



**Ref: AIL/BSE-33/2508/745**

September 03, 2025

To,  
The Manager  
Department of Corporate Services  
BSE Limited  
25<sup>th</sup> Floor, P. J. Towers  
Dalal Street  
**Mumbai – 400 001**

**Sub.: Notice of Annual General Meeting along with Integrated Annual Report of the Company for FY 2024-25**

Dear Sir/Madam,

The Annual General Meeting ("AGM") of the Company will be held on Monday, 29th September, 2025 at 12:30 p.m. (IST) through Video Conferencing / Other Audio Visual Means.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Notice of AGM alongwith Integrated Annual Report of the Company for the financial year 2024-25, which is being sent to all the members through electronic mode, who have registered their email addresses with the Depositories / Company / Registrar and Transfer Agent. The Members who's Email ID are not registered, a letter providing a web-link for accessing Notice of the AGM and Integrated Annual Report for FY 2024-25 is being sent.

The Integrated Annual Report containing the AGM Notice is also available on the website of the Company at: [https://arex.in/investors/Financial\\_Results/Annual\\_Report\\_2024-25.pdf](https://arex.in/investors/Financial_Results/Annual_Report_2024-25.pdf).

Kindly take the same on records.

Thanking you,

Yours faithfully,  
**For AREX INDUSTRIES LTD**

Neel Dinesh Bilgi  
Digitally signed by  
Neel Dinesh Bilgi  
Date: 2025.09.03  
12:18:18 +05'30'

**Neel Bilgi**  
**(DIN: 00096180)**  
**Managing Director**



# **Arex Industries Limited**

**36<sup>th</sup> ANNUAL REPORT 2024-2025**



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*We weave brands*

Board of Directors	<p>Shri Dinesh A Bilgi (DIN:00096099)  Shri Neel D Bilgi (DIN:00096180)  Shri Chirag D Bilgi (DIN:02094970)  Shri Pragnesh K Shah (DIN:00228223)  Shri Laxman C Tilani (DIN:00532516)  Shri Manoj U Shah (DIN:00371917)  w.e.f. 1<sup>st</sup> September, 2024  Shri Aviv J Divekar (DIN:00689884)  Smt. Rekha Agarwal (DIN: 10687675)  w.e.f. 1<sup>st</sup> September, 2024  Shri Sunil Bansibhai Shah (DIN: 02107662)  w.e.f. 1<sup>st</sup> September, 2024</p>	<p><i>Managing Director &amp; CFO</i>  <i>Managing Director</i>  <i>Managing Director</i>  <i>Director</i>  <i>Director</i>  <i>Director</i></p> <p><i>Independent Director</i>  <i>Independent Director</i></p> <p><i>Independent Director</i></p>
Company Secretary & Compliance Officer	Smt Kairavi Bilgi (Membership No. ACS 21519)	
Bankers	State Bank of India	
Auditors	M/s Sweta Patel & Associates <i>Chartered Accountants</i> Ahmedabad Firm Regn No.139165W	
Secretarial Auditors	M/s Preyansh Shah & Associates Practising Company Secretary Head Office: Vadodara	
Registrars and Transfer Agent	MUFG INTIME INDIA PRIVATE LIMITED 506-508, Amamath Business Centre-1 (ABC-1), Beside Gala Business Centre Near St. Xavier's College Corner Off C G Road, Ellisbridge, Ahmedabad -380006 Tel: 079 26465179 / 86 / 87 Email: ahmedabad@in.mpms.mufg.com Web Site: www.in.mpms.mufg.com	
Registered Office & Plant	612, GIDC Industrial Estate Chhatral, Tal.: Kalol Dist : Gandhinagar - 382 729	

#### 36<sup>TH</sup> ANNUAL GENERAL MEETING

Date	:	29 <sup>th</sup> September, 2025
Day	:	Monday
Time	:	12.30 P.M. (IST)
Place	:	Registered Office (through video conference)

Notice of the 36<sup>th</sup> AGM along with the Annual Report for Financial Year 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / National Securities Depository Limited and Central Depository Services (India) Limited ('the Depositories').

## NOTICE

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of members of the Company will be held on Monday, 29<sup>th</sup> day of September, 2025 at 12.30 p.m. (IST) through video conference (VC)/ OAVM to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt audited financial statements for the year ended on 31<sup>st</sup> March, 2025 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Neel Dinesh Bilgi (DIN: 00096180), Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Chirag Dinesh Bilgi (DIN: 02094970), Director who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

4. To re-appoint Shri Dinesh Apparao Bilgi (DIN: 00096099) as Managing Director cum Chief Financial Officer of the Company w.e.f. 1<sup>st</sup> August, 2026 and, in this regard, to consider and, if thought fit, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, 188 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with the provisions of Schedule V to the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and further subject to such approvals as may be required from time to time, of the appropriate Authorities, Shri Dinesh Apparao Bilgi (DIN:00096099) who is relative of Shri Neel Dinesh Bilgi (DIN:00096180), and Shri Chirag Dinesh Bilgi (DIN:02094970), be and is hereby re-appointed as Managing Director cum Chief Financial Officer of the Company for a further period of three years with effect from 1<sup>st</sup> August, 2026 on the terms and conditions set out in the draft agreement initialled by the Chairman for the purpose of identification and major terms and conditions of which are set out in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to alter, revise, amend, vary, enhance or modify, from time to time, the terms and conditions including terms of agreements and remuneration payable to Shri Dinesh Apparao Bilgi (DIN:00096099), as Managing Director cum Chief Financial Officer of the Company, however subject to the provisions as laid down in Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolutions."

5. To re-appoint Shri Neel Dinesh Bilgi (DIN: 00096180) as Managing Director of the Company w.e.f. 1<sup>st</sup> August, 2026 and, in this regard, to consider and, if thought fit, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, 188 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with the provisions of Schedule V to the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and further subject to such approvals as may be required from time to time, of the appropriate Authorities, Shri Neel Dinesh Bilgi (DIN:00096180), a relative of Shri Dinesh Apparao Bilgi (DIN:00096099) and Shri Chirag Dinesh Bilgi (DIN:02094970), be and is hereby re-appointed as Managing Director (Sales & Marketing) of the Company for a further period of three years with effect from 1<sup>st</sup> August, 2026 on the terms and conditions set out in the draft agreement initialled by the Chairman for the purpose of identification and major terms and conditions of which are set out in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to alter, revise, amend, vary, enhance or modify, from time to time, the terms and conditions including terms of agreements and remuneration payable to Shri Neel Dinesh Bilgi (DIN:00096180), as Managing Director of the Company, however subject to the provisions as laid down in Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolutions."

6. To re-appoint Shri Chirag Dinesh Bilgi (DIN: 02094970) as Managing Director of the Company w.e.f. 1<sup>st</sup> August, 2026 and, in this regard, to consider and, if thought fit, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, 188 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with the provisions of Schedule V to the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and further subject to such approvals as may be required from time to time, of the appropriate Authorities, Shri Chirag Dinesh Bilgi (DIN:02094970), a relative of Shri Dinesh Apparao Bilgi (DIN:00096099) and Shri Neel Dinesh Bilgi (DIN:00096180), be and is hereby re-appointed as Managing Director (Production and Technical) of the Company for a further period of three years with effect from 1<sup>st</sup> August, 2026 on the terms and conditions set out in the draft agreement initialled by the Chairman for the purpose of identification and major terms and conditions of which are set out in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to alter, revise, amend, vary, enhance or modify, from time to time, the terms and conditions including terms of agreements and remuneration payable to Shri Chirag Dinesh Bilgi (DIN:02094970), as Managing Director of the Company, however subject to the provisions as laid down in Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolutions."

7. To alter the Object Clause of the Memorandum of Association of the Company and in this regard, to consider and, if thought fit, pass the following resolution as a Special Resolution;

"RESOLVED THAT pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with applicable rules made thereunder, including any statutory modification(s) or re-enactment(s) thereto for the time being in force, and subject to the approval of the Registrar of Companies, the consent of the Members be and is hereby accorded for effecting the alterations in the existing Object Clause III(a) of the Memorandum of Association ("MoA") of the Company as under:

Addition of the following sub-clause after clause (7):

8. To carry on business as manufacturers, printers, processors, inventors, converters, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in aluminium foils coating, lamination and printing, card board packing, plastic packing, polythene packing, gunny bags, paper tags, containers, bottles, hollow wares, whether made of leather, plastics, H.D.P., L.D.P., polypropylene, P.V.C. and manmade fibrous materials and all kinds and varieties of packaging materials in India or elsewhere in the world.

RESOLVED FURTHER THAT the Board of the Company (which expression shall include a committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may, in their absolute discretion, be deemed necessary, expedient, proper or desirable to give effect to the resolution including filings of statutory forms and to settle any matter, question, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies without requiring the Board to secure any further consent or approval of the Members of the Company; and that the Members of the Company are hereby deemed to have given their approval thereto expressly by the authority of this resolution and acts and things done or caused to be done shall be conclusive evidence of the authority of the Company for the same."

8. To appoint M/s. Preyansh Shah & Associates, Company Secretaries, as Secretarial Auditors for the term of 5 (five) consecutive years and, in this regard, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the provisions of Section 204 of the Companies Act, 2013 read with the applicable Rules made thereunder and other applicable provisions, if any, (including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) and as per the recommendations of Board of Directors of the Company, consent of the Members be and is hereby accorded for the appointment of M/s Preyansh Shah & Associates, Practicing Company Secretaries, (Firm Registration No. I2013GJ031000 and Peer review No. 1277/2021) as the Secretarial Auditors of the Company to hold office for a period of 5 (five) consecutive years commencing from the financial year 2025-26 till financial year 2029-30."

RESOLVED FURTHER THAT the Board be and is hereby authorised to determine the remuneration of the Secretarial Auditors including revision in the remuneration during the tenure, and to file necessary forms with the Registrar of Companies and to do all such acts, deeds and things, as may be necessary, to give effect to the above resolution, and to settle any questions, difficulties or doubts that may arise in this regard."

By Order of the Board

Regd Office:

612, GIDC Industrial Estate  
Chhatral, Tal : Kalol  
Dist : Gandhinagar-382 729  
Date : 13<sup>th</sup> August, 2025

Dinesh A Bilgi  
Mg. Director/CFO  
DIN:00096099

Notes:

1. As per the directions of SEBI and MCA, the option of appointing proxies will not be available for this Annual General Meeting (AGM). However, Institutional/Corporate Members intending to attend and vote at the said AGM, are requested to send a certified copy of the board resolution authorising their representative to attend and/or vote on their behalf, to the Company.
2. M/s Sweta Patel & Associates, Chartered Accountants of Ahmedabad having Firm Registration No.139165W were re-appointed as Statutory Auditors of the Company for a further period of five years by the members of the Company in their 33<sup>rd</sup> Annual General Meeting (AGM) held on 21<sup>st</sup> September, 2022 upto the end of the 38<sup>th</sup> Annual General Meeting. The Statutory Auditors of the Company have provided a certificate to the effect that they are eligible to continue such appointment and are not disqualified to act as such.
3. A brief resume of each of the Director seeking appointment / re-appointments are provided pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 is annexed hereto.
4. The venue of the meeting shall be deemed to be the registered office of the Company, i.e. 612, GIDC Industrial Estate, Chhatral, Ta: Kalol, Dist. Gandhinagar 382729.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23<sup>rd</sup> September, 2025 to Monday, 29<sup>th</sup> September, 2025 (both days inclusive) for the purpose of AGM.
6. Pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3<sup>rd</sup> October, 2024 and Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 latest amended by Circular No. 09/2024 dated 19<sup>th</sup> September, 2024, issued by the Ministry of Corporate Affairs (MCA) and all other relevant circulars issued from time to time, annual general meeting can be held through video conferencing (VC) or other audio visual means (OAVM) without physical attendance of the Members at the AGM venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In compliance with the provisions of the Act, provisions of LODR and MCA Circulars, the AGM of the Company is being held through VC.
7. Since this AGM is being held through VC, physical attendance of the 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, Attendance Slip and Route Map are not annexed to this Notice.
8. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/document including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register /update their email addresses, in respect of electronic holding with the Depository through their concerned Depository Participants.
9. In compliance with the MCA Circulars and the Securities and Exchange Board of India ('SEBI') Circulars, Notice of the 36<sup>th</sup> AGM along with the Annual Report for Financial Year 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / National Securities Depository Limited and Central Depository Services (India) Limited ('the Depositories') as on the cut-off date. A copy of this Notice along with the Annual Report for Financial Year 2024-25 is uploaded on the Company's website [www.arenx.co.in](http://www.arenx.co.in), websites of the Stock Exchanges i.e. The BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Central Depository Services (India) Limited at [www.evotingindia.com](http://www.evotingindia.com).
10. In case the shareholder holding shares in physical mode has not registered his/her e-mail address with the Company/MUFG/Depositories, he/she may do so by sending a duly signed request letter/applicable forms to the Company by providing Folio No. and Name of shareholder alongwith requisite details as may be required, at its Registered Office or its Registrar & Share Transfer Agent M/s MUFG Intime India Pvt Ltd, at its office at 506-508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad -380006 Telephones: 079 26465179 /86 / 87, Email: [ahmedabad@in.mpms.mufg.com](mailto:ahmedabad@in.mpms.mufg.com), Web Site: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)
11. In the case of shares held in demat mode, the shareholder may contact the Depository Participant ('DP') and register the e-mail address in the demat account as per the process followed and advised by the DP.
12. Relevant documents as required by law and referred to in the accompanying Notice, shall be available for inspection without any fee at the registered office of the Company during normal business hours on any working day upto and including the date of the AGM of the Company.
13. With effect from April 01, 2019, in terms of SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not being processed unless the securities are held in the dematerialized form with the depositories. Therefore, members holding shares in physical form are requested to dematerialize shares held in physical form at the earliest available opportunity.
14. SEBI vide circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25.1.2022, has mandated companies to issue securities in dematerialised form only, while processing service requests. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65 dated 18.5.2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 and ISR-5, as the case may be, the formats of which are available on the website of MUFG at <https://in.mpms.mufg.com/>. Members are requested to note that any service request would only be processed after the folio is KYC Compliant.
15. Members are advised to avail the nomination facility in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No.SH-13 as may be applicable duly filled in to MUFG. Members holding shares in dematerialized form may contact their respective DP for availing this facility.
16. Members desirous of any information or clarification on accounts are requested to write to the Company at least 10 days in advance of the meeting.
17. Members are requested to notify immediately any change in their addresses (including e-mail) to the Company at its Registered Office or its Registrar & Share Transfer Agent M/s Mufg Intime India Private Limited, M/s Mufg Intime India Private Limited at its office at 506-508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad -380006 Tele: 079 26465179 / 86 / 87, Email: [ahmedabad@in.mpms.mufg.com](mailto:ahmedabad@in.mpms.mufg.com), Web Site: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)
18. SEBI has mandated the updation of PAN, contact details, Bank account, specimen signature and nomination details, against folio/ demat account. PAN is also required to be updated for participating in the securities market, deletion of name of deceased holder and transmission / transposition of



shares. As per applicable SEBI Circular, PAN details are to be compulsorily linked to Aadhar details by the date specified by Central Board of Direct Taxes. Shareholders are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their DP in case of holding in dematerialised form or to Company's RTA, MUFG through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available on the website of MUFG at <https://in.mpm.s.mufg.com/> in case of holdings in physical form.

19. As per the provisions of Section 124 & 125 of the Companies Act, 2013 corresponding to 205A & 205C of the Companies Act, 1956 and the Rules made thereunder, the Company has to transfer the dividend amount remaining unpaid and/or unclaimed for a period of consecutive seven years along with relevant shares, to the Investor Education and Protection Fund (IEPF).
20. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and the IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more has been transferred to the Investor Education Protection Fund Authority as notified by the MCA.
21. Members/claimants whose shares and unclaimed dividend transferred to IEPF may claim the shares/ apply for refund by making an application to IEPF Authority in Form IEPF -5 (refer to <http://www.iepf.gov.in>) alongwith requisite fees as may be decided from time to time. The member/claimant can file only consolidated claim in a financial year as per the IEPF Rules.
22. The particulars of declaration of dividend(s) by the Company and due date of transfer of unpaid dividend to IEPF are as under:

Financial Year	Date of Declaration	Dividend (%)	Dividend Type	Amount (Rs) per share	Tentative date of Transfer to IEPF
2017-18	20.09.2018	20	Final Dividend	2.00	18.10.2025
2018-19	17.09.2019	20	Final Dividend	2.00	20.10.2026

23. The Company has transferred whole of the unpaid and/or unclaimed dividend amount for the year 2016-17 to the Investor Education and Protection Fund (IEPF) on 09.03.2025. Pursuant to the provisions of Investors Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 30<sup>th</sup> September, 2024 (date of last AGM). The Company has also transferred 16720 equity shares on which dividend remain unpaid/unclaimed for seven years, to the IEPF on 24.02.2025.
24. The Company has appointed Shri Abraham Pingle (Membership No.: F10290, COP: 13206), Practicing Company Secretary of Ahmedabad as a Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
25. The results of e-votings shall be declared on or after the AGM of the Company. The results declared along with Scrutinizer's Report shall be placed on the Company's Website [www.aren.co.in](http://www.aren.co.in) and on the website of the CDSL within 48 hours of passing of the resolutions at the AGM of the Company and will also be forwarded to BSE Ltd, Mumbai.

#### CDSL e-Voting System – For e-voting and joining Virtual Meeting

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.aren.co.in](http://www.aren.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and General Circular no. 09/2024 dated 19.09.2024 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2024 or 2025, to conduct their AGMs through VC or OAVM on or before 30th September, 2025 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

#### THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

- (i) The voting period begins on 26<sup>th</sup> September, 2025 at 09:00 a.m. and ends on 28<sup>th</sup> September, 2025 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22<sup>nd</sup> September, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/MUFG, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdEasDirect/Reg.jsp">https://eservices.nsdl.com/SecureWeb/IdEasDirect/Reg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

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

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical Shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab..
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <AREX INDUSTRIES LIMITED> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
  - Alternatively Non Individual Shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [mail@arex.in](mailto:mail@arex.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [mail@arex.in](mailto:mail@arex.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [mail@arex.in](mailto:mail@arex.in). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM 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 system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

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



Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Information on Directors retiring by rotation seeking re-appointment at this Annual General Meeting as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

#### Item No.4

Shri Dinesh Apparao Bilgi (DIN:00096099) has been a promoter Director and is working as Managing Director since incorporation of the Company. Shri Dinesh Apparao Bilgi is a Textile Engineer and holding B.Tech Degree. He is aged about 73 years (DOB: 12.1.1952). He has been in the field of textile industry for more than 5 decades. As required under the provisions of Section 203 of the Companies Act, 2013 and the Rules made thereunder and the provisions of regulations of LODR, 2015, regarding appointment of Key Managerial Personnel, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, considered him fit and proper person and re-designated him as Managing Director cum Chief Financial Officer (MD/CFO) of the Company and accordingly appointed him as Managing Director cum Chief Financial Officer (MD/CFO) of the Company for a period of three years with effect from 1st August, 2014, by the member of the Company in their 25th Annual General Meeting held on 11th September, 2014 and thereafter re-appointed for a further period of three years by the members in their Annual General Meeting held on 21st September, 2017 and reappointed for a further period of three years by the members in their Annual General Meeting held on 24th September, 2020 and reappointed for a further period of three years by the members in their Annual General Meeting held on 21st September, 2022. His tenure will expire on 31st July, 2026. His remuneration was revised w.e.f. 1st October, 2024 by the members in their Annual General Meeting held on 30th September, 2024. Upon recommendation by the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 13th August, 2025, considered his continued services & association with the Company necessary for growth of the Company and propose to re-appoint him for a further period of three years upon the following terms and conditions:

1. Name : Shri Dinesh Apparao Bilgi
2. DIN : 00096099
3. Nationality: Indian
4. Date of Birth: 12.01.1952
5. Educational Qualification: B.Tech, Textile Engineer
6. Designation: Managing Director cum Chief Financial Officer (MD/CFO)
7. Tenure of present appointment under the resolution: Three years from 1st August, 2026 to 31st July, 2029
8. Languages known: English, Gujarati and Hindi
9. Experience : 52 years
10. Remuneration:
  - (1) Salary : Rs. 3,50,000/- per month with Increment not exceeding Rs. 1,00,000/- per month
  - (2) Perquisites and Incentives: (The aggregate value of perquisites, incentives and other benefits shall not exceed Rs. 6,75,00,000/- per annum)
    - 1) Provident Fund: 12% of the basic salary. The contribution to provident fund, superannuation fund, annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
    - 2) Car: Provision of Company cars for official and for personal purpose of the appointee.
    - 3) Telephone: Provision of 2 (two) telephones at the residence of the appointee and internet broadband and reimbursement of mobile telephone expenses.

