95
b) Consumption of major raw materials		
i) S.S./M.S. Steel	1,686.57	2,669.28
ii) Others	6,022.31	8,681.68
Total	7,708.88	11,350.95
21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE:		
Stocks at the end of the year		
<u>Work in progress</u>		
Closing Stock - WIP	1,405.86	2,481.10
Total	1,405.86	2,481.10
<u>Less:</u>		
Stocks at the beginning of the year		
<u>Work in progress</u>		
Opening Stock - WIP	2,481.10	1,883.21
Total	2,481.10	1,883.21
(Increase)/Decrease in stock	1,075.24	(597.89)
22 EMPLOYEE BENEFIT EXPENSES:		
Salaries and Wages, Allowances	3,577.52	3,269.74
Contribution to provident and other funds	49.88	49.83
Remuneration and Bonus to whole time directors	360.00	420.00
Staff welfare expenses	53.76	82.75
Total	4,041.16	3,822.32

(Rs. In lacs)

Particulars	For the year ended on 31 st March, 2025	For the year ended on 31 st March, 2024		
23 Finance Costs:				
Interest expense	0.95	0.58		
Other borrowing costs	67.03	161.01		
Total	67.98	161.59		
24 Depreciation and amortization:				
Depreciation	387.92	275.77		
Total	387.92	275.77		
25 Other expenses:				
Power and fuel	68.11	107.49		
Labour & job work charges	837.36	1,209.65		
Erection & commissioning	647.27	996.40		
Repairs to buildings	32.69	13.53		
Repairs to machinery	16.66	8.77		
Other Manufacturing Expense	20.96	22.10		
Selling expenses	-	-		
- Freight Outward (Net)	152.02	90.04		
- Other Selling expenses	75.96	59.05		
Legal and professional charges	332.34	353.22		
Other office Expenses	17.37	32.74		
Insurance	57.22	69.78		
Rates and taxes	0.28	8.16		
Repairs others	21.37	21.73		
Travelling Expenses	40.72	45.16		
Conveyance Expenses	158.10	153.88		
Security Expense	81.74	74.70		
Payment to the auditors	-	-		
- as auditor	2.69	3.66		
- for taxation and other matters	-	-		
- for reimbursement of expenses	-	0.04		
CSR Activity expenses	55.05	45.69		
Printing & Stationery	9.63	16.56		
Postage & Communication	20.43	21.59		
Total	2,647.96	3,353.95		
26 Additional Information:				
Particulars				
a) Value of Imports calculated on CIF basis:				
Raw Materials used and services	232.27	376.32		
b) Expenditure in foreign currency: (net of withholding tax)	-	-		
i) For Purchase of Raw Material, services and Travel Expenses	287.13	453.56		
c) Particulars	FY 2024-25	FY 2023-24	% to total	% to total
i) Value of imported raw materials, spare parts and components consumed	254.33	407.46	3%	4%
ii) Value of indigenous raw materials, spare parts and components consumed	7,454.55	10,943.49	97%	96%
Total	7,708.88	11,350.95	100%	100%
d) Earnings in foreign exchange:				
Export of goods/Services calculated on FOB basis	2,908.13	3,119.92		

(Rs. In lacs)		
Particulars	As at 31 st March, 2025	As at 31 st March, 2024
27 CONTINGENT LIABILITIES AND COMMITMENTS:		
a) Contingent Liabilities:		
i) Claims against the Company not acknowledged as debts	-	-
ii) Bank guarantees for performance obligations	2,240.01	2,209.07
iii) Bills receivable discounted with the bank not matured	-	-
iv) Tax demands under disputes including FBT	1.93	1.93
b) Commitments		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
ii) Uncalled liability on shares and investments partly paid		
iii) Other Commitments (Specify nature)		

(Rs. In lacs)		
Particulars	As at 31 st March, 2025	As at 31 st March, 2024
28 EARNINGS PER SHARE:		
Net Profit after tax	1,802.52	3,213.34
	1,802.52	3,213.34
Weighted average number of equity shares outstanding	1,61,54,800	1,61,54,800
Basic Earning per share	11.16	19.89
Diluted Earning per share	11.16	19.89
Nominal Value per Share	10.00	10.00

29. Defined Benefit and Contribution Plan

The employees Gratuity and Leave encash fund Scheme is managed by Trust in association with LIC is a defined benefit fund. The Present Value of Obligation is determined based on actuarial valuation using Project Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to buildup the final obligation.