#### Benefits and Amenities:

- 4) Gratuity: Benefits shall not exceed a half month's salary for each completed year of service.
- 5) Leave: Leave on full pay and allowances at the rate of one month for every eleven months of service with liberty to accumulate such leave. The appointee shall be entitled to Leave encashment at the end of tenure of his appointment.
- 6) The appointee shall be entitled to the Conveyance Allowance and other allowances as per Rules of the Company.
- 7) The appointee shall be entitled to the benefits of Bonus as per Rules of the Company.
- 8) The appointee shall be entitled to the life insurance, key men insurance or other insurance by whatever name called and premium not to exceed Rs. 1,00,00,000/- per annum.

The perquisites like (1) contribution to provident fund, (2) gratuity entitlement and (3) encashment of leave at the end of tenure, shall not be included in the computation of ceiling on remuneration specified in Section II of Part II of Schedule V to the Companies Act, 2013.

In the event of absence or inadequacy of profits in any financial year, the above remuneration including salary, perquisites, benefits and other amenities or benefits shall be paid to the appointee as minimum remuneration, subject however, to the provisions as laid down in Section II of Part II of Schedule V to the Companies Act, 2013.

#### Other Terms and Conditions:

1. The Managing Director shall devote his valuable time and attention to the overall affairs of the Company and shall use his best endeavour to promote its interest and welfare.
2. The Managing Director shall maintain confidentiality for any information or knowledge in connection with the business affairs of the Company, obtained by him during the course of his current tenure or at any time thereafter.
3. The Managing Director shall act in accordance with superintendence, control and direction of the Board of Directors of the Company.
4. The appointment may be terminated by giving two month notice either side or a shorter notice period as may be agreed upon by the Board of Directors of the Company.
5. The Managing Director shall not be liable to retire by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Directors in fixing the number of Director to retire.
6. The Managing Director shall not be paid sitting fees for attending meetings of the Board of Directors or Committees thereof.
7. Reimbursement of costs, charges, and expenses: The Company shall pay to or reimburse the Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company, all cost, charges and expenses that may have been or may be incurred by them for the purpose of or on behalf of the Company.

Additional Information as per Schedule V: The Company has been engaged in manufacturing of woven and other labels. The label enhances brand image of any product and largely depend on other ancillary industries. The Company's project for manufacture of labels has been financed partly out of owned funds of share capital and internal accruals; and partly out of borrowed funds from the Company's bankers. The commercial production in the Company commenced in August, 1992. The revenue from operations increased to Rs. 5114.11 lakhs (including export of Rs. 95.36 lacs) for the year ended on 31st March, 2025 as against Rs. 5101.08 lakhs during the previous year (including export of Rs. 33.17 lacs). However, the cost of material consumption, borrowing cost, other overheads and expenses were increased during the year. Due to the increased in various operative expenses the profitability of the Company has marginally reduced in comparison to the earlier year. The Company has earned profit (before taxes) of Rs. 366.62 lakhs during the year ended on 31st March, 2025, as compared to profit of Rs. 369.31 lakhs earned during the previous year. The Company's products are very low value items and profit is not the indicator of the turnover. There are as on the date of this report three executive Directors in the Company and hence, profit earned by the Company may be inadequate to compensate the appointee looking to the expertise and maintaining continuous services. In addition, there are inflationary trend prevailing in the market alongwith uncertainty in the global market. However, the Company is continuously striving to take suitable steps to strengthen its marketing team to boost up turnover and ultimate profits. Shri Dinesh A Bilgi was paid total remuneration of Rs. 270.12 lacs (Rs. 42.00 lacs (Fixed) + Rs. 228.12 lacs (Variable - Other perquisites/incentive) in the F.Y. 2024-25. The other information is given elsewhere in the Annual Report for the year 2024-25.

Additional information as per Section 196(3)(a): Shri Dinesh A Bilgi is the founder of the Company and has been associated with the Company since its incorporation. He has been the driving force behind the year-on-year growth of the Company. He is a Textile Engineer and holds B.Tech Degree. He has been in the field of textile industry for more than 5 decades. His contribution to the growth of the Company has been immense and his continuation as the Managing Director of the Company shall be of great importance for the future sustainability and growth of the Company. He has been the core strength of the Company and due to his long association with the Company has all the knowledge about the administrative, technical, production and marketing

departments of the Company. He has been playing an active role in managing the affairs of the Company. Thus, it is recommended to re-appoint him as a Managing Director of the Company for a period of three years from 1<sup>st</sup> August, 2026 till 31<sup>st</sup> July, 2029.

The Company has not raised money through public deposits nor through issue of debentures and has not made any default in repayment of any of its debts including interest payable during the financial year ended on 31<sup>st</sup> March, 2025.

The Company has not made any foreign investment nor have any foreign collaborators. The Company's equity shares are listed with the BSE Ltd, Mumbai. Shri Dinesh A Bilgi holds 762320 equity shares in the share capital of the Company. He does not hold membership of any committee or directorship in any listed company and has neither resigned from any listed company during the previous three years. He is appointed as Director in Ultra Polydyne Private Limited. He is also appointed as Designated Partner in ANC System LLP, ACN Estates LLP and Latha Services LLP. Shri Dinesh A Bilgi has furnished his consent / declaration for this re-appointment as required under the Act and the rules framed thereunder. Shri Dinesh A Bilgi has attended all the Board and General Meetings of the Company during F.Y. 2024-25. Shri Dinesh A Bilgi is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

A copy of the draft of the agreement containing terms and conditions relating to the appointment and payment of remuneration to Shri Dinesh A Bilgi as Managing Director cum Chief Financial Officer is available for inspection by the members during the meeting and thereafter at the registered office of the Company during business hours.

In terms of the provisions of the Companies Act, 2013 read with Section II of Part II of Schedule V thereto and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), your approval is required by way of special resolution for the aforesaid appointment and payment of remuneration to Shri Dinesh A Bilgi as Managing Director/CFO of the Company. The Board hereby recommends the special resolution.

This explanatory statement may be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shri Dinesh Apparao Bilgi and his relatives Shri Neel Dinesh Bilgi, Shri Chirag Dinesh Bilgi and Smt Kairavi Neel Bilgi, (all being Key Managerial Personnel) are interested or concerned, financially or otherwise, in these special resolutions.

Item No. 2 and 5

Shri Neel Dinesh Bilgi (DIN:00096180) was associated with the Company as Executive Director with effect from 1<sup>st</sup> August, 2005. He is a MBA (Marketing) and is aged about 47 years (DOB: 6.10.1978). He was appointed as Vice-Chairman and Joint Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> June, 2013 by the members of the Company in their Annual General Meeting held on 29<sup>th</sup> August, 2013. As required under the provisions of Section 203 of the Companies Act, 2013 and the Rules thereunder regarding appointment of Key Managerial Personnel, the Board of Directors further considered his contribution given to the Company and considered his promotion as Managing Director upon recommendation of the Nomination and Remuneration Committee and accordingly, appointed him as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> August, 2014, by the members of the Company in their 25<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> September, 2014 and thereafter re-appointed for a further period of three years by the members in their Annual General Meeting held on 21<sup>st</sup> September, 2017 and thereafter re-appointed for a further period of three years by the members in their Annual General Meeting held on 24<sup>th</sup> September, 2020 and reappointed for a further period of three years by the members in their Annual General Meeting held on 21<sup>st</sup> September, 2022. His tenure is to expire on 31<sup>st</sup> July, 2026. Upon recommendation by the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 13<sup>th</sup> August, 2025, considered his continued services & association with the Company necessary for growth of the Company and propose to re-appoint him for a further period of three years upon the following terms and conditions:

1. Name : Shri Neel Dinesh Bilgi
2. DIN : 00096180
3. Nationality: Indian
4. Date of Birth: 06.10.1978
5. Educational Qualification: MBA (Marketing)
6. Designation: Managing Director
7. Tenure of present appointment under the resolution: Three years from 1<sup>st</sup> August, 2026 to 31<sup>st</sup> July, 2029
8. Languages known: English, Gujarati and Hindi
9. Experience : 22 years
10. Remuneration:
  - (1) Salary : Rs.3,50,000/- per month with Increment not exceeding Rs.1,00,000/- per month
  - (2) Perquisites and Incentives: (The aggregate value of perquisites, incentives and other benefits shall not exceed Rs.3,00,00,000/- per annum)
  - 1) Provident Fund: 12% of the basic salary. The contribution to provident fund, superannuation fund, annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - 2) Car: Provision of Company cars for official and for personal purpose of the appointee.
  - 3) Telephone: Provision of 2 (two) telephones at the residence of the appointee and internet broadband and reimbursement of mobile telephone expenses.

Benefits and Amenities:

- 4) Gratuity: Benefits shall not exceed a half month's salary for each completed year of service.
- 5) Leave: Leave on full pay and allowances at the rate of one month for every eleven months of service with liberty to accumulate such leave. The appointee shall be entitled to Leave encashment at the end of tenure of his appointment.
- 6) The appointee shall be entitled to the Conveyance Allowance and other allowances as per Rules of the Company.
- 7) The appointee shall be entitled to the benefits of Bonus as per Rules of the Company.
- 8) The appointee shall be entitled to the life insurance, key men insurance or other insurance by whatever name called and premium not to exceed Rs.1,00,00,000/- per annum.

The perquisites like (1) contribution to provident fund, (2) gratuity entitlement and (3) encashment of leave at the end of tenure, shall not be included in the computation of ceiling on remuneration specified in Section II of Part II of Schedule V to the Companies Act, 2013.

In the event of absence or inadequacy of profits in any financial year, the above remuneration including salary, perquisites, benefits and other amenities or benefits shall be paid to the appointee as minimum remuneration, subject however, to the provisions as laid down in Section II of Part II of Schedule V to the Companies Act, 2013.

Other Terms and Conditions:

1. The Managing Director shall devote his valuable time and attention to the overall affairs of the Company and shall use his best endeavour to promote its interest and welfare.
2. The Managing Director shall maintain confidentiality for any information or knowledge in connection with the business affairs of the Company, obtained by him during the course of his current tenure or at any time thereafter.
3. The Managing Director shall act in accordance with superintendence, control and direction of the Board of Directors of the Company.
4. The appointment may be terminated by giving two months notice either side or a shorter notice period as may be agreed upon by the Board of Directors of the Company.
5. The Managing Director shall not be paid sitting fees for attending meetings of the Board of Directors or Committees thereof.
6. Reimbursement of costs, charges, and expenses: The Company shall pay to or reimburse the Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company, all cost, charges and expenses that may have been or may be incurred by them for the purpose

of or on behalf of the Company.

Additional Information as per Schedule V: The Company has been engaged in manufacturing of woven and other labels. The label enhances brand image of any product and largely depend on other ancillary industries. The Company's project for manufacture of labels has been financed partly out of owned funds of share capital and internal accruals; and partly out of borrowed funds from the Company's bankers. The commercial production in the Company commenced in August, 1992. The revenue from operations increased to Rs. 5114.11 lakhs (including export of Rs. 95.36 lacs) for the year ended on 31st March, 2025 as against Rs. 5101.08 lakhs during the previous year (including export of Rs. 33.17 lacs). However, the cost of material consumption, borrowing cost, other overheads and expenses were increased during the year. Due to the increased in various operative expenses the profitability of the Company has marginally reduced in comparison to the earlier year. The Company has earned profit (before taxes) of Rs. 366.62 lakhs during the year ended on 31st March, 2025, as compared to profit of Rs. 369.31 lakhs earned during the previous year. The Company's products are very low value items and profit is not the indicator of the turnover. There are as on the date of this report three executive Directors in the Company and hence, profit earned by the Company may be inadequate to compensate the appointee looking to the expertise and maintaining continuous services. In addition, there are inflationary trend prevailing in the market alongwith uncertainty in the global market. However, the Company is continuously striving to take suitable steps to strengthen its marketing team to boost up turnover and ultimate profits. Shri Neel D Bilgi was paid total remuneration of Rs. 117.12 lacs (Rs. 42.00 lacs (Fixed) + Rs. 75.12 lacs (Variable - Other perquisites/incentive) in the F.Y. 2024-25. The other information is given elsewhere in the Annual Report for the year 2024-25.

The Company has not raised money through public deposits nor through issue of debentures and has not made any default in repayment of any of its debts including interest payable during the financial year ended on 31st March, 2025.

The Company has not made any foreign investment nor have any foreign collaborators. The Company's equity shares are listed with the BSE Ltd, Mumbai. Shri Neel Bilgi holds 223965 equity shares in the share capital of the Company. He is a member of the Stakeholders Grievance Committee of the Company. He does not hold directorship in any listed company and has neither resigned from any listed company during the previous three years. He does not hold directorship in any other Company. Shri Neel D Bilgi has furnished his consent / declaration for this re-appointment as required under the Act and the rules framed thereunder. Shri Neel D Bilgi has attended 5 out of 6 Board Meetings and has attended General Meetings of the Company. Shri Neel D Bilgi is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

A copy of the draft of the agreement containing terms and conditions relating to the appointment and payment of remuneration to Shri Neel D Bilgi as Managing Director is available for inspection by the members during the meeting and thereafter at the registered office of the Company during business hours.

In terms of the provisions of the Companies Act, 2013 read with Section II of Part II of Schedule V thereto and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), your approval is required by way of special resolution for the aforesaid appointment and payment of remuneration to Shri Neel D Bilgi as Managing Director of the Company. The Board hereby recommends the special resolution.

This explanatory statement may be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shri Neel Dinesh Bilgi and his relatives of Shri Dinesh A Bilgi, Shri Chirag Dinesh Bilgi and Smt Kairavi Neel Bilgi, (all being Key Managerial Personnel) are interested or concerned, financially or otherwise, in these special resolutions.

Item No. 3 and 6

Shri Chirag Dinesh Bilgi (DIN:02094970) was associated with the Company as Executive Director with effect from 1st July, 2007. He is a BBA (Marketing) and is aged about 42 years (DOB:17.3.1983). He was appointed as Vice-Chairman and Joint Managing Director of the Company for a period of three years with effect from 1st June, 2013 by the members of the Company in their Annual General Meeting held on 29th August, 2013. As required under the provisions of Section 203 of the Companies Act, 2013 and the Rules thereunder regarding appointment of Key Managerial Personnel, the Board of Directors further considered his contribution given to the Company and considered his promotion as Managing Director, upon recommendation of the Nomination and Remuneration Committee and accordingly, appointed him as Managing Director of the Company for a period of three years with effect from 1st August, 2014, by the members of the Company in their 25th Annual General Meeting held on 11th September, 2014 and thereafter re-appointed for a further period of three years by the members in their Annual General Meeting held on 21st September, 2017 and thereafter re-appointed for a further period of three years by the members in their Annual General Meeting held on 24<sup>th</sup> September, 2020 and reappointed for a further period of three years by the members in their Annual General Meeting held on 21<sup>st</sup> September, 2022. His tenure expires on 31st July, 2026. Upon recommendation by the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 13<sup>th</sup> August, 2025, considered his continued services & association with the Company necessary for growth of the Company and propose to re-appoint him for a further period of three years upon the following terms and conditions:

1. Name : Shri Chirag Dinesh Bilgi
2. DIN : 02094970
3. Nationality: Indian
4. Date of Birth: 17.03.1983
5. Educational Qualification: BBA (Marketing)
6. Designation: Managing Director
7. Tenure of present appointment under the Resolution : Three years from 1st August, 2026 to 31st July, 2029
8. Languages known: English, Gujarati and Hindi
9. Experience : 21 years
10. Remuneration:
  - (1) Salary: Rs.3,50,000/- per month with Increment not exceeding Rs.1,00,000/- per month
  - (2) Perquisites and Incentives: (The aggregate value of perquisites, incentives and other benefits shall not exceed Rs.3,00,00,000/- per annum)
    - 1) Provident Fund: 12% of the basic salary. The contribution to provident fund, superannuation fund, annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
    - 2) Car: Provision of Company cars for official and for personal purpose of the appointee.
    - 3) Telephone: Provision of 2 (two) telephones at the residence of the appointee and internet broadband and reimbursement of mobile telephone expenses.

Benefits and Amenities:

- 4) Gratuity: Benefits shall not exceed a half month's salary for each completed year of service.
- 5) Leave: Leave on full pay and allowances at the rate of one month for every eleven months of service with liberty to accumulate such leave. The appointee shall be entitled to Leave encashment at the end of tenure of his appointment.
- 6) The appointee shall be entitled to the Conveyance Allowance and other allowances as per Rules of the Company.
- 7) The appointee shall be entitled to the benefits of Bonus as per Rules of the Company.
- 8) The appointee shall be entitled to the life insurance, key men insurance or other insurance by whatever name called and premium not to exceed Rs.1,00,00,000/- per annum.

The perquisites like (1) contribution to provident fund, (2) gratuity entitlement and (3) encashment of leave at the end of tenure, shall not be included in the computation of ceiling on remuneration specified in Section II of Part II of Schedule V to the Companies Act, 2013.

In the event of absence or inadequacy of profits in any financial year, the above remuneration including salary, perquisites, benefits and other amenities or benefits shall be paid to the appointee as minimum remuneration, subject however, to the provisions as laid down in Section II of Part II of Schedule V to the Companies Act, 2013.

Other Terms and Conditions:

1. The Managing Director shall devote his valuable time and attention to the overall affairs of the Company and shall use his best endeavour to promote its interest and welfare.
2. The Managing Director shall maintain confidentiality for any information or knowledge in connection with the business affairs of the Company, obtained by him during the course of his current tenure or at any time thereafter.
3. The Managing Director shall act in accordance with superintendence, control and direction of the Board of Directors of the Company.
4. The appointment may be terminated by giving two months notice either side or a shorter notice period as may be agreed upon by the Board of Directors of the Company.
5. The Managing Director shall not be paid sitting fees for attending meetings of the Board of Directors or Committees thereof.
6. Reimbursement of costs, charges, and expenses: The Company shall pay to or reimburse the Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company, all cost, charges and expenses that may have been or may be incurred by them for the purpose of or on behalf of the Company.

Additional Information as per Schedule V: The Company has been engaged in manufacturing of woven and other labels. The label enhances brand image of any product and largely depend on other ancillary industries. The Company's project for manufacture of labels has been financed partly out of owned funds of share capital and internal accruals; and partly out of borrowed funds from the Company's bankers. The commercial production in the Company commenced in August, 1992. The revenue from operations increased to Rs. 5114.11 lakhs (including export of Rs. 95.36 lacs) for the year ended on 31st March, 2025 as against Rs. 5101.08 lakhs during the previous year (including export of Rs. 33.17 lacs). However, the cost of material consumption, borrowing cost, other overheads and expenses were increased during the year. Due to the increased in various operative expenses the profitability of the Company has marginally reduced in comparison to the earlier year. The Company has earned profit (before taxes) of Rs. 366.62 lakhs during the year ended on 31st March, 2025, as compared to profit of Rs. 369.31 lakhs earned during the previous year. The Company's products are very low value items and profit is not the indicator of the turnover. There are as on the date of this report three executive Directors in the Company and hence, profit earned by the Company may be inadequate to compensate the appointee looking to the expertise and maintaining continuous services. In addition, there are inflationary trend prevailing in the market alongwith uncertainty in the global market. However, the Company is continuously striving to take suitable steps to strengthen its marketing team to boost up turnover and ultimate profits. Shri Chirag D Bilgi was paid total remuneration of Rs. 117.12 lacs (Rs. 42.00 lacs (Fixed) + Rs. 75.12 lacs (Variable - Other perquisites/incentive) in the F.Y. 2024-25. The other information is given elsewhere in the Annual Report for the year 2024-25.

The Company has not raised money through public deposits nor through issue of debentures and has not made any default in repayment of any of its debts including interest payable during the financial year ended on 31st March, 2025.

The Company has not made any foreign investment nor have any foreign collaborators. The Company's equity shares are listed with the BSE Ltd, Mumbai. Shri Chirag Bilgi holds 226501 equity shares in the share capital of the Company. He is a member of the Stakeholders Grievance Committee of the Company. He does not hold directorship in any listed company and has neither resigned from any listed company during the previous three years. He does not hold directorship in any other Company. Shri Chirag D Bilgi has furnished his consent / declaration for this re-appointment as required under the Act and the rules framed thereunder. Shri Chirag D Bilgi has attended all the Board and General Meetings of the Company. Shri Chirag D Bilgi is not debarred or disqualified from being appointed or continuing as a director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

A copy of the draft of the agreement containing terms and conditions relating to the appointment and payment of remuneration to Shri Chirag D Bilgi as Managing Director is available for inspection by the members during the meeting and thereafter at the registered office of the Company during business hours.

In terms of the provisions of the Companies Act, 2013 read with Section II of Part II of Schedule V thereto and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), your approval is required by way of special resolution for the aforesaid appointment and payment of remuneration to Shri Chirag D Bilgi as Managing Director of the Company. The Board hereby recommends the special resolution.

This explanatory statement may be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shri Chirag Dinesh Bilgi and his relatives of Shri Dinesh A Bilgi, Shri Neel Dinesh Bilgi and Smt Kairavi Neel Bilgi, (all being Key Managerial Personnel) are interested or concerned, financially or otherwise, in these special resolutions.

Item No. 7

The Board of Directors of the Company proposes to alter the Object Clause of the Memorandum of Association (MoA) to enable the Company to diversify and explore new business opportunities.

The proposed following new clause is proposed to be added after clause 7 of the MOA:

8. To carry on business as manufacturers, printers, processors, inventors, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in aluminium foils coating, lamination and printing, card board packing, plastic packing, polythene packing, gunny bags, paper tags, containers, bottles, hollow wares, whether made of leather, plastics, H.D.P., L.D.P., polypropylene, P.V.C. and manmade fibrous materials and all kinds and varieties of packaging materials in India or elsewhere in the world.

Section 13 of the Companies Act, 2013 states that the Company may, by a special resolution, alter the provisions of its MoA. The Board of Directors, on 13<sup>th</sup> August, 2025 has approved the aforesaid alterations in the object clause of the MoA subject to the approval of the Members of the Company. The special resolution passed at the AGM shall be filed with the Registrar of Companies who shall register the alterations of the MoA with respect to the objects of the Company and certify the registration.

A copy of the existing and proposed Memorandum of Association is available for inspection at the Registered Office of the Company during business hours on all working days (except holidays) and also on the Company's website until the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, financially or otherwise, concerned or interested in the proposed resolution.

The Board recommends the resolution set out in Item No. 7 to be passed as a Special Resolution.

Item No.8

Pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 204 of the Companies Act, 2013 ("the Act") read alongwith the applicable rules thereunder, the Board of Directors at their meeting held on 28<sup>th</sup> May, 2025 have approved and recommended the appointment of M/s. Preyansh Shah & Associates, Company Secretaries (Firm Registration No. I2013GJ031000

and Peer review No. 1277/2021) as Secretarial Auditors of the Company for a term of upto 5 (Five) consecutive years to hold office from the conclusion of this 36<sup>th</sup> Annual General Meeting ("AGM") till the conclusion of 41<sup>st</sup> AGM of the Company to be held in the year 2030 on the following terms and conditions:

- a. Term of appointment: Upto 5 (Five) consecutive years from the conclusion of this 36<sup>th</sup> AGM till the conclusion of 41<sup>st</sup> AGM.
- b. Proposed Fees: Upto Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and other out-of pocket expenses in connection with the secretarial audit for Financial Year ending 31<sup>st</sup> March, 2026 and for subsequent year(s) of their term, such fees as determined by the Board in consultation with Secretarial Auditors. The proposed fees is based on knowledge, expertise and experience possessed by them. The fees for any other professional work including certifications will be in addition to the audit fee as mentioned above and will be decided by the management in consultation with the Auditors.
- c. Basis of recommendation: The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and the Listing Regulations with regard to the secretarial audit, experience of the firm, capability, independent assessment and expertise.
- d. Credentials: M/s. Preyansh Shah & Associates, is a sole proprietorship firm of Company Secretaries which has been established in 2013. The founder Mr. Preyansh Shah is a fellow member of the Institute of Company Secretaries of India. He is also a Commerce and Law Graduate. He has an experience of more than 15 years in the field of corporate compliance management. He is also on the panel of Peer Reviewers of the Institute of Company Secretaries of India. The firm has handled various assignments related to mergers and amalgamations, due diligence, FEMA, corporate litigations, IPO advisory, Listed Entities compliance advisory etc. The firm also provides transaction advisory, audit and assurance services, registration services, representation services, agreement drafting, etc. Mr. Preyansh Shah has also in the past served as an Independent Director on the Board of other listed company.  
M/s. Preyansh Shah & Associates, Company Secretaries have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the limits specified by the Institute of Company Secretaries of India. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and Listing Regulations.

None of the Directors, Key Managerial Personnel, and their relatives are in any way concerned or interested, financially or otherwise, in this resolution, except to the extent of their respective shareholdings, if any, in the Company.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

Regd Office:  
612, GIDC Industrial Estate  
Chhatral, Tal : Kalol  
Dist : Gandhinagar-382 729  
Date : 13<sup>th</sup> August, 2025

By Order of the Board

Dinesh A Bilgi  
Mg. Director/CFO  
DIN:00096099



## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present this Thirty Sixth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31<sup>st</sup> March, 2025.

## FINANCIAL RESULTS

As per the notification issued by the Ministry of Corporate Affairs dated 16<sup>th</sup> February, 2015 relating to the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted "Ind AS" with effect from 1<sup>st</sup> April, 2017. Accordingly, the Financial Statement for the year 2024-25 has been prepared in compliance with the Companies (Indian Accounting Standard) Rules, 2015.

## Financial Performance

	(Amount in Rupees in Lakhs)	
	31.03.2025	31.03.2024
Revenue from operations	5114.11	5101.08
Profit before Depreciation	889.15	917.94
Less: Finance Cost	109.40	132.77
Depreciation & Amortisation Expenses	413.13	415.86
Profit before Tax	366.62	369.31
Tax Expenses- Current Taxation	120.25	62.00
Deferred Tax	(17.04)	52.98
Add/(Less):		
(Excess)/Short Provision of tax of earlier years		
Profit/(Loss) for the year	263.41	254.33
Other comprehensive Income		
Items that will not be reclassified to profit or loss		
Gain/(Loss) on measurement of Equity Share instruments at fair value	0.00	0.00
Income tax impact on above	0.00	0.00
Other comprehensive income for the year	0.00	0.00
Total comprehensive Income/(Loss) for the year	263.41	254.33

## OPERATIONS

The revenue from operations (net) stood at Rs.5114.11 lakhs, i.e. an increase of 0.25% over the previous year's revenue. The Company continued to explore overseas market opportunities and has been able to achieve exports amounting to Rs. 95.36 lakhs, i.e. increase of 187.49% over the previous year's exports. There was heavy fluctuation in foreign exchange rates resulting into net gain of Rs.1.85 lakhs. The bad debts amounting to Rs. 1.54 lacs were written off during the year as against bad debts of Rs. NIL written off during the previous year. The raw material prices, fuel charges, finance cost and other overheads were continued to increase during the year.

The Company has made a profit of Rs.263.41 lakhs as against profit of Rs 254.33 lakhs made after taxes during the previous year. Your Directors continue to explore further growth opportunities.

## DIVIDEND

Your Directors do not recommend dividend for the year under review in view to conserve resources and financing activities on hand. Your Directors also do not propose any amount to carry to the general reserves.

## FINANCE

Your Company continued to avail financial assistance from its Bankers to finance its present and/or proposed projects on hand.

## PUBLIC DEPOSITS

The Company has not accepted any deposit within the meaning of the provisions of Section 2(31) and 73 to 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

## INSURANCE

All the assets of the Company including buildings, plant and machineries and stocks are adequately insured.

## DIRECTORS/REAPPOINTMENT OF KMPs

(1) Shri Neel D Bilgi (DIN 00096180), Director and (2) Shri Chirag D Bilgi (DIN 02094970), Directors of the Company are due to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointments. The Board hereby re-commends their re-appointments.

Tenure of Shri Dinesh Apparao Bilgi (DIN00096099), Managing Director cum Chief Financial Officer of the Company, Shri Neel Dinesh Bilgi (DIN00096180) and Shri Chirag Dinesh Bilgi (DIN02094970) is to expire on 31<sup>st</sup> July, 2026. The Nomination & Remuneration Committee and the Board of Directors, in their meetings held on 13<sup>th</sup> August, 2025, considered the contribution and devotion of time with valuable and effective participation by all the key managerial personnel in their respective areas for the growth of the Company and; recommended/approved their re-appointments, respectively, subject however, to the approvals by the members of the Company in their ensuing Annual General Meeting. The Board hereby re-commends their re-appointments.

Shri Vasant R Shah (DIN:00371634) resigned as Director of the Company w.e.f. 17<sup>th</sup> June, 2024, close of business hours, due to health issues. The tenure of Shri Balkrishna I Makwana (DIN: 00287931) and Smt. Harsha H Parikh (DIN: 06931405) ended on 11<sup>th</sup> September, 2024, respectively.

Shri Manoj Uttam Shah (DIN:00371917) has been appointed as Non-Executive Non-Independent Director w.e.f. 1<sup>st</sup> September, 2024. Shri Sunil B Shah (DIN:02107662) has been appointed as Non-Executive Independent Director w.e.f. 1<sup>st</sup> September, 2024 and Smt. Rekha Agrawal (DIN:10687675) has been appointed as Non-Executive Independent Woman Director w.e.f. 1<sup>st</sup> September, 2024.

## BOARD AND COMMITTEE MEETINGS

During the year under review, four meetings of the Board were held. The details of the Board and Committee meetings are provided in the Corporate Governance Report forming part of this report.

The details of Audit Committee and the Stakeholders Grievance Committee are provided in the Corporate Governance Report forming part of this report.

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company review the composition of the Board, to ensure that there is an approximate mix of abilities, expertise, experience and diversity to serve the interest of the shareholders of the Company. The Policy ensures that (1) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company, (2) relationship of remuneration to performance is clear and meets appropriate performance benchmarks and (3) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company.

## INDEPENDENT DIRECTORS

As per the provisions of Section 149 of the Companies Act, 2013, the Independent Directors have confirmed and declared that they are not disqualified to act as independent directors and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

One separate meeting of the Independent Directors was held on 6<sup>th</sup> January, 2025. The Independent Directors actively participated and provided guidance to the Company. The Independent Directors reviewed the performance of the non-Independent Directors and the Board as a whole.

#### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this Report.

#### SHARE CAPITAL OF THE COMPANY

There is no change in the share capital of the Company for the year except for the following:

Buyback of Equity Shares: The Board of Directors ("the Board") at its meeting held on 06.08.2024 subject to approval of members and the members at their extra-ordinary general meeting held on 04.09.2024 passed special resolution to buyback 3,60,000 (Three Lac Sixty Thousand) Equity Shares of Rs. 10/- Rupees Ten Only) each fully paid-up at a price of Rs. 195/- (Rupees One Hundred Ninety-Five Only), for an aggregate amount of Rs. 702.00 lacs excluding transaction cost, representing 9.09% and 22.45% which is not exceeding 25% of the total number of equity shares in the total paid up equity capital of the Company (pre-buyback) and aggregate of the paid-up share capital and free reserves of the Company based on the audited financial statements of the Company for the financial year ended on March 31, 2024 as per the provisions of the Companies Act, 2013 ('the Act') and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ('the Buyback Regulations') from the members of the Company (including the promoters of the Company), on a proportionate basis under the tender offer route in accordance with the provisions of the Buyback Regulations and the Act and Rules made thereunder. Pursuant to and in compliance with the provisions of Section 68 of the Act read with Rule 17 of The Companies (Share Capital and Debentures) Rules, 2014 and the Buyback Regulations, the amount of buyback was distributed to the members on 26.09.2024 and the corresponding equity shares were extinguished on 07.10.2024. The paid-up share capital of the Company was Rs 3,95,87,000/- before the buyback and has reduced to Rs 3,59,87,000/- after the buyback. Pursuant to the buyback, the promoters' shareholding has been reduced from 70.53% to 70.48% of the total post buyback paid-up share capital. Pursuant to and in compliance with the provisions of Section 69 of the Act, the Company has transferred an amount of Rs. 36.00 lacs (Rupees Thirty Six Lacs Only) to Capital Redemption Reserve which is equal to the nominal value of the equity shares bought back. The details thereof are disclosed in Note No. 11 of the Audited Standalone Financial Statements for the Financial Year ended on 31<sup>st</sup> March, 2025.

#### BOARD EVALUATION

Pursuant to the provisions of Section 134 of the Companies Act, 2013, a structured questionnaire was prepared after taking into account various aspects like- company performance, contribution of individual directors, composition of Board and committees, performance of duties, culture, obligations, corporate ethics, risk management etc. for evaluation process. The Board noted that all directors have understood the opportunities and risks to the Company's strategy with good balance between the core values of the Company and the interest of the stakeholders. The Board also evaluated performance of the various committees and concluded with satisfaction. The Board expressed their satisfaction for the above evaluation process.

#### PARTICULARS OF EMPLOYEES

There was no employee covered under the purview of Section 134(3)(q) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Information required under the provisions of Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given by way of an Annexure 'E' to this Report.

#### CHANGES IN NATURE OF BUSINESS

There is no change in the nature of business of the Company.

However, the Board of Directors, in their meeting held on 13th August, 2025, have proposed to amend the Main Objects Clause of the Memorandum of Association of the Company by adding clause no. 8 after clause no. 7 subject to approval of the members as detailed in the notice forming part of this Annual Report.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013, the Directors hereby state that:

- (i) in the preparation of annual accounts for the financial year ended 31<sup>st</sup> March, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the 31<sup>st</sup> March, 2025 and of the profits of the Company for the year ended on that date;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis.
- (v) the directors had laid down internal controls to be followed and such internal controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### ORDERS BY REGULATORS, COURTS OR TRIBUNALS

No significant and/or material orders were passed by any Regulator, Court or Tribunal impacting the going concern status and the Company's operations in future.

#### COMPANY'S POLICIES

##### Code of Conduct

All Directors, Key Managerial Personnel and Senior Management of the Company have confirmed compliance with the code of conduct applicable to the Directors and employees of the Company. The Code of Conduct is available on the website of the Company at <https://www.arem.co.in/investors/Policies/Code%20of%20Conduct%20for%20Directors%20and%20Senior%20Management.pdf>. The Directors have confirmed compliance with the provisions of Section 164 of the Companies Act, 2013.

##### Risk Management Policy

The Company has already formulated risk management policy so as to identify, evaluate, monitor and minimize identifiable business risks in the organization.

##### Vigil Mechanism/Whistle Blower Policy

The Company has already adopted Whistle Blower Policy to report genuine concerns or grievances and to safeguard victimization of persons while using this mechanism. The Whistle Blower Policy is available on the website of the Company at <https://www.arem.co.in/investors/Policies/Whistle%20Blower%20Policy.pdf>.

##### Other Policies

Company's Policies on Remuneration (Available on the website of the Company at <https://www.arem.co.in/investors/Policies/Nomination%20&%20Remuneration%20Policy.pdf>, Materiality of Related Party Transactions (Available on the

website of the Company at <https://www.arem.co.in/investors/Policies/Related%20Party%20Transaction%20Policy.pdf>, Board diversity, Preservation of documents, Corporate Social Responsibility (CSR) are finalized in accordance with applicable laws.

#### DONATION

The Company has voluntarily donated Rs. 3 lacs to Sri Hombuja Padmavathi Education Trust, Rs. 45 lacs to Gunayatan, Rs. 0.25 lacs to Harekrishna Movement, Ahmedabad for charitable activities during the year.

#### INTERNAL FINANCIAL CONTROLS

The Company has a proper, adequate and effective internal control system to ensure that all the assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company has been taking steps for optimum utilisation of power and fuel. The information as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is given by way of Annexure 'A' forming part of this Report.

#### ANNUAL RETURN

As required under the amended provisions of Section 92(3) of the Companies Act, 2013, copy of Annual Return is available at [www.arem.co.in](http://www.arem.co.in).

#### CEO/CFO CERTIFICATION

Shri Dinesh A Bilgi (DIN:00096099), Managing Director and CFO has given necessary certificates/compliance reports to the Company.

#### SECRETARIAL AUDIT

As required under the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, a Secretarial Audit Report is given by way of an Annexure 'B', forming part of this Report. The Auditors observations are self-explanatory.

#### STATUTORY AUDITORS

M/s Sweta Patel & Associates, Chartered Accountants of Ahmedabad having Firm Registration No.139165W have been reappointed as Statutory Auditors of the Company for a period of five years by the members of the Company in their 33<sup>rd</sup> Annual General Meeting (AGM) held on 21<sup>st</sup> September, 2022. The said Auditors have submitted certificate to the effect that they are eligible for continuing such appointment and are not disqualified to act as such.

The Auditors observations read with the notes to the Accounts for the year ended on 31<sup>st</sup> March, 2025 are self-explanatory.

#### MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) & CORPORATE GOVERNANCE

The Company's philosophy is based on trusteeship, transparency and accountability. It fosters a culture of ethical behaviour and disclosures which build a trust of our stakeholders. The Code of Conduct, ethics and Code of Conduct for Prevention of Insider Trading are an extension of our values and reflect our commitment to ethical business practices, integrity, and compliances of both voluntary and statutory requirements. A detailed note on Management Discussion and Analysis is given as an Annexure 'C' to this Report.

#### CORPORATE GOVERNANCE REPORT

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section with detailed note on corporate governance practices followed by the Company is given by way of an Annexure 'D' forms an integral part of this Report.

#### LISTING WITH BSE LTD

The Equity Shares of the Company are listed at the BSE Ltd, Mumbai under Stock Code No. 526851 and ISIN No. is INE480H01011.

The Company has paid Annual Listing fees for the year 2025-26. The Company has also paid custodial charges to National Securities Depository Ltd and Central Depository Services (India) Ltd for the year 2025-26.

#### REGISTRAR AND SHARE TRANSFER AGENT (RTA)

M/s MUFG INTIME INDIA PRIVATE LIMITED (Formerly known as M/s. Link Intime India Private Limited), Mumbai is the RTA of the Company to carry out the share transfers, transmission, dividend and other related activities.

#### RELATED PARTY TRANSACTIONS

All the transactions entered with related party during the year under review were on arm's length basis and in the ordinary course of business and approved by the Audit Committee. Hence these transactions are outside the purview of the provisions of Section 188 of the Companies Act, 2013. However, details of such transactions i.e. purchases, lease, services, etc., are given Form AOC-2 at Annexure – A1.

#### COST RECORDS:

The Company is not required to maintain cost records as per the provisions of the Companies Act, 2013 and the relevant rules made thereunder.

#### LOANS, GUARANTEES AND INVESTMENT

The Company has not granted any inter-corporate loan, given guarantee or provided any security for availing loan by other Company nor made any investments during the financial year under review.

#### ENVIRONMENT AND SAFETY

The Company considers clean and safe mode of operations in all respects. Further, as required under the provisions of Sexual Harassment (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace. There is no such complaint lodged during the year.

#### PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016, IF ANY

No proceedings were initiated against the Company during the year under review under the Insolvency and Bankruptcy Code, 2016.

#### PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the requisite provisions relating to the Maternity Benefit Act, 1961, to the extent applicable to the Company.

#### ACKNOWLEDGEMENTS

The Board of Directors of the Company appreciates continuous & comprehensive support and cooperation by the Company's bankers, shareholders, customers, suppliers and other business associates.

Your Directors place on record their deep appreciation for contribution and devoted services of the employees at all levels.

*For and on behalf of the Board*

Regd Office:  
612, GIDC Industrial Estate  
Chahtral, Tal: Kalol  
Dist : Gandhinagar-382 729  
Date: 13<sup>th</sup> August, 2025

Neel D Bilgi  
Mg Director  
DIN:00096180

Chirag D Bilgi  
Mg Director  
DIN: 02094970

## Annexure 'A'

INFORMATION AS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2025.

## A. Conservation of Energy:

- (a) Steps taken or impact on conservation of energy  
 (b) Steps taken for utilizing alternate source of energy  
 (c) Capital investment on energy conservation equipment
- (d) Total energy consumption and energy consumption per unit of production

The Company always emphasizes conservation and reduction in consumption of energy. The Company generates green energy through its 1.6MW wind turbine generators & 130 KW Solar power and consequent reduction of consumption of energy. D.G. Sets of 400 KVA have been installed as stand by for continuous power supply.

As per Form A

## Form A

## FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	2024-25	2023-24
Power and Fuel Consumption		
Electricity		
Purchased Unit	4432734	4342177
Total Amount (Rs)	37438793	38849713
Rate/Unit	8.45	8.95
Production in Million Units	12577	12657
Avg. KWH Consumption per million Units	352	343
Electricity Generated from Windmill & Solar Generation – KWH	2207325	2312241
Wheeling of Electricity Generated – KWH	1995457	2084738

## Form B

## Technology Absorption

- (1) Efforts made towards technology absorption  
 (2) Benefits derived like product improvement cost reduction, product development or import substitution  
 (3) In case of imported technology. (imported during the last 3 years)  
     a) Details of Technology imported  
     b) Year of Import  
     c) Has technology been absorbed  
     d) If not fully absorbed, areas where this has not taken place & reasons thereof and  
 (4) The expenditure incurred on Research & Development

The Company utilizes indigenously developed production technology. The technology has already been fully absorbed.

N. A.

The Company does not have separate R&D activities and hence, separate expenses are not worked out.

## C. Foreign Exchange Earnings and Outgo

- (i) Foreign Exchange Used  
     a) Import of Raw Material : Rs. 2499413/-  
     b) Import of Capital Goods : Rs. NIL  
     c) Import of Stores & Spares : Rs. 7197623/-  
     d) Travelling : Rs. 26914/-  
     e) Commission & Others : Rs. 23184/-  
 ii) Foreign Exchange Earned on account of exports : Rs. 9535615/-

For and on behalf of the Board

## Regd Office:

612, GIDC Industrial Estate  
 Chahtral, Tal: Kalol  
 Dist : Gandhinagar-382 729  
 Date: 13<sup>th</sup> August, 2025

Neel D Bilgi  
 Mg Director  
 DIN: 00096180

Chirag D Bilgi  
 Mg Director  
 DIN: 02094970

Annexure – "A1"  
 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 arms length transaction under third proviso thereto.

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

Sr. No	Particulars	Details
1	Name (s) of the related party & nature of relationship	None
2	Nature of contracts/arrangements/transaction	None
3	Duration of the contracts/arrangements/transaction	None
4	Salient terms of the contracts or arrangements or transaction including the value, if any	None
5	Justification for entering into such contracts or arrangements or transactions	None
6	Date of approval by the Board	None
7	Amount paid as advances, if any	None
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	None

## DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

Name (s) of the Related Party and nature of Relationship	ANC System LLP, Director is a Designated Partner in the LLP	ACN Estates LLP, Director is a Designated Partner in the LLP	Latha Services LLP, Director is a Designated Partner in the LLP	Ultra Polydye Pvt Ltd, Director is a Director in the Company
Nature of contract / arrangement / transactions	Leave & License Agreement	Leave & License Agreement	Leave & License Agreement	Purchase of Dyed Yarn
Duration of contract / arrangements / transactions				Till mutual agreement between parties

Salient Terms of contract/ arrangements/ transactions including the value if any	Area of 30,966 Sq. Ft. taken on Leave & License basis on a monthly rental of Rs. 3,63,370/- subject to renewal on the terms and conditions as may be mutually agreed between the parties. The Agreement is valid upto 30 <sup>th</sup> September, 2025.	Area of 24174 Sq. Ft. taken on Leave & License basis on a monthly rental of Rs. 2,83,270/- subject to renewal on the terms and conditions as may be mutually agreed between the parties. The Agreement is valid upto 30 <sup>th</sup> September, 2025.	Area of 6250 Sq. Ft. of Industrial Space and 4968 Sq. Ft. of residential space taken on Leave & License basis on a aggregate monthly rental of Rs. 2,46,796/- subject to renewal on the terms and conditions as may be mutually agreed between the parties. Both agreements are valid upto 30 <sup>th</sup> September, 2025.	Purchase of dyed yarn at rates as may be mutually agreed upon based upon the specifications required by Arex Industries Limited. The rates charged are on arms-length basis.
Justification for entering into such contracts or arrangements or transactions	The LLP owns land adjoining the factory premises of Arex Industries Limited	The LLP owns residential premises in Anjar where staff accommodation is provided by Arex Industries Limited for its Anjar Plant staff.	The LLP owns land adjoining the factory premises of Arex Industries Limited	As Ultra Polydye Pvt Ltd is situated near the factory premises of Arex Industries Limited it is more convenient and the cost of transportation is saved. Also colour matching of yarn is processed on urgent basis and supply is made in smaller quantities of 1 Kg and above.
Date(s) of approval by the Board	23.05.2024	23.05.2024	23.05.2024	23.05.2024
Amount paid as Advances, if any	NIL	NIL	NIL	NIL

For and on behalf of the Board

Regd Office:  
612, GIDC Industrial Estate  
Chahtral, Tal: Kalol  
Dist : Gandhinagar-382 729  
Date: 13<sup>th</sup> August, 2025

Neel D Bilgi  
Mg Director  
DIN:00096180

Chirag D Bilgi  
Mg Director  
DIN: 02094970

*Annexure – "B"*  
*Form MR-3*

## SECRETARIAL AUDIT REPORT

for the financial year ended on 31<sup>st</sup> March, 2025

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Members  
AREX INDUSTRIES LIMITED (CIN: L99999GJ1989PLC012213)  
Chahtral

We have conducted the secretarial audit of compliance of applicable statutory provisions and the adherence to good corporate practices by Arex Industries Ltd (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 by 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial period ended on 31<sup>st</sup> March, 2025, *generally* complied with the statutory provisions listed hereunder and also that the Company follows proper Broad-process and compliance mechanism in place to the extent, in the manner and subject to reporting hereinafter:

We have examined the books, papers, minute books, forms and returns and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 and the Rules made thereunder
- (ii) The Securities Contract (Regulation) Act, 1956 (SCRA) and the Rules made thereunder
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder to the extent of Regulation 76 of Securities and Exchange board of India (Depositories and Participants) Regulations, 2018
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,
  - (d) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) \*The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - Not Applicable
  - (f) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable
  - (g) \*The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - (h) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable; and
  - (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

(\*No event took place under these Regulations during the year under audit)
- (v) We have relied on the representation made by the Company, its Officers for systems and mechanism formed by the Company for compliances under the other applicable Acts, Rules, Laws, Guidelines and Regulations as applicable to the Company and we are of the opinion that the Company has *generally* complied with the following specific laws applicable to the Company as identified by it.



1. The Factory Act, 1948
2. The Electricity Act, 2003
3. Textiles Committee Act, 1963
4. Textiles (Development & Regulation) Order, 2001

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

- (a) The Secretarial Standards – I & II issued by the Institute of Company Secretaries of India as applicable.
- (b) Listing Agreement (LA) entered into by the Company with the BSE Ltd, Mumbai read with Listing Regulations entered into with the BSE Ltd under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (LODR).

During the period under review and as per the explanation, clarification and the representation made by the Management, the Company has *generally* complied with the provisions of the Act, Rules, Regulations, Standards, etc., mentioned above.

As informed, the Company has responded notices for demands, claims, penalties levied by the various statutory and regulatory authorities and also initiated actions for corrective measures, wherever necessary.

We further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarification on agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board and Committee were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees thereof, 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.

No specific events like Public Issue, Right Issue, Redemption or Resolutions u/s 180 etc, were observed during the year under audit except for the following:

1. Mr. Manoj Uttam Shah appointed as Non-Executive Non-Independent Director w.e.f. 1<sup>st</sup> September, 2024 by the members in the Annual General Meeting held on 30<sup>th</sup> September, 2024 by way of Ordinary Resolution.
2. Mr. Sunil B shah appointed as Non-Executive Independent Director w.e.f. 1<sup>st</sup> September, 2024 by the members in the Annual General Meeting held on 30<sup>th</sup> September, 2024 by way of Special Resolution.
3. Ms. Rekha Agrawal appointed as Non-Executive Independent Woman Director w.e.f. 1<sup>st</sup> September, 2024 by the members in the Annual General Meeting held on 30<sup>th</sup> September, 2024 by way of Special Resolution.
4. Revision in the remuneration of Mr. Dinesh Apparao Bilgi w.e.f. 1<sup>st</sup> October, 2024 for his remaining term upto 31<sup>st</sup> July, 2026 by the members in the Annual General Meeting held on 30<sup>th</sup> September, 2024 by way of Special Resolution.
5. Approval by the Board on 6<sup>th</sup> August, 2024 and by the members in the Extra Ordinary General Meeting on 4<sup>th</sup> September, 2024 to buyback 360000 Equity Shares at a price of Rs. 195/- per Equity Share, in terms of provisions of Companies Act, 2013 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

The Report is to be read with our letter of even date which is annexed herewith and forms an integral part of this Report.

Place: Ahmedabad  
Date : 13<sup>th</sup> August, 2025

CS Abraham Pingle  
FCS10290 CP13206  
UDIN: F010290G001038867  
Peer Review Certificate no.: 2031/2022

*Due to technical error and unavoidable circumstances the UDIN was generated on 20<sup>th</sup> August, 2025*

The Members  
Arex Industries Ltd (CIN: L99999GJ1989PLC012213)  
Chhatral

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

1. Maintenance of secretarial record is the responsibility of management of Arex Industries Ltd (the company). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practises and process 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 process and practises, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained management representation about the compliance of laws, rules and regulations and happening of an events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad  
Date : 13<sup>th</sup> August, 2025

CS Abraham Pingle  
FCS10290 CP13206

Annexure 'C'  
MANAGEMENT DISCUSSION AND ANALYSIS REPORT  
Overview

The Company is engaged in manufacturing of all types of woven and printed labels, which promotes brand image of the customers. The Company's product is largely used by the garment manufacturers within India and abroad.

#### Industry Structure

The Indian textile industry is a cornerstone of the Indian economy and a significant contributor to its industrial output, exports and employment. The Government of India has continued its proactive support for the sector through various initiatives. The Production Linked Incentive (PLI) scheme, the establishment of PM Mega Integrated Textile Region and Apparel (PM MITRA) parks, and the National Technical Textiles Mission are expected to provide a significant impetus to the industry's growth, encouraging investment in modern infrastructure and technology.

Globally, the textile industry is witnessing a paradigm shift towards sustainability and digitalization. The "China Plus One" sourcing strategy continues to present opportunities for Indian textile manufacturers as global brands seek to diversify their supply bases. The garment label manufacturing segment, in which the Company operates, is a critical ancillary to the apparel industry. Labels are no longer just a branding and information tool, they are evolving into

a key component of a garment's identity, with increasing demand for innovative and sustainable solutions. The growth of this segment is intrinsically linked to the performance of the apparel industry.

#### Opportunities, Threats, Risk and Concern

The domestic apparel market is on a growth trajectory, fueled by a rising middle class, increasing disposable incomes and the rapid expansion of e-commerce and organised retail. The proliferation of new-age, direct-to-consumer (D2C) brands and the growing brand consciousness among consumers have amplified the importance of high-quality, aesthetically pleasing labels that effectively communicate a brand's identity. The FTA strengthens India's position against Bangladesh and Vietnam.

India's export competitiveness remains low trailing China, Vietnam and Bangladesh due to high production costs, lower labour efficiency, fragmented supply chains and weak vertical integration. Complex regulations and trade barriers, including burdensome export procedures and limited FTAs, disadvantage India against competitors like Vietnam in major markets. Labour issues like increasing minimum wages, high attrition and migrant worker challenges cause workforce instability, with shortages in textile hubs and underutilised surplus in other states. Fast fashion and rising textile waste pose growing concerns, with India's recycling market still small despite expected growth amid global waste projections for 2030. The garment label industry is highly fragmented, with the presence of numerous organised and unorganised players. This leads to intense price competition, impacting the profit margins.

#### Outlook

The Company continues its belief to continuous upgradation of its technology for efficient and better productivity. The Company has spent amount of about Rs. 71.98 lacs for spare parts and upgradation of its machineries. The demand has been stable in comparison to the previous year and thus the revenue from operations of the Company has been marginally increased by approx. 0.25% in comparison to the previous year. The Company's operation at the two units, i.e. at Chhatral and Anjar have been satisfactory in line with the affected demand for apparels. The Company believes in providing quality products and it's such belief leads towards its products being well accepted in domestic and overseas markets.

#### Segment-wise

The Company has single segment of manufacturing garment labels.

#### Internal Control Systems

The Company has implemented adequate and effective control systems with proper checks and balances to safe guard the assets and to prevent frauds. The Audit Committee meets at regular intervals and actively reviews the internal control systems. The Company also takes suitable actions whenever necessary.

#### Review of Financial Performance

The Revenue from Operations of the Company has marginally increased in comparison to the previous year. The Revenue from Operations of the Company stands increase by 0.25% in comparison to the previous year. The Company has earned a profit of Rs. 263.41/- lacs as against a profit of Rs. 254.33 lacs in the previous year. Your Directors do not recommend dividend for the current year.

#### Human Resources / Industrial Relations

The relations between the employees and the management remained cordial throughout the year.

#### Significant Change

The changes in various ratios have been provided in the notes to the Financial Statements.

#### Cautionary Statement

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, plans, exceptions or predictions may be forward looking. These statements are based on certain assumptions and exceptions of future events. Actual results could however differ materially from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

#### Annexure 'D'

##### REPORT ON CORPORATE GOVERNANCE

This Report sets forth the disclosures for the F.Y. 2024-25, pertaining to Corporate Governance of Arex Industries Limited ("the Company"), as required by SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations"):

#### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy is based on trusteeship, transparency and accountability. The Company believes in following the law in letter and spirit. Good governance practice is an essential part of well-managed, successful business that delivers value to its stakeholders. The Code of Conduct, ethics and Code of Conduct for Prevention of Insider Trading are an extension of our values and reflect our commitment to ethical business practices, integrity, and compliances of both voluntary and statutory requirements.

#### 2. BOARD OF DIRECTORS

##### a. Composition

The Board consists of Nine Directors, of whom six are non-executive Directors and out of them three are independent Directors including one Woman Director having no material pecuniary relationship or transactions with the Company. None of the Directors on the Board is a member of more than ten committees and Chairman of more than five committees across all Companies in which they are directors. Shri Dinesh A Bilgi, Managing Director and CFO, Shri Neel D Bilgi, Managing Director and Shri Chirag D Bilgi, Managing Director of the Company are related to each other. No other Directors are related to each other.

The tenure of three managing director is ending on 31<sup>st</sup> July, 2026. It is being proposed to re-appoint Shri Dinesh A Bilgi as Managing Director and CFO, Shri Neel D Bilgi and Shri Chirag D Bilgi as Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> August, 2026. During the year under review Shri Vasant R. Shah resigned as Director of the Company on 17<sup>th</sup> June, 2024 due to his health issues and the term of Shri Balkrishna I Makwana and Smt. Harsha H Parikh ended on 11<sup>th</sup> September, 2024.

Notice for the Meeting of the Board of Directors are served to all the Directors alongwith agendas and brief notes for their consideration and deliberations at the meeting. The Board usually meets once in every quarter to review and taking on record of the quarterly performance of the financial results of the Company alongwith limited review report submitted by the Auditors of the Company. The Board of Directors met six times on 23.5.2024, 06.8.2024, 27.08.2024, 04.09.2024, 11.11.2024 and 10.2.2025. The gap between any two meetings did not exceed 120 days during the period under review.