(Rs. In lacs)				
I) Reconciliation of Opening and Closing balances of Defined Benefit	For the year ended March 2025		For the year ended March 2024	
	Gratuity benefit	Leave Benefits	Gratuity benefit	Leave Benefits
Defined Benefit Obligation at Beginning of the year	764.02	355.36	593.50	290.32
Liability transferred in/ Acquisitions				
Current Service Cost	53.51	17.50	39.11	12.42
Interest Cost	53.13	24.68	42.22	20.70
Actuarial (Gain)/loss	-	-	-	-
- Due to Change in financial assumptions	20.93	8.45	(22.48)	(5.54)
- Due to Change in financial assumptions	-	-	-	-
- Due to experience adjustments	11.95	11.77	117.95	40.80
Benefit Paid from Fund/ Entity	(61.30)	(10.33)	(6.29)	(3.35)
Defined Benefit Obligation at the end of the year	842.23	407.43	764.02	355.36

(Rs. In lacs)

II) Reconciliation of Opening and Closing balances of Fair value of plan Assets	For the year ended March 2025		For the year ended March 2024	
	Gratuity benefit	Leave Benefits	Gratuity benefit	Leave Benefits
Defined Benefit Obligation at Beginning of the year	579.70	403.86	549.31	387.22
Expected return on Plan Assets	-	-	-	-
Assets transferred in/ Acquisitions	-	-	-	-
Interest Income	41.86	29.38	40.43	28.23
Actuarial (Gain)/loss	1.62	1.35	(3.75)	(9.24)
Employers contribution	-	46.00	-	1.00
Benefit Paid	(61.30)	(10.33)	(6.29)	(3.35)
Fair value of Plan Assets at year end	561.89	470.27	579.70	403.86
Actual return on Plan Assets	43.49	30.73	36.68	18.99
III) Reconciliation of fair value of Assets and Obligations				
Fair value of Plan Assets	561.89	470.27	579.70	403.86
Present Value of Obligation	842.23	407.43	764.02	355.36
Net Defined Benefit Liability [(Surplus)/ Deficit]	(280.34)	(62.84)	(184.32)	(48.50)
IV) Expenses recognised during the year				
In Income Statement				
Current Service Cost	53.51	17.50	39.11	12.42
Net Interest Cost	11.27	(4.70)	1.80	20.70
Return on Plan Assets	41.86	29.38	40.43	28.23
Net Cost	53.13	24.68	42.22	48.93
In Other Comprehensive Income				
Actuarial (Gain)/ Loss				
- Due to Change in financial assumptions	20.93	8.45	(22.48)	(5.54)
- Due to Change in demographic assumptions	-	-		
- Due to experience adjustments	11.95	11.77	117.95	40.80
Return on Plan Assets excluding Interest Income	(1.62)	1.35	3.75	(9.24)
Net (Income)/Expense for the period recognised in OCI	31.25		99.22	
Net (Income)/Expense for the period Not recognised in OCI (as per IND AS - 19) Acturial Gain		31.67		49.39
V) Investment Details				
Insurance Fund	561.89	470.27	579.70	403.86

(Rs. In lacs)