The attendance record of each of the Directors at the Board Meetings held during 2024-25 and during the last annual general meeting is as under:

Name of the Director	Category	No. of Board Meeting attended	Attendance at the last AGM (Y/N)	Directorship in other listed public companies	No. committees of which Chairman / member in other Public Companies.	No. of Shares Held by Each Director as at the end of the Financial Year
Dinesh A Bilgi	MD/CFO	6	Y	Nil	Nil	7,57,774

(DIN:00096099)						
Neel D Bilgi (DIN:00096180)	MD	5	Y	Nil	Nil	2,23,037
Chirag D Bilgi (DIN:02094970)	MD	6	Y	Nil	Nil	2,25,573
Pragnesh K Shah (DIN:00228223)	Director	3	Y	Nil	Nil	27,298
Laxman C Tilani (DIN:00532516)	Director	1	N	Nil	Nil	78,500
Manoj Uttam Shah (DIN: 00371917) w.e.f. 01.09.2024	Director	3	Y	Nil	Nil	1,30,900
Sunil B Shah (DIN: 02107662) w.e.f. 01.09.2024	NED	3	Y	Nil	Nil	NIL
Smt Rekha Agarwal (DIN: 10687675) w.e.f. 01.09.2024	NED	3	Y	Nil	Nil	NIL
Shri Aviv J Divekar (DIN: 00689884)	NED	5	Y	Nil	Nil	NIL
Shri Vasant R Shah (DIN: 00371634) upto 17.06.2024	Director	0	N	Nil	Nil	NIL
Shri Balkrishna I Makwana (DIN:00287931) upto 11.09.2024	NED	3	N	Nil	Nil	10
Smt. Harsha H Parikh (DIN: 06931405) upto 11.09.2024	NED	4	N	Nil	Nil	10

**Notes:**

MD/CFO:- Managing Director cum Chief Financial Officer (KMP)

MD:- Managing Director. Appointments are contractual

NED- Non Executive Director and Independent Director.

**b. Familiarisation Programme:**

The Company and business familiarisation process for Independent Directors was an ongoing process during the Financial Year and largely carried out by way of special discussions at Board / Committee meetings on important matters such as key regulatory changes, material legal matters, changing industry trends, periodic operations review, strategy discussions and exceptional developments, if any, in the Company.

The details of such familiarisation program have been disclosed on the Company's website at <https://www.arex.co.in/investors/Policies/Familiarization%20Programme%20Imparted%20to%20Independent%20Directors.pdf>

**c. Chart Setting out Skills/Expertise/Competence of the Board of Directors:**

Skills, Expertise, Competencies	Dinesh Bilgi	Neel Bilgi	Chirag Bilgi	Pragnesh Shah	Laxman Tilani	Vasant Shah	Balkrishna Makwana	Harsha Parikh	Aviv Divekar
Strategic Leadership	Significant Leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives								
Industry Experience	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Financial Expertise	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-
Governance, Risk and Compliance	Yes	Yes	Yes	-	-	-	Yes	Yes	Yes
Skills, Expertise, Competencies	Sunil B Shah	Rekha Agrawal	Manoj Shah						
Strategic Leadership	Significant Leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives								
Industry Experience	Yes	Yes	Yes						
Financial Expertise	Yes	-	Yes						
Governance, Risk and Compliance	Yes	Yes	Yes						

**d. Independent Directors**

The Non-Executive Independent Directors fulfils the conditions of the Independence specified as per the Companies Act, 2013 and the Rules made thereunder and requirements under Listing Regulations. A formal letter of appointment as provided in the said Act and the Listing Regulations have been issued to the Independent Directors respectively. One separate meeting of the Independent Directors was held on 6<sup>th</sup> January, 2025 and all the Independent Directors were present.

**e. Code of Conduct**

The Board Members and Senior Management team of the Company follow the Code of Conduct formulated and implemented by the Company. The code of conduct emphasizes the Company's commitment to compliances with the highest standards of legal and ethical behaviour. The details of the Code of Conduct have been disclosed on the Company's website at <https://www.arex.co.in/investors/Policies/Code%20of%20Conduct%20for%20Directors%20and%20Senior%20Management.pdf>

**f. Conflict of interest**

Each Director informs the Company on an annual basis about the Board and Committee position he occupies in other Companies and also notifies changes therein during the year. Members of the Board while discharging their duties avoid conflict of interest in the decision making process and also restricts themselves from discussion or voting in transactions in which they have concern or interest.

g. Insider Trading Code

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The details of the Code of Conduct for Prevention of Insider Trading have been disclosed on the Company's website at <https://www.arenx.co.in/investors/Policies/Code%20Fair%20Disclosure%20&%20Code%20of%20Conduct%20-%20Insider%20Trading.pdf>

3. AUDIT COMMITTEE

- a. Terms of Reference: The terms of reference of the Audit Committee cover all the areas mentioned under Part C of the Schedule II to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Board has also included in the terms of reference of the Audit Committee, the monitoring, implementing and review of risk management plan as required under Regulation 18 and as per part C (Role of Audit Committee) of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The broad terms of reference of the Audit Committee therefore include review of financial reporting process and all financial results, statements and disclosures and recommending the same to the Board, reviewing the internal audit reports and discussing the same with the internal auditors, reviewing internal control systems and procedures, to meet the statutory auditors and discuss their findings, their scope of audit, post audit discussion, adequacy of internal audit functions, audit qualifications, if any, appointment / removal and remuneration of auditors, change in accounting policies and practices, reviewing approval and disclosure of all related party transactions, reviewing with the management, the performance of the statutory and internal auditors and their remuneration, compliance with listing agreements / SEBI (LODR) Regulations, 2015 and other legal requirements and the Company's financial and risk management plans and policies and its implementation, disaster recovery policies and compliance with statutory requirements.

- b. Composition and Committee Meetings: The Audit Committee upto 31<sup>st</sup> August, 2024 comprised of (1) Shri Balkrishna Ishwarlal Makwana, (2) Smt. Harsha Hemantkumar Parikh and (3) Shri Laxman Chetandas Tilani. Shri Balkrishna Ishwarlal Makwana was the Chairman of the Committee. The Committee met 3 times during their tenure on 23.05.2024, 06.08.2024, and 27.08.2024. The attendance record of each of the Directors at the Audit Committee Meetings held during this period is as under: Shri Balkrishna I. Makwana attended 3 meetings, Smt. Harsha H. Parikh attended 3 meetings, and Shri Laxman C. Tilani attended 0 meetings.

The Audit Committee was reconstituted w.e.f. 1<sup>st</sup> September, 2024 and now comprises of (1) Shri Sunil Bansibhai Shah (2) Smt. Rekha Agarwal, and (3) Shri Manoj Uttam Shah. Shri Sunil Bansibhai Shah is the Chairman of the Committee. The reconstituted Committee held meetings on 04.09.2024, 11.11.2024 and 10.02.2025. The attendance record of each of the Directors during this period is as under: Shri Sunil Bansibhai Shah attended 3 meetings, Smt. Rekha Agarwal attended 3 meetings, and Shri Manoj Uttam Shah attended 3 meetings.

4. NOMINATION AND REMUNERATION COMMITTEE

- a. The Nomination and Remuneration Committee has been constituted and entrusted with the powers of determining remuneration packages of the Directors and Senior Executives of the Company, keeping in mind the qualifications, experience, expertise and industry trends. The committee comprised of (1) Shri Balkrishna I Makwana, (2) Smt Harsha H Parikh (3) Shri Vasant R. Shah (resigned w.e.f. 17.06.2024) as members of the Nomination and Remuneration Committee upto 31<sup>st</sup> August, 2024. Smt Harsha H Parikh was the Chairman of the Committee. The Nomination & Remuneration Committee met 2 time, i.e. on 23.5.2024 and 06.08.2024 during the financial year and all the Members of the Committee attended the meeting. The Nomination and remuneration Committee was reconstituted w.e.f. 1<sup>st</sup> September, 2024 and now comprises of 1. Smt. Rekha Agarwal as the Chairman, 2. Shri Sunil Bansibhai Shah and 3. Shri Laxman Chetandas Tilani.
- b. Performance Evaluation Criteria for Independent Directors:  
The Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Committees of the Board. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functions such as adequacy of composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and governance. The Directors express their satisfaction with the evaluation process.

5. REMUNERATION OF DIRECTORS

- a. Remuneration to Non Executive Directors:  
The Non Executive Directors are paid remuneration by way of sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid during the year was Rs. 2.00 Lacs during the FY 2024-25. Non executive Independent Directors do not have material pecuniary relationship or transactions with the Company.
- b. Remuneration to Executive Directors:  
The appointment and remuneration of Executive Directors including Managing Directors and Whole Time Directors is governed by the recommendation of the Nomination and Remuneration Committee and resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective agreements executed between them and the Company. The remuneration package of Managing Directors and Whole Time Director comprises of salary, perquisites, allowances, incentives, bonus, contribution to provident fund and other retirement benefits as approved by the shareholders at the general meeting. The details of remuneration to Directors are given in the Annual Accounts for the year ended on 31<sup>st</sup> March, 2025.

6. STAKEHOLDERS GRIEVANCE COMMITTEE

The Stakeholders Grievance Committee comprised of (1) Smt Harsha H Parikh, (2) Shri Dinesh A Bilgi, and (3) Shri Chirag D Bilgi, for addressing the grievances of the investors upto 31<sup>st</sup> August, 2024. Smt Harsha H Parikh was the Chairman of the Committee. The Committee meets as and when required and looks after shareholders complaints and matters relating to transmission, non-receipt of annual report, non-receipt of dividend, credit of shares to demat account etc. During the year under review, the Company had received NIL complaints from the shareholders, and there is no complaint pending as on 31<sup>st</sup> March, 2025. The Complaints are normally resolved within the stipulated period under the Listing Agreement. The requests for revalidation of dividend warrants and issue of duplicate share certificates or duplicate dividend warrants etc are normally attended after completion of necessary formalities and procedure. Smt Kairavi Bilgi is the Company Secretary and Compliance Officer of the Company. The Company has not received any complaint during the year. The Committee met as and when required during the financial year. The Stakeholders Grievance Committee was reconstituted w.e.f. 1<sup>st</sup> September, 2024 and now comprises of (1) Shri Aviv Joseph Divekar as the Chairman, (2) Shri Neel D Bilgi, and (3) Shri Chirag D Bilgi. It has further been reconstituted w.e.f. 1<sup>st</sup> September, 2025 and shall now be comprised of (1) Shri Aviv Joseph Divekar as the Chairman, (2) Shri Neel D Bilgi, (3) Shri Chirag D Bilgi and (4) Smt. Rekha Agrawal.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility Committee (CSR) comprising of (1) Smt Harsha H Parikh, (2) Shri Laxman C Tilani, and (3) Shri Balkrishna I Makwana upto 31<sup>st</sup> August, 2024. Smt Harsha Parikh was the Chairman of the CSR Committee. The committee has concluded that the provisions relating to CSR activities do not apply to the Company at present. The CSR Committee was reconstituted w.e.f. 1<sup>st</sup> September, 2024 and now comprises of 1. Shri Aviv Joseph Divekar, Chairman, 2. Shri Sunil Bansibhai Shah and 3. Shri Pragadesh Kantilal Shah.

8. PARTICULARS OF SENIOR MANAGEMENT

There is no change in the senior management of the Company during the year.

9. GENERAL BODY MEETINGS

- a. Location and time, where last three Annual General Meetings were held is given below:

Year	Location/Venue	Date	Time
2021-2022	612, GIDC Estate, Chhatral, Tal.: Kalol, Dist.: Gandhinagar, Gujarat – 382729 through Video Conference (VC)/Other Audio Visual Means(OAVM)	21.9.2022	12.30 p.m.
2022-2023	612, GIDC Estate, Chhatral, Tal.: Kalol, Dist.: Gandhinagar, Gujarat – 382729 through Video Conference (VC)/Other Audio Visual Means(OAVM)	30.9.2023	12.30 p.m.
2023-2024	612, GIDC Estate, Chhatral, Tal.: Kalol, Dist.: Gandhinagar, Gujarat – 382729 through Video Conference (VC)/Other Audio Visual Means(OAVM)	30.9.2024	12.30 p.m.

b. Special Resolutions passed at the Previous Three Annual General Meetings:  
The following resolutions were passed as Special Resolutions at the previous three Annual General Meetings:  
(i) Reappointment of Shri Dinesh A Bilgi as Managing Director of the Company for a period of three years (At 33<sup>rd</sup> AGM)  
(ii) Reappointment of Shri Neel D Bilgi as Managing Director of the Company for a period of three years (At 33<sup>rd</sup> AGM)  
(iii) Reappointment of Shri Chirag D Bilgi as Managing Director of the Company for a period of three years (At 33<sup>rd</sup> AGM)  
(iv) No Special resolution was passed. (At 34<sup>th</sup> AGM)  
(v) Appointment of Shri Manoj Uttam Shah as Non-Executive Non-Independent Director of The Company (At 35<sup>th</sup> AGM)  
(vi) Appointment of Shri Sunil Bansibhai Shah as Independent Director of The Company (At 35<sup>th</sup> AGM)  
(vii) Appointment of Smt. Rekha Agarwal as Independent Woman Director of The Company (At 35<sup>th</sup> AGM)  
(viii) To Revise the Remuneration Payable to Mr. Dinesh Apparao Bilgi, Managing Director cum CFO of the Company (At 35<sup>th</sup> AGM)

c. Passing of resolutions by Postal Ballot:  
No resolution was passed through Postal Ballot during the Financial Year 2024-25. The Buyback of Equity Shares of the Company, which was proposed in the Extra Ordinary General Meeting held on 4th September, 2024, was duly approved by the members.

9. MEANS OF COMMUNICATION  
The Board of Directors of the Company approves and takes on record the un-audited financial results alongwith the Limited Review Report submitted by the Auditors of the Company and informs the said financial results to the BSE Ltd, Mumbai where the shares of the Company are listed. Further, the quarterly/half yearly results are normally published in the daily 'Western Times'. Notice are being sent through emails or permitted modes.

10. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting  
Date and Time : Monday, 29<sup>th</sup> September, 2025 at 12.30 p.m.(IST)  
Venue : Video Conference (VC)/Other Audio Visual Means(OAVM)

b) Financial Calendar for 2025-2026 (Tentative)  
Un-audited Results for First Quarter : 06<sup>th</sup> August, 2025  
Annual General Meeting for the year 2024-25 : 29<sup>th</sup> September, 2025  
Un-audited Results for Second Quarter/Half Year : By 14<sup>th</sup> of November, 2025  
Un-audited Results for Third Quarter : By 14<sup>th</sup> of February, 2026  
Audited Annual Results 2025-26 : By 30<sup>th</sup> of May, 2026

c) Date of Book Closure  
The Book Closure for payment of dividend, if any, is from Tuesday, 23<sup>rd</sup> September, 2025 to Monday, 29<sup>th</sup> September, 2025 (both days inclusive).

d) Dividend Payment  
The Board has not recommended dividend during the Financial Year.

e) Listing on Stock Exchange  
The Equity Shares of the Company are listed at the BSE Ltd, Mumbai under Scrip Code No. 526851 and ISIN No. is INE480H01011.  
The Company has paid the Annual Listing Fees. The Company has also paid custodial charges to National Securities Depository Ltd and Central Depository Services (India) Ltd for the year 2024-25 and 2025-26.

g) Market Price Data on the BSE Ltd, Mumbai  
The High, Low and number of shares traded during each month in the last financial year on the BSE Ltd is here given below:

Month	High (Rs.)	Low(Rs.)	Total No of Shares Traded
April, 2024	231.10	135.60	45,643
May, 2024	244.00	140.10	46,542
June, 2024	163.00	137.35	13,147
July, 2024	169.70	140.10	13,791
August, 2024	198.50	160.00	1,57,307
September, 2024	192.90	171.70	29,592
October, 2024	182.90	153.00	4,225
November, 2024	186.00	155.10	3,673
December, 2024	177.00	152.00	5,969
January, 2025	170.00	141.60	3,752
February, 2025	167.50	140.10	1,218
March, 2025	160.00	140.00	16,612

f) Distribution of Shareholding as on 31<sup>st</sup> March, 2025

No of Shares	No of Shareholders	% of Shareholders	Total Shares	% of Shareholding
Less than 500	2312	93.45	220579	06.13
500 to 1000	63	02.55	51153	01.42
1001 to 2000	32	01.29	44139	01.23
2001 to 3000	17	00.69	43861	01.22
3001 to 4000	08	00.32	28267	00.79
4001 to 5000	07	00.28	31491	00.87
5001 to 10000	09	00.36	55906	01.55
10001 and above	26	01.06	3123304	86.79
Total	2474	100.00	3598700	100.00

g) Shareholding Pattern as on 31<sup>st</sup> March, 2025

Sr. No.	Category	No of Shares Held	% of Shareholding
1.	Promoters		
	Indian Promoters	2536191	70.48
	Foreign Promoter	NIL	NIL
2.	Mutual Fund and UTI	NIL	NIL
3.	Banks, Financial Institutions, Insurance Companies	100	0.00
4.	Private Corporate Bodies	17783	0.49



5.	Foreign Institutional Investors	NIL	NIL
6.	NRIs/OCBs	1148	0.03
7.	Indian Public	745195	20.71
8.	Clearing Members	NIL	0.00
9.	Investor Education & Protection Fund	298283	8.29
	Grand Total	3598700	100.00

## h) Registrar and Share Transfer Agents

M/s MUFG Intime India Private Limited (Previously known as Link Intime India Private Limited), Mumbai is the Registrar and Share Transfer Agents of the Company. All share transfers and communication regarding share certificates, complaints and change of address may be addressed to:

Link Intime India Pvt Ltd, 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off.

C. G. Road, Ellisbridge, Ahmedabad 380006, Gujarat

Tel: 079 26465179 / 86 / 87 Email: ahmedabad@in.mpms.mufg.com, Website: www.in.mpms.mufg.com

## i) Share Transfer System

The transfer of shares in physical form has been stopped as per the circular issued by the SEBI. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

## j) Dematerialisation of Shares

The Company has established connectivity with both the Depositories viz. National Securities Depository Ltd (NSDL) and Central Depository (India) Services Limited (CDSL) to enable the members to dematerialise their shares held in the Company, under ISIN No. INE480H01011.

## k) Plant Location and Address for correspondence

612, G.I.D.C. Industrial Estate, Chhatral, Tal.: Kalol, Dist.: Gandhinagar – 382 729.

Email: mail@arex.in, website: www.arex.co.in

## AFFIRMATION AND DISCLOSURES

## a) Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Listing Regulations during the year were in ordinary course of business and on arm's length basis. The Company has already taken approval for the related party transactions from the members of the Company. There were no materially significant transactions with related parties during the financial year. The Related Party Transactions have been disclosed under Note No.34 of the significant accounting policies and Notes forming part of the financial statements in accordance with Indian Accounting Standards.

## b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all requirements of the Listing Regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

## c) Whistle Blower Policy

Pursuant to section 177(9) and (10) of the Companies Act, 2013 and Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. No personnel has been denied access to the Audit Committee during the year 2024-25.

## d) Compliance with all the mandatory requirements of Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance applicable to the Company.

## e) Policy for determining 'material' subsidiaries

The Company does not have subsidiary Company.

## f) Certificate from Practicing Company Secretary:

The Company has obtained a certificate from M/s Abraham Pingle & Associates, Practicing Company Secretary, Ahmedabad, stating that none of the Directors on the Board of the Company have been debarred / disqualified from being appointed / continuing as Directors of any Company, by the SEBI and the Ministry of Corporate Affairs or any such Statutory Authority.

## g) Fees Paid to Statutory Auditors

During the year under review, the total fees, for all services (including out of pocket expenses and taxes), paid by the Company, to the Statutory Auditors – M/s. Sweta Patel & Associates was aggregating to Rs. 3.50 lacs.

## h) Protection of Women against Sexual Harassment at Work Place

The Company considers clean and safe mode of operations in all respects. Further, as required under the provisions of Sexual Harassment (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace. There is no such complaint lodged during the year.

## i) Compliance with Corporate Governance

The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations as may be applicable to the Company.

j) The Company had during the year under review formed a Buyback Committee comprising of Shri Sunil B Shah (Chairman), Smt. Rekha Agrawal and Shri Dinesh A Bilgi, for the limited purpose of doing the necessary to complete the buyback of equity shares of the Company that was proposed by the Board of Directors in their meeting held on 6<sup>th</sup> August, 2024 and which was duly approved by the members in their extraordinary general meeting held on 4<sup>th</sup> September, 2024. The Committee had met twice during the year on 09.09.2024 and 26.09.2024. All the members were present at the meetings.

## CERTIFICATE OF COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT

To,  
The Members,  
Arex Industries Limited

Arex Industries Limited has in place a Code of Business Conduct (the 'Code') for its Board of Directors, Senior Management Personnel and other employees of the Company. I report that the Board of Directors have received affirmations on compliance with the Code from the members of the Board and Senior Management of the Company for the year under review.

For and on behalf of the Board

Place: Chhatral  
Date: 13<sup>th</sup> August, 2025

Dinesh Bilgi  
(DIN:00096099)  
Managing Director cum CFO

## CERTIFICATE

I, Dinesh Apparao Bilgi, Managing Director and Chief Financial officer and Neel Dinesh Bilgi, Managing Director, certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

- (1) These statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading.
- (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting, and we have not noticed any deficiency in the design of operation of such internal controls, or of which we are aware that needs to be rectified or informed to the auditors and the Audit Committee.
- D. During the year it was disclosed to the Auditors and the Audit Committee that:
- (1) There were no significant changes in internal control over financial reporting;
  - (2) No significant changes in accounting policies were made during the year that require disclosures in the notes to the financial statements; and
  - (3) No instances of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

Place: Chhatral  
Date: 13<sup>th</sup> August, 2025

Dinesh Bilgi  
(DIN:00096099)  
Mg. Director & CFO

Neel Bilgi  
(DIN:00096180)  
Mg. Director

#### AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of AREX INDUSTRIES LIMITED

1. This certificate is issued in accordance with terms of our engagements with AREX INDUSTRIES LIMITED ("the Company").
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

#### Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

#### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ('the ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2025.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For, SWETA PATEL & ASSOCIATES  
Chartered accountants  
(Registration No. 139165W)

Place : AHMEDABAD  
Date : 13<sup>th</sup> August, 2025

(Sweta H Patel)  
Partner  
Membership No. 154493  
UDIN: 25154493BMUHV19862

#### 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, as amended)

To the Members of AREX INDUSTRIES LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Arex Industries limited having CIN: L99999GJ1989PLC012213 and having registered office at 612, GIDC Estate, Chhatral, Tal.: Kalol, Dist.: Gandhinagar – 382729, India (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verification (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1	Dinesh Apparao Bilgi	00096099	01-05-2009
2	Neel Dinesh Bilgi	00096180	01-08-2005
3	Pragnesh Kantilal Shah	00228223	14-12-1990
4	Laxman Chetandas Tiani	00532516	14-12-1990
5	Aviv Joseph Divekar	00689884	01-09-2021
6	Chirag Dinesh Bilgi	02094970	01-08-2010
7	Vasant Ravji Shah**	00371634	11-07-1994
8	Balkrishna Ishwarlal Makwana**	00287931	01-02-2003
9	Harsha Hemantkumar Parikh**	06931405	01-08-2004
10	Manoj Uttam Shah	00371917	01-09-2024
11	Sunil Bansibhai Shah	02107662	01-09-2024
12	Rekha Agarwal	10687675	01-09-2024

\*The date of appointment is as per the MCA Portal.

\*\* Shri Vasant Ravji Shah has resigned as Director of the Company w.e.f. 17th June, 2024 close of business hours

\*\* Shri Balkrishna Ishwarlal Makwana has Retired (end of term) as Independent Director of the Company w.e.f. 11<sup>th</sup> September, 2024 close of business hours.  
 \*\* Smt. Harsha Hemantkumar Parikh has Retired (end of term) as Independent Director of the Company w.e.f. 11<sup>th</sup> September, 2024 close of business hours.  
 \*\* Shri Manoj Uttam Shah has been appointed as Director of the Company w.e.f. 01<sup>st</sup> September 2024.  
 \*\* Shri Sunil Bansibhai Shah has been appointed as Independent Director of the Company w.e.f. 01<sup>st</sup> September 2024.  
 \*\* Smt. Rekha Agarwal has been appointed as Independent Director of the Company w.e.f. 01<sup>st</sup> September 2024.

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

Place: Ahmedabad  
 Date : 13<sup>th</sup> August 2025

CS Abraham Pingle  
 FCS10290 CP13206  
 UDIN: F010290G001038900  
 Peer Review Certificate no.: 2031/2022

*Due to technical error and unavoidable circumstances the UDIN was generated on 20<sup>th</sup> August, 2025*

#### Annexure "E"

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 mean remuneration
		Mr. Dinesh A Bilgi, MD & CFO	50.34:1
		Mr. Neel D Bilgi, MD	21.83:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any of the financial year 2024-25 compared to 2023-24	Mr. Chirag D Bilgi, MD	21.83:1
		Director's/ CFO/ CEO/ CS/ Mgr Name	%age increase in remuneration
		Mr. Dinesh A Bilgi, MD & CFO	24.43
(iii)	Percentage increase in the median remuneration of employees in the financial year 2024-25 compared to 2023-24	Mr. Neel D Bilgi, MD	27.17
		Mr. Chirag D Bilgi, MD	27.17
		Ms. Kairavi Bilgi – CS	0.61
(iv)	Number of permanent employees on the roll of the Company	20.92%	As on 31.03.2025
(v)	Average percentile increase in salaries of Employees other than managerial personnel	As on 31.03.2024	As on 31.03.2024
		247	276
		During 2023-24	During 2025-26
		--	11.60

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

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Arex Industries Limited.

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of **Arex Industries Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2025, and the statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and its profit (including other comprehensive income), change in equity and its cash flow for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

In our opinion and based on audit of the financial statement of the Company, we have determined that there are no key audit matters to communicate in our report.

**Other Information**

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

Our opinion on the financial statements does not cover the other information and we 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 in 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 Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accountings records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

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.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. 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, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements (refer note no.27 to the Ind AS financial statements).
    - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a) On the basis of written representation from management, 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.  
(b) On the basis of written representation from management, 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 the audit procedures performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material mis-statement.
    - v. The company has not declared or paid any dividend during the year, hence provisions of section 123 of the company's act, 2013 is not applicable.
    - vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.
    - h. With respect to the other matters to be included in the Auditor's Report in accordance with the 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.

Place : CHHATRAL  
Date : 28-05-2025

**For, SWETA PATEL & ASSOCIATES**  
**Chartered accountants**  
(Firm Registration No. 139165W)

**(Sweta H Patel)**  
Partner  
Membership No. 154493  
UDIN : 25154493BMUHUY8376

**Annexure 'A' to Independent Auditors' Report**

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

1. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company is maintaining proper records showing full particulars of Intangible assets;
- (b) The management conducted a physical verification of some Property, Plant, and Equipment throughout the year, following a verification program designed to ensure that all assets are physically checked at reasonable intervals. Based on the information and explanations provided to us, we found no significant discrepancies during this verification process.
- (c) According to the information and explanations given to us and records examined by us and based on the examination of registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds, comprising of all the immovable properties of land and self-constructed buildings which are freehold, are held in the name of the company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of company, where the company is lessee in the agreement as at the balance sheet date.
- (d) The company has not revalued its Property, Plant and Equipment (including right to use assets) or intangible assets or both during the year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion the coverage and procedure of such verification is appropriate. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (b) During the year the company has been sanctioned working capital limit in excess of five crore rupees, in aggregate from any bank or institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts, except in the following cases;

Quarter	Name of Bank	Amount as per books of accounts (Rupees in Lakh)	Amount as reported in the quarterly return/statement (Rupees in Lakh)	Amount in difference (Rupees in Lakh)	Reason for material discrepancies
Jun-24	State Bank of India	1461.78	1445.30	16.49	#Refer Note below
Sep-24	State Bank of India	1335.14	1323.34	11.79	
Dec-24	State Bank of India	1416.25	1435.23	-18.98	
Mar-25	State Bank of India	1403.07	1412.11	-9.04	

**# Reason for material discrepancies: -**

Upon reviewing the statements submitted to the bank, we noted that the company transfers amounts received from debtors into a common account known as the debtors' clearing account. At the time of receiving these payments, detailed bill-to-bill information is not available. As a result, when the company submits details to the bank, it fails to include these amounts in the calculation of outstanding debtors at the end of the respective period in the statement. Later, once the company obtains the detailed bill-to-bill breakdown, it transfers the amounts from the debtors' clearing account to the appropriate debtors' accounts. This practice leads to the discrepancies mentioned above.

We observed that in the third quarter, the company mistakenly reported a higher stock value than the actual amount when submitting the stock details to the bank. This discrepancy was corrected in the following quarter when the stock value was submitted to the bank again.

We have also observed that in the fourth quarter, when submitting the creditors' details to the bank, the company reported a lower total for creditors than what was actually owed. Specifically, the company did not include two creditors, totalling Rs. 11.74 lakh, in the stock statement. This omission occurred because the company recorded these creditors only after submitting the stock statement to the bank, as the invoices were received or provisions were created after that submission.

3. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liabilities partnerships or other parties hence 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f) of the said order is not applicable to the company.
4. The Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under sections 185 and 186 of the Companies Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
5. The Company has not accepted deposits or any amount which are deemed to be deposits from the public within the meaning of directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, and the Rules made thereunder. Accordingly, the Provisions of Clause (v) of the order are not applicable to the Company.
6. According to the information and explanation given to us and on the basis of our examination of the books of account, the maintenance of cost records has not been prescribed under sub-section (1) of Section 148 of the Companies Act, 2013.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Custom duty, Cess and any other statutory dues whichever is applicable during the year with the



appropriate authorities and no undisputed dues payable in respect of outstanding statutory dues were in arrears as at 31st March, 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, there are no amounts in respect of sales tax/ income tax/ custom duty/excise duty/ service tax that have not been deposited with the appropriate authorities on account of any dispute.
8. According to the information and explanations given to us and on the basis of our examination of the books of account, there are no unrecorded transactions in the books of accounts that have been surrendered or disclosed as income during the year in tax assessment under the Income Tax Act, 1961.
9. (a) According to the information and explanations given to us and based on our audit procedure performed, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender, hence reporting under clause 3(ix)(a) is not applicable to the company.
- (b) According to the information and explanations given to us and based on our audit procedure performed, the company has not declared willful defaulter by any bank or financial institution or other lender, hence clause 3(ix)(b) is not applicable to the company.
- (c) In our opinion and according to the information and explanations given to us, the term loan obtained during the year were applied for the purpose for which they were availed.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and based on our audit procedure performed, 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, hence clause 3(ix)(e) is not applicable to the company.
- (f) According to the information and explanations given to us and based on our audit procedure performed, the company has not raised any loan during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies, hence clause 3(ix)(f) is not applicable to the company.
10. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year under review. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of Clause 3(x)(b) of the Order are not applicable to the Company.
11. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us we have neither come across any instance of fraud by the company or on the company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) We have not issued any report under section 143(12) of the Companies Act, hence the provisions of Clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) As informed to us, the company has not received any whistle-blower complaints during the year, hence the provisions of Clause 3(xi)(c) of the Order are not applicable to the Company.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, hence the provisions of Clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.
13. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act, read with relevant rules issued thereunder.
14. (a) In our opinion and according to information and explanation given to us, the company has internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued for the period under audit.
15. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a), 3(xvi)(b), 3(xvi)(c) of the Order are not applicable to the Company.
17. The company has not incurred any cash losses in the financial year and in the immediately preceding financial year provisions of clause 3(xvii) of the Order is not applicable to the Company.
18. There has been no resignation of statutory auditor during the year, accordingly clause 3(xviii) of the Order is not applicable to the Company.
19. On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, to the best of our opinion and information and explanation available to us, company is capable of meeting its liabilities existing at the balance sheet date as and when they fall due within period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit

report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will discharge by the company as and when they fall due.

20. In our opinion and based on our examination of books of accounts, provision of section 135 in respect of corporate social responsibility of the act is not applicable to the company and hence provisions of clause 3(xx)(a) and 3(xx)(b) of the order is not applicable to the company.
21. The reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For, SWETA PATEL & ASSOCIATES**  
**Chartered accountants**  
(Firm Registration No 139165W)

**Place : CHHATRAL**  
**Date : 28-05-2025**

**(Sweta H Patel)**  
Partner  
Membership No. 154493  
UDIN : 25154493BMUHUY8376

**Annexure 'B' to Independent Auditors' Report*****[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date]****Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")***Opinion**

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

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

***Management's Responsibility for Internal Financial Controls***

The Company's management and board of directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

**Auditor's 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 issued by the Institute of Chartered Accountants of India 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 control 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 judgment. Including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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.

**For, SWETA PATEL & ASSOCIATES**  
**Chartered accountants**  
 (Firm Registration No 139165W)

**Place : CHHATRAL**  
**Date : 28-05-2025**

**(Sweta H Patel)**  
 Partner  
 Membership No. 154493  
 UDIN : 25154493BMUHUY8376

**Balance Sheet as at 31st March, 2025**

Balance Sheet as at 31st March, 2025				Amount in Rupees in Lacs	
	Note	As at 31st March, 2025	As at 31st March, 2024		
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, Plant & Equipment	3	2699.25	3036.07		
Capital Work in progress	3	87.81	2.57		
Other Intangible assets	3	0.02	0.02		
Financial assets					
Other non-current financial assets	4	87.82	87.52		
Income tax assets (net)	5	0.00	6.44		
<b>Total Non-current assets</b>		<b>2874.90</b>	<b>3132.62</b>		
<b>Current assets</b>					
Inventories	6	780.89	799.33		
Financial assets					
Trade Receivables	7	807.25	956.28		
Cash and cash equivalents	8	4.53	2.08		
Bank balances other than Cash and cash equivalents above	9	10.67	18.85		
Other current assets	10	184.03	107.01		
<b>Total Current assets</b>		<b>1787.36</b>	<b>1883.55</b>		
<b>Total assets</b>		<b>4662.26</b>	<b>5016.17</b>		
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Equity share capital	11	359.87	395.87		
Other Equity	12	2207.47	2765.22		
<b>Total Equity</b>		<b>2567.34</b>	<b>3161.09</b>		
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Financial liabilities					
Non current Borrowings	13	524.56	654.38		
Deferred tax liabilities (net)	31	212.35	229.39		
<b>Total Non-current liabilities</b>		<b>736.91</b>	<b>883.77</b>		
<b>Current liabilities</b>					
Financial liabilities					
Current Borrowings	14	708.80	394.82		
Trade payables	15	455.82	393.06		
Other current financial liabilities	16	60.55	58.23		
Other current liabilities	17	126.00	94.13		
Current tax liabilities (net)	18	6.85	31.07		
<b>Total Current liabilities</b>		<b>1358.01</b>	<b>971.31</b>		
<b>Total equity and liabilities</b>		<b>4662.26</b>	<b>5016.17</b>		
Significant Accounting Policies					
Notes 1 to 39 are an integral part of the Financial Statements					
As per our report of even date attached					
For, <b>Sweta Patel &amp; Associates</b>		For and on behalf of the Board			
Chartered Accountants					
Firm Registration No. 139165W					
Sweta H. Patel (Partner) Membership No. : 154493  UDIN : 25154493BMUHUY8376		SD/- Dinesh Bilgi (DIN:00096099)  Mg. Director & CFO	SD/- Neel Bilgi (DIN:00096180)  Mg. Director	SD/- Chirag Bilgi (DIN:02094970)  Mg. Director	
Place : Chhatral Date : 28-05-2025		SD/- AVIV JOSEPH DIVEKAR (DIN:00689884) Director	SD/- REKHA AGARWAL (DIN:10687675) Director	SD/- SUNIL BANSIBHAI SHAH (DIN:02107652) Director	SD/- Kairavi Bilgi (ACS:21519) Company Secretary
Place : Chhatral Date : 28-05-2025					

## Statement of Profit and Loss for the Year ended 31st March, 2025

		Amount in Rupees in Lacs	
	Note	2024-25	2023-24
<b>INCOME</b>			
Revenue from Operations	19	5114.11	5101.08
Other Income	20	69.44	9.38
<b>Total Revenue</b>		<b>5183.55</b>	<b>5110.47</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	21	1423.50	1464.70
Purchases of Stock-in-Trade		25.04	14.43
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	22	16.12	41.61
Employee Benefits Expense	23	1735.78	1602.38
Finance Costs	24	109.40	132.77
Depreciation and Amortisation Expenses	3	413.13	415.86
Other Expenses	25	1093.96	1069.41
<b>Total Expenses</b>		<b>4816.93</b>	<b>4741.15</b>
Profit Before Tax		366.62	369.31
<b>Tax Expenses</b>			
Current Income Tax		122.00	62.00
(Excess) / Short Provision of Income tax for earlier years		(1.75)	0.00
Deferred Tax		(17.04)	52.98
<b>Profit for the year</b>		<b>263.41</b>	<b>254.33</b>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
<b>Total Comprehensive income for the year</b>		<b>263.41</b>	<b>254.33</b>
<b>Earnings per equity share of face value of Rs.10 each</b>			
Basic and Diluted (in Rs.)	32	7.32	6.42
Significant Accounting Policies			
Notes 1 to 39 are an integral part of the Financial Statements			
As per our report of even date attached			
For, Sweta Patel & Associates		For and on behalf of the Board	
Chartered Accountants			
Firm Registration No. 139165W			
Sweta H. Patel	SD/-	SD/-	SD/-
(Partner)	Dinesh Bilgi	Neel Bilgi	Chirag Bilgi
Membership No. : 154493	(DIN:00096099)	(DIN:00096180)	(DIN:02094970)
UDIN : 25154493BMUHUY8376	Mg. Director & CFO	Mg. Director	Mg. Director
Place : Chhatral	SD/-	SD/-	SD/-
Date : 28-05-2025	AVIV JOSEPH DIVEKAR	REKHA AGARWAL	SUNIL BANSIBHAI SHAH
	(DIN:00689884)	(DIN:10687675)	(DIN:02107662)
	Director	Director	Director
			SD/-
			Kairavi Bilgi
			(ACS:21519)
			Company Secretary
		Place : Chhatral	
		Date : 28-05-2025	