	For the year ended March 2025		For the year ended March 2024	
	Gratuity Benefit	Leave Benefit	Gratuity Benefit	Leave Benefit
VI) Actuarial Assumption				
Financial Assumptions				
- Discount rate	6.55%	6.55%	7.15%	7.30%
- Salary Escalation Rate#	6.00% of Employees 0.00 NIL % for Directors	6.00% of Employees 0.00 NIL % for Directors	6.00% of Employees 0.00 NIL % for Directors	7.00% of Employees 0.00 NIL % for Directors
- Rate of Employee Turnover	30 % p.a. at younger ages reducing to 1 % p.a. at Older ages	30 % p.a. at younger ages reducing to 1 % p.a. at Older ages	30 % p.a. at younger ages reducing to 1 % p.a. at Older ages	30 % p.a. at younger ages reducing to 1 % p.a. at Older ages

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, promotion seniority and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

IV) Sensitivity Analysis

Discount rate Sensitivity :	Increase by 0.50%	824.71	400.36	772.36	348.27
	(% Change)	-2.08%	-1.73%	-1.09%	-2.00%
	Decrease by 0.50%	860.55	414.77	814.06	362.72
	(% Change)	2.17%	1.80%	6.55%	2.07%
Salary Growth rate Sensitivity :	Increase by 0.50%	860.67	414.94	814.23	362.99
	(% Change)	2.19%	1.84%	6.57%	2.15%
	Decrease by 0.50%	824.43	400.13	772.00	347.95
	(% Change)	-2.11%	-1.79%	-1.04%	-2.09%
Withdrawal rate (WR) Sensitivity :	Increase by 10% (WRx110%)	841.88	407.78	792.12	355.88
	(% Change)	-0.04%	0.09%	3.68%	0.14%
	Decrease by 10% (WRx90%)	842.49	407.05	792.76	354.80
	(% Change)	0.03%	-0.09%	-3.76%	-0.16%

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

30(B) OTHER NOTES ON ACCOUNTS
(1) FAIR VALUE MEASUREMENT
Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

iii. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instrument by valuation technique.

Level 1 : Quoted (unadjusted) price in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in Lacs)

Financial Assets and Liabilities	As at 31st March, 2025				As at 31st March, 2024			
	Carrying Amount	Level of Input used in			Carrying Amount	Level of Input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
At Amortised Cost Financial Assets								
Loans & Advance	334.49	-	-	334.49	390.53	-	-	390.53
Trade Receivables	3,259.93	-	-	3,259.93	4,976.02	-	-	4,976.02
Other Financial Assets	14.32	-	-	14.32	11.58	-	-	11.58
Cash & Cash Equivalents	2,158.70	-	-	2,158.70	2,461.42	-	-	2,461.42
Other Bank Balances	-	-	-	-	-	-	-	-
Total	5,767.44	-	-	5,767.44	7,839.55	-	-	7,839.55
At FVTPL Financial Assets	5,719.63	-	-	5,719.63	3,522.03	-	-	3,522.03
Investment in Mutual Funds								
At FTOCI Financial Assets	-	-	-	-	-	-	-	-
At Amortised Cost Financial Liabilities								
Borrowings	-	-	-	-	-	-	-	-
Other Financial Liabilities	600.24	-	-	600.24	682.36			682.36
Trade Payables	2,425.70	-	-	2,425.70	3,271.18	-	-	3,271.18
Total	3,025.94	-	-	3,025.94	3,953.54	-	-	3,953.54
At FVTPL Financial Liabilities	-	-	-	-	-	-	-	-

Fair value measurements using significant unobservable inputs (level 3)

The following Table presents the change in level 3 items for the year ended 31st March, 2025 and 31st March, 2024

(Rs. in Lacs)

The following table presents the changes in level 3 items for the year ended 31st March, 2025 and 31st March, 2024 :	
	Mutual Fund Instrument
As at 1st April 2023	3449.58
Acquisitions	7750.00
Disposal	7875.00
Gain/losses recognised in profit or loss (net)	197.45
As at 31st March, 2024	3,522.03
Acquisitions	9,640.00
Disposal	7,767.58
Gain/losses recognised in profit or loss (net)	325.18
As at 31st March, 2025	5,719.63

(2) Financial risk management objectives and policies

In the course of business, the company is exposed to certain financial risk that could have considerable influence on the Company's business and its performance. These include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk. The Board of Directors review and approves risk management structure and policies for managing risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides service to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The company uses derivative financial instruments, if required, to hedge risk exposures in accordance with the Company's policies as approved by the board of directors.

a) Market Risk - Interest rate risk:

Interest rate risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Sensitivity analysis below has been determined based on the exposures to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible changes in interest rates.

Exposure to interest rate risk

(Rs. In Lacs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Total Borrowings	Nil	Nil
% of Borrowings out of above bearing variable rate of interest	0.00 %	0.00 %

Interest rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs. In Lacs)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
50 bp increase would decrease the profit before tax by	Nil	Nil
50 bp decrease would Increase the profit before tax by	Nil	Nil

Note :

The Company does not have any long-term Borrowings hence the above figures are NIL

b) Market Risk- Foreign currency risk.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. The Company manages its foreign Currency risk, if required, by hedging transaction that are expected to occur within a maximum 12 month periods for hedge of forecasted sales and purchases in foreign currency.

The hedging is done, if required, through foreign currency forward contracts. In past year, the company has not much imports, but has exports which are more, hence foreign exchange exposure for exports proceeds due cover the liability of import dues, thus hedging was not required to cover foreign exchange exposure of the Company.

Unhedged foreign currency exposure

Market Risk - Foreign Currency Risk:-

- i) The following table shows foreign currency exposures in USD, EUR and GBP on financial instruments at the end of the reporting period.

Foreign Currency Exposure

(Rs. In Lacs)

Particulars	As at 31 st March, 2025			As at 31 st March, 2024		
	USD	EUR	GBP	USD	EUR	GBP
Loans availed	-	-	-	-	-	-
Trade and Other Payables	-	1.20	4.12	-	1.60	10.96
Trade and Other Receivables	628.72	254.41	-	468.57	152.06	-
Derivatives						
- Forwards	-	-	-	-	-	-
Net Exposure	628.72	253.21	-4.12	468.57	150.46	-10.96

ii) Sensitivity analysis of 5 % change in exchange rate at the end of reporting period

Foreign Currency Exposure

(Rs. In Lacs)

Particulars	As at 31 st March, 2025			As at 31 st March, 2024		
	USD	EUR	GBP	USD	EUR	GBP
5% Depreciation in INR						
Impact on P&L	31.44	12.66	-0.21	23.43	7.52	-0.55
Total	31.44	12.66	-0.21	23.43	7.52	-0.55
5% Appreciation in INR						
Impact on P&L	-31.44	-12.66	0.21	-23.43	-7.52	0.55
Total	-31.44	-12.66	0.21	-23.43	-7.52	0.55

c) Equity Price Risk

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company's investments exposes the company to equity price risks. At the reporting date, the company do not hold any equity securities. Investment in Mutual Funds are taken at fair value.

d) Credit Risk

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence. Trade receivables consist of a large number of customers, spread across geographical areas. Outstanding customer receivables are regularly monitored.

The average credit period is in the range of 01 -90 days. However in select cases credit is extended which is backed by security deposit/bank guarantee/letter of credit and other forms. The Company's Trade receivables consist of a large number of customers, across geographies hence the Company is not exposed to concentration risk.

The Company has provided for expected credit loss as per predetermined percentage of outstanding more than the credit period based on historical credit loss experience, industry practices and the business environment in which the entity operates and adjusted to forward looking information. Further, the debts are examined and assessed party wise individually by respective department head and top management, for doubtful recovery, if any. As a final result of the above exercise the expected credit loss is determined that allowance as required for Credit Loss is being provided.