## Cash Flow Statement for the year ended 31st March,2025

		Amount in Rupees in Lacs	
		As at 31st March, 2025	As at 31st March, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax		366.62	369.31
Depreciation and Amortisation Expenses		413.13	415.86
Finance Costs		109.40	132.77
Expenses for buy-back of equity shares		26.59	0.00
Loss /(Profit) on sale of Assets		(4.83)	(1.35)
Other Income		(69.44)	(9.38)
<b>Operating Profit before Working Capital Changes</b>		<b>841.48</b>	<b>907.21</b>
Trade Receivables		149.02	(141.81)
Inventories		18.43	89.93
Other non-current & current assets		(77.31)	(30.78)
Trade and Other Payables		96.94	134.17
<b>Cash generated from Operations</b>		<b>1028.57</b>	<b>958.72</b>
Direct Tax		(138.03)	(9.20)
<b>Net Cash Flow from Operating Activities (A)</b>		<b>890.54</b>	<b>949.52</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant & Equipment		(78.26)	(113.39)
Sale of Property, Plant & Equipment		6.79	1.35
Other Bank balances		8.19	11.21
Movement in Capital work in progress		(85.25)	(2.57)
Other Income		69.44	9.38
<b>Net Cash Used in Investing Activities (B)</b>		<b>(79.10)</b>	<b>(94.01)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Long-term borrowings Raised / (Repaid)		(129.83)	(674.22)
Shor-term borrowings Raised / (Repaid)		313.98	(51.59)
Finance Costs paid		(109.40)	(132.77)
Buyback of equity shares (including tax and transaction cost)		(883.74)	0.00
<b>Net Cash Used in Financing Activity (C)</b>		<b>(808.99)</b>	<b>(858.58)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (D = A+B+C)</b>		<b>2.45</b>	<b>(3.07)</b>
Opening Cash & Cash Equivalents		2.08	5.15
Closing Cash & Cash Equivalents		4.53	2.08
Significant Accounting Policies		2	
Notes 1 to 39 are an integral part of the Financial Statements			
As per our report of even date attached			
For, Sweta Patel & Associates		For and on behalf of the Board	
Chartered Accountants			
Firm Registration No. 139165W			



## Statement of Changes in Equity for the year ended 31st March, 2025

## (A) Equity share capital

Particulars	Note no.	Amount in Rupees in Lacs	
		As at 31st March, 2025	As at 31st March, 2024
Opening balance at the beginning of the year	11	395.87	395.87
Changes in equity share capital due to prior period error		0.00	0.00
Restated balance at beginning of the year		395.87	395.87
Changes in equity share capital during the year		36.00	0.00
Closing balance at the end of the year	11	<u>359.87</u>	<u>395.87</u>

## (A) Other Equity

Particulars	State Capital Subsidy	General reserve	Capital redemption reserve	Retained earning	Amount in Rupees in Lacs	
					Other Comprehensive income Fair value reserve	Total
Balance as at 01st April, 2023	23.92	10.00	0.00	2476.96	0.00	2510.88
Add/ (Less):			0.00			
Profit for the year	0.00	0.00	0.00	254.33	0.00	254.33
Balance as at 31st March, 2024	23.92	10.00	0.00	2731.30	0.00	2765.22
Add/ (Less):			0.00			
Profit for the year	0.00	0.00	0.00	263.41	0.00	263.41
Transfer from Retained earnings to Capital Redemption reserve	0.00	0.00	36.00	(36.00)	0.00	0.00
Tax on buy-back of equity shares	0.00	0.00	0.00	(155.15)	0.00	(155.15)
Buy-back of equity shares	0.00	0.00	0.00	(666.00)	0.00	(666.00)
Balance as at 31st March, 2025	23.92	10.00	36.00	2137.55	0.00	2207.47

Notes 1 to 39 are an integral part of the Financial Statements

As per our report of even date attached

For, Sweta Patel &amp; Associates

Chartered Accountants

Firm Registration No. 139165W

For and on behalf of the Board

Sweta H. Patel  
(Partner)  
Membership No. : 154493  
UDIN : 25154493BMUHUY8376  
Place : Chhatral  
Date : 28-05-2025

SD/-  
Dinesh Bilgi  
(DIN:00096099)  
Mg. Director & CFO

SD/-  
Neel Bilgi  
(DIN:00096180)  
Mg. Director

SD/-  
Chirag Bilgi  
(DIN:02094970)  
Mg. Director

SD/-  
AVIV JOSEPH  
DIVEKAR  
(DIN:00689884)  
Director  
Place : Chhatral  
Date : 28-05-2025

SD/-  
REKHA AGARWAL  
(DIN:10687675)  
Director

SD/-  
SUNIL BANSIBHAI  
SHAH  
(DIN:02107662)  
Director

SD/-  
Kairavi Bilgi  
(ACS:21519)  
Company Secretary

Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 20251. **Corporate information**

Arex Industries Limited (the 'Company') is a public limited Company incorporated in India with its registered office at 612, G.I.D.C. Estate, Chhatral, Taluka, Gandhinagar, Dist. Gandhinagar, Kalol, Gujarat-382729. The equity shares of the Company are listed on recognised stock exchange in India. The Company is principally engaged in the business of manufacturing & Trading of Woven & Printed Labels.

2. **Significant accounting policies**2.1 **Basis of preparation of Financial Statement:**

Statement of Compliance with Indian Accounting Standards (Ind AS) : The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

2.2 **Use of estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates, and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known or materialised. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.3 **Critical accounting estimates**A. **Useful lives and residual values of property, plant and equipment**

Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

B. **Income taxes**

The Company's tax jurisdiction is India. Significant judgments are sometimes involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

C. **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.4 **Summary of significant accounting policies**a) **Current versus non-current classification**

An asset is treated as current when it is :

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b) **Revenue recognition**➤ **Sale of Goods :**

Revenue from the sale of goods is recognised when ownership in the goods is transferred to the buyer for a price, when significant risks and rewards of ownership have been transferred to the buyer, and no effective control, to a degree usually associated with ownership, is retained by the Company. The sale of goods is stated net of GST, discounts and rebates.

➤ **Interest Income :**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

➤ **Dividend Income :**

Dividend Income is recognized when right to receive the same is established.

c) **Foreign currency**

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

**Transactions and balances**

Foreign currency transactions are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. All foreign currency monetary assets and monetary liabilities as at the Balance Sheet date are translated into the functional currency at the applicable exchange rates prevailing on that date. All exchange differences arising on translation, are recognised in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Gain or losses upon settlement of foreign currency transactions are recognised in the Statement of Profit and Loss for the period in which the transaction is settled.

d) **Retirement and Other employee benefits :**• **Defined Benefit Plan**➤ **Gratuity**

The Company provides for gratuity through a defined benefit plan covering all eligible employees. The plan provides a lump sum payment to eligible employees at retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Company. The Company contributes to a gratuity fund maintained by Life Insurance Corporation of India. The amount of contribution is determined based upon actuarial valuations as at the year end. Such contributions are charged off to the Statement of Profit and Loss.

➤ **Leave Encashment :**

Leave liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services is recognised as a liability at the present value of defined benefit obligation as at the Balance Sheet less the fair value of the plan assets, if any, out of which the obligations are expected to be settled. Leave liability is funded with Life Insurance Corporation of India.

• **Defined Contribution Plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

• **Other employee Benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

e) **Taxes**

Income tax expense comprises current income tax and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or other equity as the case may be.

**Current Income tax**

Provision for current tax is made considering various allowances and benefits available to the Company under Income Tax Act. Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with as applicable tax rates and the provisions of the Income tax Act, 1961.

**Deferred tax**

In accordance with Indian Accounting Standard -12 "Income Taxes", Deferred taxes resulting from temporary difference between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is measured using tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred income tax asset is realised or deferred tax liability is settled.

f) **Property ,Plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price (Net of Cenvat and VAT credit/GST input credit wherever applicable) and any attributable cost of bringing the assets to its working condition for its intended use. Such cost also includes the cost of replacing part of the Property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All Other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation on Property, plant and equipment is calculated on a straight-line basis, from the month of addition, using the estimated useful lives, as specified in schedule II to the Companies Act, 2013, except in respect of the following assets:

Assets description	Useful life as per management	Used life under schedule II
Office Equipment	10 Years	5 Years
Air Condition	8 Years	15 years
Vehicles	6 Years	8 years
Machineries (Parts)	5 Years	15 Years
Building (Renovation)	5 Years	3 Years
Mobile Phone	3 Years	5 Years

Depreciation on Windmill is charged on written down value method based on the estimated useful life of the assets as specified under Schedule II of the Companies Act, 2013.

Gain or loss arising from de-recognition of property, plant & equipment are measured as the difference between the net disposal proceeds and carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives, and methods of depreciation of Property plant and equipment are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

g) **Intangible Assets**

Intangible assets acquired separately are measured at initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets being Software is amortised over a period of 3 years based on management assessment and assessed for impairment whenever there is an indication that the intangible may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss. Gain or loss arising from de-recognition of an intangible assets are measured as the difference between the net disposal proceeds and carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

h) **Leases**

The Company's significant leasing arrangements are in respect of operating leases for premises. The leasing arrangements which are not cancellable range between eleven months to three years generally and are usually renewable by mutual consent at agreed terms. The aggregate lease rent payable is charged as rent in the statement of profit and loss.

**i) Inventories**

Inventories are valued as under:

- Raw Material: at weighted average cost or net realisable value whichever is lower.
- Work in Progress: at the aggregate of weighted average material cost and direct applicable standard overheads or net realisable value whichever is lower.
- Finished Goods: at the aggregate of weighted average material cost and direct applicable standard overheads or net realisable value whichever is lower.
- Trading Goods: at Weighted average cost or net realisable value whichever is lower.
- Store, Spare, Packing and other Material: Weighted average cost or net realisable value whichever is lower.

**j) Impairment of non-financial assets**

The carrying amount of assets is reviewed for impairment at the end of each reporting date if there is any indication of impairment based on internal/external factor. An impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's or cash generating unit's fair value less cost of disposal and value in use. In assessing value in use, the estimated future Cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining fair value, recent market transactions are taken into account.

The business plans which are approved on annual basis by senior management are the primary source of information for the determination of value in use. As an initial step in the preparation of these plans, various assumptions regarding market conditions, and cost inflation rates are set by senior management. These assumptions take account of existing prices and other macro-economic factors and historical trends and variability.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. Such reversal is recognised in the statement of profit and loss.

**k) Financial instruments**

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting. Financial liabilities i.e. borrowing & trade payables are recognised net of directly attributable transactions cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

➤ **Non derivative financial assets**1) **Financial assets at amortised cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash payments of principal and interest on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transactions costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and bank balances, other advances and eligible current and non-current assets.

2) **Financial assets at fair value through other comprehensive income (FVTOCI)**

All equity instruments are measured at fair value. For all Equity instruments which are not held for trading, the Company may make an irrevocable election to present subsequent changes in the fair value in Other Comprehensive Income (OCI). This election is made on an investment-to-investment basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to the statement of profit and loss.

3) **Financial assets at fair value through profit and loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

➤ **Non derivative financial liabilities**

All financial liabilities are classified into following categories:

1) **Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by borrowings, trade payables and other liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

2) **Financial liabilities at fair value through profit and loss**

Financial liabilities at FVTPL are measured at fair value with all changes recognised in the statement of profit or loss.

**Derecognition of financial instruments****Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

**Financial liabilities**

The Company derecognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired.

**Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 months expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on historical credit loss experience and adjusted for forward looking information.

**l) Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits.

**m) Cash flow statement**

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

**n) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**o) Provisions, Contingent liabilities, Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Provisions are not discounted to their present value and are determined based on the best 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 best estimate. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial Statements..

**p) Borrowing Cost:**

Borrowing cost are recognised as an expense in the period in which they are incurred, except to the extent where borrowing cost that are directly attributable to the qualifying asset till put for its intended use is capitalised as part of the cost of that asset.

**q) Government Grant:**

Government grants received under the Technology Upgradation Fund (TUF) Scheme are recorded on an accrual basis. These grants are recognized as revenue in the Statement of Profit and Loss when there is reasonable assurance that the company will comply with the conditions attached to the grant and that the grant will be received.

**r) Power Generation from Windmill:**

Units generated from windmills are adjusted against the captive consumption of power at the factory. The monetary value of the units so adjusted, calculated at the prevailing UGVCL rates net of wheeling charges has been included in power and fuel. The value of unadjusted units as on the balance sheet date has been included in short term loans and advances in current assets.

## Notes to Financial Statements for the year ended 31st March, 2025

		Amount in Rupees in Lacs	
		As at 31st March, 2025	As at 31st March, 2024
<b>4 Other non-current financial assets</b>			
Unsecured and Considered good :			
Security Deposits			
Related parties (Refer Note no.34)		0.00	0.00
Others		87.82	87.52
<b>TOTAL</b>		<b>87.82</b>	<b>87.52</b>
<b>5 Income tax assets (net)</b>			
Advance Payment of Taxes (Net)		0.00	6.44
<b>TOTAL</b>		<b>0.00</b>	<b>6.44</b>
<b>6 Inventories</b>			
(valued at lower of cost and net realizable value)			
Raw Materials		299.94	323.51
Work in Process		90.98	81.28
Finish Goods		140.28	166.10
Stores and Spares		236.39	214.56
Packing Materials		5.76	6.76
Other Materials		7.54	7.11
<b>TOTAL</b>		<b>780.89</b>	<b>799.33</b>
<b>7 Trade Receivables</b>			
Unsecured and Considered good		807.25	956.28
<b>TOTAL</b>		<b>807.25</b>	<b>956.28</b>

Aging for the Trade Receivables as at 31st March 2025							Amount in Rupees in Lacs
Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade receivables — considered good	727.79	59.12	16.41	0.98	2.94		807.25
Undisputed Trade Receivables — which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00		0.00
Undisputed Trade Receivables — credit impaired	0.00	0.00	0.00	0.00	0.00		0.00
Disputed Trade Receivables — considered good	0.00	0.00	0.00	0.00	0.00		0.00
Disputed Trade Receivables — which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00		0.00
Disputed Trade Receivables — credit impaired	0.00	0.00	0.00	0.00	0.00		0.00

Aging for the Trade Receivables as at 31st March 2024							Amount in Rupees in Lacs
Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade receivables — considered good	925.19	24.80	3.21	1.19	1.88		956.28
Undisputed Trade Receivables — which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00		0.00
Undisputed Trade Receivables — credit impaired	0.00	0.00	0.00	0.00	0.00		0.00
Disputed Trade Receivables — considered good	0.00	0.00	0.00	0.00	0.00		0.00
Disputed Trade Receivables — which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00		0.00
Disputed Trade Receivables — credit impaired	0.00	0.00	0.00	0.00	0.00		0.00

<b>8 Cash and cash equivalents</b>			
Balance with Banks - In current account		1.50	0.00
Cash on hand		3.02	2.08
<b>TOTAL</b>		<b>4.53</b>	<b>2.08</b>
<b>9 Bank balances other than Cash and cash equivalents above</b>			
Unclaimed Dividend Account		10.67	18.85
<b>TOTAL</b>		<b>10.67</b>	<b>18.85</b>
<b>10 Other current assets</b>			
Unsecured and Considered good			
Advances to suppliers		132.61	49.41
Loans & Advances to Employees		23.53	28.15
Balances with statutory authorities		0.03	0.03
Interest Accrued		3.51	3.51
Prepaid Expenses		24.35	25.92
<b>TOTAL</b>		<b>184.03</b>	<b>107.01</b>



## Notes to Financial Statements for the year ended 31st March, 2025

	Amount in Rupees in Lacs	
	As at 31st March, 2025	As at 31st March, 2024
<b>11 Equity</b>		
<b>Authorised Share Capital :</b>		
5000000 (31/03/2024: 5000000) Equity Shares of Rs.10/- each	500.00	500.00
<b>Issued, Subscribed and Paid up Capital</b>		
3598700 (31/03/2024: 3598700) Equity shares of Rs.10/- each fully paid up	359.87	395.87
<b>TOTAL</b>	<b>359.87</b>	<b>395.87</b>

The Board of Directors at its meeting held on August 6, 2024, approved a proposal to buy-back upto 3,60,000 equity shares of the Company for an aggregate amount not exceeding Rs . 702 Lakh, being 9.09% of the total paid up equity share capital at Rs . 195 per equity share. A Letter of Offer was made to all eligible shareholders. The Company bought back 3,60,000 equity shares out of the shares that were tendered by eligible shareholders and which was settled on 26th September, 2024 and the Shares were extinguished on 3rd October, 2024, in Compliance with the applicable rules and regulations as mention here. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 36 Lakh). The cost of buy-back of Shares, Rs . 702 Lakh and corresponding tax on buy-back of Rs . 155 lakh were offset from retained earnings.

## Reconciliation of Equity Shares at the beginning and at the end of the year

Particulars	As at 31st March 2025		As at 31st March 2024	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	3958700	395.87	3958700	395.87
Shares issued during the year	Nil	Nil	Nil	Nil
Shares Bought back during the year	Nil	Nil	Nil	Nil
Shares outstanding at the end of the year	3958700	359.87	3958700	395.87

## Details of each Shareholder holding more than 5% of the paid up capital of the Company

Name of the Shareholder	As at 31st March 2025		As at 31st March 2024	
	Nos.	%	Nos.	%
Dinesh A. Bilgi	757774	21.06	861671	21.77
Neel D. Bilgi	223037	6.20	253550	6.40
Chirag D. Bilgi	225573	6.27	256500	6.48
Bhavana D. Bilgi	246223	6.84	280020	7.07
Manoj Agrawal	0	0.00	0	0.00
Investors Education and Protection Fund	298283	8.29	277283	7.00

## Terms / Rights attached to Shares

Equity Shares : The Company has only one class of equity shares having at par value of Rs.10/- per share. Equity shares are pari passu in all respects and each shareholder is eligible for one vote per share held. 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 at the ensuing AGM.