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

e) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from bank. Furthermore, the Company access to funds from debt markets and also short-term working capital loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. In Lacs)

Particulars	Within 1 year	More than 1 year	Total
As on 31st March 2025			
Borrowings	—	—	—
Trade and other Payables	2,425.70	-	2,425.70
Other Financial Liabilities	600.24	-	600.24
As on 31st March 2024			
Borrowings	—	—	—
Trade and other Payables	3,269.99	1.20	3,271.18
Other Financial Liabilities	682.36	-	682.36

(3) Excise Duty and GST:

Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Excise Duty has been subsumed into GST. In accordance with IND AS, GST is not part of revenue unlike Excise Duty. Accordingly, from 01.07.2017 GST is not included in revenue and hence is Not added to turnover.

 (4) Current Tax: During the year the income tax provision is made for taxes payable for the year ended 31st March, 2025 based on Computation of Income as per provisions of the Income Tax Act, 1961.

The Company has opted for the option permitted U/s 115BAA of the Income Tax Act 1961 and hence has Provided for Taxation as per the reduced rate of tax specified therein and will continue to follow this policy as required under the said section 115BAA of the Income Tax Act, 1961.

Income Tax

The Major Components of Income Tax expense for the year ended 31st March, 2025 and 31st March, 2024 (Rs. In Lacs)

Particulars	For year ended 31 st March, 2025 (Rs.)	For year ended 31 st March, 2024 (Rs.)
Profit and Loss:	2,393.27	4,285.91
Current Tax	590.66	1,241.06
Tax of Prior year	3.03	-0.04
Deferred Tax	-2.94	-168.45
Total Income Tax Expense	590.75	1,072.57

Reconciliation of tax expense and the accounting Profit multiplied by Domestic Tax Rate (Rs. In Lacs)

Particulars	For year ended 31 st March, 2025 (Rs.)	For year ended 31 st March, 2024 (Rs.)
Profit before Income Tax expenses	2,393.27	4,285.91
Taxes at the Indian Tax rate i.e. @ 25.168 U/s 115BAA	602.34	1,078.68
Items giving rise to difference in tax		
- Earlier Year's Tax / Credits/B/f Loss	3.03	-0.04
- Timing Difference and Others	-58.04	122.08
- Effect of Non-deductible items	19.45	11.90
- Tax on Other Capital Gain Incomes	26.91	28.39
- Deferred Tax Expenses/(Income)	-2.94	-168.45
Total Income Tax Expense	590.75	1,072.57

- (5) In the opinion of the Management and to the best of their knowledge and belief, the value on realisation of loans and advances, debtors and other current assets in the ordinary course of the business will not be less than the amount at which they are stated in Balance Sheet.
- (6) Figures have been rounded off to the nearest rupees in lacs.
- (7) Previous year Figures have been regrouped and rearranged wherever necessary to confirm to current years classification.
- (8) Claims against the Company not acknowledged as debts Rs. NIL (previous year Rs. NIL).
- (9) Estimated amount of contracts remaining to be executed on capital account and not provided Rs. NIL (Previous year Rs. NIL).
- (10) Dues to Micro and Small Enterprises:

The Company has certain dues payable to suppliers registered under Micro, Medium and Small Enterprise Act, 2006 (MSMED ACT). The disclosures pursuant to the said MSMED ACT are as follows :

(Rs. In Lacs)

Sr. No.	Particulars	Amount(Rs) Current Year 31 st March, 2025	Amount(Rs) Previous Year 31 st March, 2024
a.	Principal amount remaining unpaid to any suppliers as at 31st March	1,648.79	1,953.98
b.	Interest due thereon remaining unpaid to any suppliers as at 31st March	15.83	26.46
c.	The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006	—	—
d.	The amount of the payment made to the supplier beyond the appointed day during each accounting year in terms of section 16 of the MSMED Act, 2006	—	—
e.	The amount of interest due and payable for the period of delay in making payments	—	—
f.	The amount of interest accrued and remaining unpaid as at 31st March	—	—
g.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	—	—

Note : All the MSME enterprises dealing with Company who have received the payment have foregone the interest due for delay being not significant, hence interest provision is made of current year msme dues.

(11) Remuneration to Directors:-

The Company has paid remuneration to its Executive Directors including bonus which is in accordance with the provision of Schedule V of the Companies Act, 2013 and as per the special resolution passed by the Company in the Annual general meeting which is within the limits specified therein.

(12) Payment to Auditors (excluding taxes)

(Rs. In Lacs)

Particulars	Current Year (Amt. Rs.)	Previous Year (Amt. Rs.)
For Audit & Tax Audit Fees	2.69	3.66
For Other Matters	—	---
TOTAL Rs.	2.69	3.66

(13) Expenditure on CSR Activities

(Rs. In Lacs)

Particulars	Current Year (Amt. Rs.)	Previous Year (Amt. Rs.)
Amount required to be Spent/Provided by the company during the year	55.02	45.69
Amount Spent During the year on		
(a) Construction /Acquisition of an Asset	-	-
(b) For Purpose other than (a) above	55.05	45.69
Shortfall at the end of the year	-0.03	-0.00013
Total of Previous years shortfall	NIL	NIL
Particulars	Current Year (Amt. Rs.)	Previous Year (Amt. Rs.)
Nature of CSR Activities		
Helping Promotion of organic lifestyles and Mass awareness and Environ Management and Protection	3.00	4.11
Helping Handicapped, Blind and Specially abled and elderly person education	-	21.07
Helping Local Referral Hospital with equipment	-	2.00
Contribution to Public Funded Universities.	31.59	-
Helping women empowerment and self-employment in low income neighborhood.	10.50	0.50
Helping in Indian Language, arts, culture, education and social harmony	-	7.61
Contribution to Eradicating poverty, hunger and malnutrition, promoting health care	3.00	3.00
Implementation of Rural Development Project	6.96	7.41
Total	55.05	45.69

(14) In accordance with Ind AS – 24 – “Related Party Disclosures” issued by the Institute of Chartered Accountants of India, the transactions with related parties are given below.

(Rs. In Lacs)

SR. NO.	NAME OF PARTY	NATURE OF RELATION	NATURE OF TRANSACTION	VALUE (Rs.)	
				Current Year	Previous Year
1	Ajay N. Desai	Executive Director	Director's Remuneration	1,800.00	2,100.00
2	Ajay N. Parikh	Executive Director	Director's Remuneration	1,800.00	2,100.00
3	Morphis Business Advisory LLP	One of the Director is Partner in said LLP	Professional Fees	48.00	48.00
4	Directors	KMP	Sitting Fees	17.60	11.00
5	Rajendra Bhavsar	CFO	Salary	78.18	71.20
6	Prerna Bokil	Company Secretary	Salary	9.92	8.65

(15) In accordance with Ind AS-108 – there are no separate segments. However, Operating segments are reported in a manner consistent with the internal reporting provided by the management who are assessing performance of the operating segments of the Company.

The Company has integrated it's organization structure with respect to it's Machinery and Equipment” manufacturing business and all products being similar there are no predominantly distinct segments and hence Company's reportable business segment consists of a single segment “Machinery and Equipment in terms of Ind AS-108. The management has disclosed the growth in Export and domestic segment as under.

(Rs. In Lacs)

Information of Geographies	VALUE (Rs.)	VALUE (Rs.)
	Current Year	Previous Year
Revenue from Operations		
-Within India	14,947.74	19,213.38
-Outside India	2,908.13	3,119.92
Total	17,855.87	22,333.30
Receivables		
- Receivables Within India	2,376.80	4,355.39
- Receivable from Outside India	883.13	620.63
Total	3,259.93	4,976.02

(16) Additional Regulatory Information
(a) Additional details required under Schedule III
1. NON-CURRENT ASSETS
a) CAPITAL-WORK-IN PROGRESS (CWIP) / INTANGIBLE ASSETS UNDER DEVELOPMENT (ITAUD) (Rs. In Lacs)

CWIP/ITAUD	Amount in CWIP for a period of			
	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	84.27	-	-	84.27
(ii) Projects temporarily suspended	-	-	-	-

Note: Capitalisation of Capital Work In Process and other assets of Rs. 42.91 Lacs(Previous Year) includes NIL Interest Capitalisation under Preoperative Expenses

b) CAPITAL-WORK-IN PROGRESS (CWIP) / (ITAUD) WHOSE COMPLETION OF OVERDUE (Rs. In Lacs)

CWIP/ITAUD	Amount in CWIP for a period of			
	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-

2. CURRENT ASSETS - TRADE RECEIVABLES

(Rs. In Lacs)

a) TRADE RECEIVABLES AGEING SCHEDULE AS AT 31ST MARCH, 2025

	Particulars	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	2,915.71	235.71	85.86	12.88	79.23	3,329.39
(ii)	Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii)	Disputed trade receivables considered good	-	-	-	-	-	-
(iv)	Disputed trade receivables considered doubtful	-	-	-	-	-	-
	GROSS TRADE RECEIVABLES	2,915.71	235.71	85.86	12.88	79.23	3,329.39
	Less: Allowance for expected credit loss						69.46
	NET TRADE RECEIVABLES						3,259.93

b) **TRADE RECEIVABLES AGEING SCHEDULE AS AT 31ST MARCH, 2024**

	Particulars	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	3,894.28	900.91	147.40	12.37	76.85	5,031.80
(ii)	Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii)	Disputed trade receivables considered good	-	-	-	-	-	-
(iv)	Disputed trade receivables considered doubtful	-	-	-	-	-	-
	GROSS TRADE RECEIVABLES	3,894.28	900.91	147.40	12.37	76.85	5,031.80
	Less: Allowance for expected credit loss						55.78
	NET TRADE RECEIVABLES						4,976.02

Note :

- No Interest is charged on trade receivable during credit period.
- The Company has provided for expected credit loss as it has used a practical expedient for Computing the expected credit loss allowance for trade receivables based on historical credit loss experience and adjusted to forward looking information. Further, the debts are examined and assessed partywise individually by respective department head and top management, for doubtful recovery, if any.

c) MOVEMENT IN EXPECTED CREDIT LOSS (ECL) DURING THE YEAR:-

(Rs. In Lacs)

Particulars	Trade Receivables	
	2024-25	2023-24
Opening Balance	-	-
Change in Loss Allowances	-	-
Additional Provisions (Net)	13.68	-
Written off as Bad debts	-	-
Closing Balance	13.68	-

**3 NON CURRENT LIABILITIES : BORROWINGS
DETAILS OF SECURITY FOR SECURED LOANS**

	Particulars	As at 31st Mar 2025		As at 31st Mar 2024	
		Value as per statements	Value as per Books	Value as per statements	Value as per Books
(i)	Value of Stocks	3,736.70	3,736.70	5,213.17	5,213.17
(ii)	Value of Books Debts	3,329.39	3,329.39	5,031.80	5,031.80
(iii)	Variance, if any	NIL	NIL	NIL	NIL

Note: The Company avails facilities from Bank for Working capital for which the Company has submitted Statement of Stock and Book Debts as at year end.

4 CURRENT LIABILITIES - TRADE PAYABLES

a) TRADE PAYABLES AGEING SCHEDULE: AS AT 31ST MARCH, 2025

	Particulars	Outstanding for following periods from due date of payment			Total
		Less than 1 year	1-2 years	More than 3 years	
(i)	Micro and Small enterprises	1,648.79	-	-	1,648.79
(ii)	Others	776.91	-	-	776.91
(iii)	Disputed dues- MSME	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-
	TOTAL	2,425.70	-	-	2,425.70

b) TRADE PAYABLES AGEING SCHEDULE: AS AT 31ST MARCH,2024

	Particulars	Outstanding for following periods from due date of payment			Total
		Less than 1 year	1-2 years	More than 3 years	
(i)	Micro and Small enterprises	1,952.79	1.20	-	1,953.98
(ii)	Others	1,317.20	-	-	1,317.20
(iii)	Disputed dues- MSME	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-
	TOTAL	3,269.99	1.20	-	3,271.18

5 RATIOS

	Ratio Analysis	Numerator	Denominator	31-Mar-25	31-Mar-24
1	Current Ratio	Current Assets Inventories Trade Receivables Cash and Bank balances other Receivables/Accruals Loans and Advances Disposable Investments Any other current assets Other Financial Asset Current Tax Asset	Current Liabilities Creditors for goods and services Short term loans Bank Overdraft Cash Credit Outstanding Expenses Provision for taxation Proposed/Unclaimed dividend Other Financial Liabilities Any other current liabilities	Ratio 2.51	Ratio 2.06
2	Debt Equity Ratio	Total Liabilities Total Outside Liabilities	Shareholder's Equity Total Shareholders Equity	0.53	0.73
3	Debt Service Coverage Ratio	Net Operating Income Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest+other adjustments like loss on sale of fixed assets, etc.	Debt Service Current Debt Obligation (Interest & Lease payment+ Principal Repayment.	N.A.	N.A.

	Ratio Analysis	Numerator	Denominator	31-Mar-25	31-Mar-24
4	Return on Equity Ratio	Profit for the period Net Profit after taxes - preference dividend (if any)	Avg. Shareholders Equity (Beginning shareholders' equity + Ending shareholders' equity) ÷ 2	15.30	30.73
5	Inventory Turnover Ratio	Cost of Goods sold (Opening Stock + Purchases) – Closing Stock	Average Inventory (Opening Stock + Closing Stock)/2	1.96	2.21
6	Trade Receivables Turnover Ratio	Net Credit Sales Credit Sales	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	4.34	4.01
7	Trade Payables Turnover Ratio	Total Purchases Annual Net Credit Purchases	Average Trade Payables (Beginning Trade Payables +Ending Trade Payables)/ 2	2.71	3.11
8	Net Capital Turnover Ratio	Net Sales Total Sales - Sales Return	Average Working Capital Current Assets - Current Liabilities	1.94	2.65
9	Net Profit Ratio	Net Profit Profit After Tax	Net Sales Sales	10.09	14.39
10	Return on Capital employed	EBIT Profit before Interest and Taxes	Capital Employed * Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	19.53	37.93
11	Return on Investment	Return/Profit/Earnings Income from Investments	Investment ** Time Weighted Average Investment	7.08%	5.68%

- b. Dividend paid during the year ended March 31, 2025 include an amount of Rs. 5.00 per equity share of Rs. 10 towards interim dividend for the year ended March 31, 2025 aggregating to Rs. 807.74 Lacs (previous year Rs. 3/- per equity share, being final dividend for year ended March 31, 2023 and Rs. 6/- towards interim dividend for the year ended March 31, 2024 aggregating to Rs. 1,453.932 Lacs during the year 2024-25). Dividends declared by the Company are based on the profit available for distribution
- c. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry.
- The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

In Accordance with our Report of even date

For and on behalf of the Board

For VRCA & ASSOCIATES

Chartered Accountants

Firm number: 104727W

(CA V.K.SHASTRI)

Partner/M.No. 042774

Date: 13.05.2025

Place : Vadodara

(AJAY DESAI)

Executive Director

(AJAY PARIKH)

Executive Director

(PRERNA BOKIL)

Company Secretary

(RAJENDRA BHAVSAR)

Chief Financial Officer

Date: 13.05.2025

Place : Vadodara

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