In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

Disclose of share holding of promoters at the beginning and at the end of the year						
Name of the Promoters	As at 31st March 2025			As at 31st March 2024		
	Nos.	% of total Shares	% change during the year	Nos.	% of total Shares	% change during the year
Dinesh A. Bilgi	757774	21.06	-0.71	861671	21.77	3.89
Bhavana D. Bilgi	246223	6.84	-0.23	280020	7.07	0.00
Chirag D. Bilgi	225573	6.27	-0.21	256500	6.48	0.00
Neel D. Bilgi	223037	6.20	-0.20	253550	6.40	0.00
Aashna Dinesh Bilgi	159903	4.44	-0.36	190000	4.80	0.00
Dinesh A. Bilgi (HUF)	160112	4.45	-0.15	182200	4.60	0.00
Manoj U. Shah	130900	3.64	0.33	130900	3.31	0.00
Kala M. Shah	119300	3.32	0.31	119300	3.01	0.00
Harkhchand R. Shah	100600	2.79	0.26	100600	2.54	0.00
Premal V. Shah	83700	2.33	0.22	83700	2.11	0.00
Hiran V. Shah	78800	2.19	0.20	78800	1.99	0.00
Laxman C. Tilani	78500	2.18	0.20	78500	1.98	0.00
Meeta L. Tilani	64600	1.80	0.17	64600	1.63	0.00
Sushila H. Shah	35600	0.99	0.09	35600	0.90	0.00
Jayesh L. Tilani	35000	0.97	0.09	35000	0.88	0.00
Pragnesh K. Shah	27298	0.76	-0.03	31100	0.79	0.00
Akansha L. Tilani	7500	0.21	0.02	7500	0.19	0.00
Chirag D. Bilgi (HUF)	928	0.03	0.00	1300	0.03	0.00
Neel D. Bilgi (HUF)	928	0.03	0.00	1300	0.03	0.00
Nirmala L. Tilani	10	0.00	0.00	10	0.00	0.00

<b>12 Other Equity</b>		
State Cash Subsidy	23.92	23.92
General Reserve	10.00	10.00
Retained Earnings	2137.55	2731.30
Capital Redemption Reserve	36.00	0.00
<b>TOTAL</b>	<b>2207.47</b>	<b>2765.22</b>
<b>12.1 For movement, refer Statement of changes in Equity</b>		
<b>13 Non current Borrowings</b>		
<b>Secured</b>		
Term Loans From Banks	524.56	654.38
<b>TOTAL</b>	<b>524.56</b>	<b>654.38</b>

## Notes to Financial Statements for the year ended 31st March, 2025

Details of Secured Loans				Amount in Rupees in Lacs	
Particulars	Outstanding Amount as on 31st March, 2025	Outstanding Amount as on 31st March, 2024	Details of Security	Rate of Interest	Other Major Terms and Conditions
Term Loans from SBI	459.00	563.61	1st and exclusive charge by way of hypothecation over Raw Material, Stock in process, Stock in transit, finished goods & store, book debt and other receivables and Plants & Machinery (Present & Future) of the company.	EBL/MCLR + 1.75%	Repayable in 96 monthly installments start from April 2019 and end on March-2027 and monthly installments ranging from Rs.18 Lacs to Rs.38.25 Lacs.
	65.56	90.77	Further secured by collateral security of Mortgage of lease hold plot no. 610,611,612 of GIDC Chhatal and pledge of 11,80,500 shares of the company in the name of promoters and their family members	EBLR + 0.10%	Repayable in 36 monthly installments start from December 2023 and end on November-2026 and monthly installments ranging from Rs.8.19 Lacs.
<b>Total Rs.</b>	<b>524.56</b>	<b>654.38</b>	# Rs. 4.56 Lakh (31/03/2024: Rs.NIL) being current maturities disclosed under current maturities of Long-term debt in Note no. 14 Current Borrowings		

Amount in Rupees in Lacs		
	As at 31st March,2025	As at 31st March,2024
14 Current Borrowings		
Secured		
Cash Credit facilities from Bank	508.48	394.82
Current maturities of Long-Term debt (refer Note no.13)	4.57	0.00
Unsecured Loans from Director	195.75	0.00
<b>TOTAL</b>	<b>708.80</b>	<b>394.82</b>

## Details of Secured short-term Borrowings

Particulars	Outstanding Amount as on 31st March,2025	Outstanding Amount as on 31st March,2024	Details of Security	Rate of Interest	Other Major Terms and Conditions
Cash Credit facilities	508.48	394.82	1st and exclusive charge by way of hypothecation over Raw Material, Stock in process, Stock in transit, finished goods & store, book debt and other receivables and Plants & Machinery (Present & Future) of the company. Further secured by collateral security of Mortgage of lease hold plot no. 610,611,612 of GIDC Chhatal and pledge of 11,80,500 shares of the company in the name of promoters and their family members and personal guarantee of directors	EBR/MCLR + 1.75%	Repayable on demand

## Notes to Financial Statements for the year ended 31st March, 2025

		Amount in Rupees in Lacs		
		As at 31st March,2025	As at 31st March,2024	
15	<b>Trade Payables</b>			
	Trade payables			
	(Please refer Note no.35 for dues to Micro, small and medium enterprises)			
	dues of micro and small enterprise	1.14	31.42	
	dues of creditors other than micro and small enterprise	454.68	361.64	
	<b>TOTAL</b>	<b>455.82</b>	<b>393.06</b>	
<b>Aging for the Trade Payables as at 31st March 2025</b>		<b>Amount in Rupees in Lacs</b>		
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 years	1-2 years	2-3 years	More than 3 years
MSME	1.14	0.00	0.00	0.00
Others	454.68	0.00	0.00	0.00
Disputed dues - MSME	0.00	0.00	0.00	0.00
Disputed dues - Others	0.00	0.00	0.00	0.00
<b>Aging for the Trade Payables as at 31st March 2024</b>		<b>Amount in Rupees in Lacs</b>		
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 years	1-2 years	2-3 years	More than 3 years
MSME	31.42	0.00	0.00	0.00
Others	361.64	0.00	0.00	0.00
Disputed dues - MSME	0.00	0.00	0.00	0.00
Disputed dues - Others	0.00	0.00	0.00	0.00
16	<b>Other current financial liabilities</b>			
	Unclaimed Dividends	10.67	18.85	
	Payable towards Capital Items	0.00	2.57	
	Payable for Expenses	49.88	36.80	
	<b>TOTAL</b>	<b>60.55</b>	<b>58.23</b>	
17	<b>Other current liabilities</b>			
	Advance against Sales	5.36	4.87	
	Payable towards Statutory Taxes	120.63	89.27	
	Unsecured Loans from Director	0.00	0.00	
	<b>TOTAL</b>	<b>126.00</b>	<b>94.13</b>	
18	<b>Current tax liabilities (net)</b>			
	Provision for Income Tax (Net of Advance Tax)	6.85	31.07	
		<b>6.85</b>	<b>31.07</b>	

## Notes to Financial Statements for the year ended 31st March, 2025

		Amount in Rupees in Lacs	
		As at 31st March, 2025	As at 31st March, 2024
<b>19 Revenue from Operations (Net)</b>			
Sale of Products (Net)		5114.11	5101.08
<b>TOTAL</b>		<b>5114.11</b>	<b>5101.08</b>
<b>20 Other Income</b>			
Interest Income		4.20	5.17
Bad Debts Recovery		1.40	3.01
Profit on sale of Assets		0.00	0.00
Other non-operating Income		63.84	1.20
<b>TOTAL</b>		<b>69.44</b>	<b>9.39</b>
<b>21 Cost of Materials Consumed</b>			
Opening Stock of Raw Materials		323.51	369.25
Add : Purchases during year (net)		1399.93	1418.95
		1723.44	1788.21
Less : Closing Stock of Raw Materials		299.94	323.51
<b>TOTAL</b>		<b>1423.50</b>	<b>1464.70</b>
<b>22 Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade</b>			
<u>Opening Stock :</u>			
Finished goods		166.10	211.62
Work in Process		81.28	77.37
Total		247.38	288.99
<u>Closing Stock :</u>			
Finished goods		140.28	166.10
Work in Process		90.98	81.28
Total		231.26	247.38
<b>TOTAL</b>		<b>16.12</b>	<b>41.61</b>
<b>23 Employee Benefits Expenses</b>			
Salaries, Wages and Bonus		1093.82	1066.91
Incentives & other benefits		546.03	441.06
Contribution to Provident Fund and other funds		95.93	94.41
<b>TOTAL</b>		<b>1735.78</b>	<b>1602.38</b>
<b>24 Finance Costs</b>			
Interest on Term Loans and Working Capitals		103.45	132.61
Interest to Others		5.95	0.16
<b>TOTAL</b>		<b>109.40</b>	<b>132.77</b>

## Notes to Financial Statements for the year ended 31st March, 2025

		Amount in Rupees in Lacs	
		As at 31st March, 2025	As at 31st March, 2024
<b>25 Other Expenses</b>			
Power & Fuel (refer Note no.25.1)		239.43	239.41
Freight inwards		20.16	19.69
Spares & Other Materials consumed		124.87	144.60
Repairs & Maintenance-Machinery		68.13	59.84
Repairs & Maintenance-Other asset		4.82	14.14
Factory Expenses		44.71	50.77
Packing Material Consumed		31.88	28.77
Printing & Stationery		12.93	10.99
Telephone		6.86	6.75
Conveyance		49.10	53.80
Travelling		30.51	23.04
Rent		212.12	195.54
Rates & Taxes		7.73	3.19
Payment to Auditors		3.50	3.50
Office & Misc. Expense		42.55	39.51
Freight outward		72.12	75.54
Selling Expense		6.22	6.33
Commission Expenses		29.77	30.20
Insurance		16.81	15.14
Share Buy-Back Expenses		26.59	0.00
Bad Debts written off		1.54	0.00
Donation		48.25	48.60
Net loss / (gain) on Currency fluctuation and translation		(1.85)	1.40
Loss on Sale of Asset		(4.83)	(1.35)
<b>TOTAL</b>		<b>1093.96</b>	<b>1069.41</b>

25.1 Power & Fuel expenses are net off recovery value of units generated from Windmills & Solar of Rs.152.27 Lacs (P.Y. Rs.175.08 Lacs).

<b>26 Estimated Amount of Contracts</b>			
Estimated Amount of Contracts remaining to be executed on capital account and not provided for		NIL	NIL
<b>27 Contingent Liabilities or</b>			
Disputed Liability in respect of Income Tax Demands (matters under appeal)		NIL	7.66

		Amount in Rupees in Lacs	
		As at 31st March, 2025	As at 31st March, 2024
<b>28 Payment to Auditors</b>			
Audit Fees		3.50	3.50
<b>29</b>	In the opinion of the Board, the current assets, loans and advances have a value on realisation in ordinary course of business at least equal to the amount at which they are stated.		
<b>30 Employee Benefits in respect of Gratuity and Leave encashment</b>			
<b>1. Present value of obligations as at the beginning of the year</b>		117.43	110.58
Interest Cost		8.51	8.02
Current Service Cost		8.74	9.10
Benefits Paid		0.00	(0.61)
Actuarial (gain) / loss on obligations		(26.65)	(9.66)
<b>Present value of obligations as at end of year</b>		<b>108.04</b>	<b>117.43</b>
<b>2. Fair Value of plan assets at beginning of year</b>		146.08	137.54
Expected return of plan assets		10.00	9.15
Contributions		0.00	0.00
Benefits Paid		0.00	(0.61)
Actuarial (gain) / loss on Plan assets		0.00	0.00
<b>Fair Value of plan assets at the end of year</b>		<b>156.08</b>	<b>146.08</b>
<b>3. Present value of obligations as at end of year</b>		108.04	117.43
Fair value of plan assets as at the end of the year		156.08	146.08
Funded status		48.04	28.65
<b>Net asset / (liability)</b>		<b>48.04</b>	<b>28.65</b>
<b>4. Current Service Cost</b>		8.74	9.10
Interest Cost		8.51	8.02
Expected return of plan assets		(10.00)	(9.15)
Net Actuarial (gain) / loss recognized in the year		(26.65)	(9.66)
Expenses Recognized in statement of Profit and loss		(19.40)	(1.69)
<b>Discount Rate</b>		<b>7.25%</b>	<b>7.25%</b>
<b>Salary Escalation</b>		<b>7.00%</b>	<b>7.00%</b>

**Note** The Company has taken group gratuity and leave encashment policy from Life Insurance Company of India (LIC) for its liability to pay gratuity and leave encashment to its eligible employees at the time of their retirement. In view of this and based on materiality level, the Company does not envisage risks such as plan deficit in the fund. So, disclosures as required under Ind AS 19 "Employee Benefits" i.e. details of fund invested, sensitivity analysis, maturity profile of defined benefit obligation etc. are not provided.

<b>31 The Deferred Tax Liability / (Asset) :</b>			
Tax effect of item constituting deferred tax liability on difference between carrying value and tax base of Property, plant and Equipment and net of deferred tax asset on MAT Credit entitlement	Opening	229.39	176.41
	Current Year	(17.04)	52.98
	Closing	212.35	229.39
<b>32 Earning Per Share</b>			
Profit attributable to Share Holders (Rs.)		263.41	254.33
Basic/Weighted Average No. of Equity Shares O/s during Year		39.59	39.59
Nominal Value of Equity Shares (Rs.)		10	10
Basic/Diluted Earning per Share (Rs.)		6.65	6.42

**33 Segment Reporting**  
Company has only one primary segment of manufacturing and sale of labels and does not fall under secondary segment. In view of this, details of segment information is not given as required by Ind AS 108 "Operating Segment".

## Notes to Financial Statements for the year ended 31st March, 2025

## 34 Related Party Disclosures

## (A) Related Parties and nature of relationship

Sr. No. & Name of Related Party	Description of Relationship
Key Managerial Personnel & Other Employee	
1. Mr. Dinesh Bilgi	Managing Director & CFO
2. Mr. Neel Bilgi	Managing Director
3. Mr. Chirag Bilgi	Managing Director
4. Mr. Pragnesh K. Shah	Non-executive Director
5. Mrs. Kairavi Bilgi	Company Secretary
6. Mr. Laxman C. Tilani	Non-executive Director
7. Mr. Sunil S Shah (w.e.f. Dt. 01-09-2024)	Non-executive Director
8. Mrs. Rekha S. Agrawal (w.e.f. Dt. 01-09-2024)	Non-executive Director
9. Mr. Aviv J Divakar	Non-executive Director
10. Mr. Manoj U Shah (w.e.f. Dt. 01-09-2024)	Non-executive Director
11. Mr. Balkrishan Makwana (Tenure Ended on 11-09-24)	Non-executive Director
12. Mr. Vasant R. Shah (Resign w.e.f Dt.17-06-24)	Non-executive Director
13. Ms. Aashna D Bilgi (w.e.f. Dt. 04-09-2024)	Employee
Entities in which Key Managerial Personnel and their relatives are interested	
1. ANC Systems LLP	
2. ACN Systems LLP	
3. Latha Services LLP	
4. Ultra Polydye Pvt. Ltd.	

## (B) Transactions with Related Parties

Nature of Transaction	Amount in Rupees in Lacs	
	As at 31st March, 2025	As at 31st March, 2024
Key Managerial Personnel		
Remuneration	510.88	405.71
Deposit Taken	994.50	0.00
Deposit Repaid	814.50	0.00
Finance Cost	17.50	0.00
Sitting Fees	2.00	1.90
Buy - Back of Shares	428.93	0.00
Entities in which relatives of Key Managerial Personnel are interested		
Purchases	700.49	605.17
Factory Expenses	0.00	0.00
Security Deposit	0.00	0.00
Rent	102.47	85.23

## 35 Disclosure under Companies Act, 2013 in respect of Micro, Small and Medium Enterprises

a. Principal amount remaining unpaid	1.14	31.42
b. Interest due thereon	NIL	NIL
c. Interest paid by the Company in term of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
d. Interest due and payable for the period of delay in payment	NIL	NIL
e. Interest accrued and remaining due and payable even in succeeding years,	NIL	NIL

This information as required to be disclosed has been determined to the extent such parties have identified on the basis of information available with the

## 36 Income tax

Reconciliation of effective tax rate & income tax recognized in the Statement of Profit and Loss :-

Particulars	Amount in Rupees in Lacs	
	As at 31st March, 2025	As at 31st March, 2024
Profit before tax	366.62	369.31
Tax using the Company's domestic tax rate	27.820%	27.820%
Tax at above rate	101.99	102.74
Add / (Less) :		
Tax exempt income	0.00	0.00
Non-deductible expense	129.09	134.02
Deductible expense	(106.92)	(114.42)
Others	(2.17)	(60.35)
<b>Income tax expense</b>	<b>122.00</b>	<b>62.00</b>
Add / (Less) :-		
Short/ (Excess) provision of income tax of earlier years	(1.75)	0.00
Deferred tax	(17.04)	52.98
<b>Income tax recognised in Statement of Profit and Loss</b>	<b>103.21</b>	<b>114.98</b>

## Notes to Financial Statements for the year ended 31st March, 2025

## 37 Financial Instruments

- a) The carrying value and fair value of financial instruments by categories at 31 March 2025 and 31 March 2024 is as follows :

Particulars	Carrying value		Fair value	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>Financial assets</b>				
At Amortised cost				
Other non-current financial assets	87.82	87.52	87.82	87.52
Trade Receivables	807.25	956.28	807.25	956.28
Cash and Bank balances	15.19	20.93	15.19	20.93
<b>Total assets</b>	<b>910.27</b>	<b>1064.73</b>	<b>910.27</b>	<b>1064.73</b>
<b>Financial liabilities</b>				
At Amortised cost				
Non current Borrowings	524.56	654.38	524.56	654.38
Current Borrowings	708.80	394.82	708.80	394.82
Trade payables	455.82	393.06	455.82	393.06
Other current financial liabilities	60.55	58.23	60.55	58.23
<b>Total liabilities</b>	<b>1749.72</b>	<b>1500.49</b>	<b>1749.72</b>	<b>1500.49</b>

## b) Fair value measurement :

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

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly

Level 3 : Inputs for the assets or liabilities that are not based on observable market data (unobservable data)

Following table presents the Fair value measurement hierarchy for financial assets and financial liabilities :

Particulars	As at	Amount in Rupees in Lacs			
		Total	Level 1	Level 2	Level 3
<b>Financial assets</b>					
At Fair value through other comprehensive income					
Investment	31 March 2025	0.00	0.00	0.00	0.00
	31 March 2024	0.00	0.00	0.00	0.00

## c) Fair valuation method

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

## d) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## 38 Financial risk management

The management monitors and manages the Financial Risks by reviewing, from time to time, the Cash Flows, during the year. The risk towards loss due to volatility in foreign currency is negligible, even though the Company takes precautionary measures like forward booking for payments of imports. The management takes due care for the credit risk of any default in contractual obligations. Obligations of interest and decrease in sale may be the highest risk on profitability of the Company. The Country is facing non-availability of skilled manpower which may adversely affect profitability of the Company.

## 39 Additional Regulatory Information as required by Schedule III of the Companies Act, 2013

- a) All title deeds of immovable properties (other than the properties where the company is the lessee and the lease agreement are duly executed in favour of lessee), are held in the name of company.
- b) The company has not revalued its property, plant and equipment during the year.
- c) The company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person.
- e) During the year there is no intangible assets under development hence ageing schedule is not applicable.
- f) There is no proceedings that have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- g) The company is having cash credit limit from bank which is secured against current assets. The company is required to submit quarterly returns or statements with bank. However there is a difference in the value of quarterly returns or statements submitted with bank and the value as appearing in the books of accounts. Detailed reconciliation of the said difference is shown in below mentioned table :-



Amount in Rupees in Lacs

Quarter	Name of Bank	Amount as per books of accounts	Amount as reported in the quarterly return/statement	Amount in difference	Reason for material discrepancies
Jun-24	State Bank of India	1461.78	1445.30	16.49	Debtors value submitted to bank was lower than the actual debtors amount out standing in books of account.
Sep-24	State Bank of India	1335.14	1323.34	11.79	
Dec-24	State Bank of India	1416.25	1435.23	-18.98	Debtors value submitted to bank was lower than the actual debtors amount outstanding in books of account. Also the value of stock was erroneously shown (Clerical Mistake) higher than the actual value of stock
Mar-25	State Bank of India	1403.07	1412.11	-9.04	Debtors and Creditors value submitted to bank was lower than the actual debtors amount out standing in books of account.

- n) The company is not declared willful defaulter by any bank or financial institution or other lender.
- i) The company is not having any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- j) During the year there were no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond statutory period.
- k) Provisions of clause (87) of section 2 of the act read with Companies (Restriction on number of Layers) Rules, 2017 regarding compliance with number of layers of companies is not applicable to the company.
- l) Details of ratio is provided in note 39.1.
- m) During the year the company has not proposed any Scheme of Arrangements.
- n) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- o) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- p) During the year the company is not having any unrecorded transactions that are surrendered or disclosed as income during tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) and there is no previously unrecorded income and related assets that have been properly recorded in the books of accounts during the year.
- r) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- s) Figures of previous reporting year have been regrouped/ reclassified to conform to current year's classification.

As per our report of even date attached  
**For, Sweta Patel & Associates**  
**Chartered Accountants**  
**Firm Registration No. 139165W**

**For and on behalf of the Board**

**Sweta H. Patel**  
**(Partner)**  
 Membership No. : 154493  
 UDIN :  
 Place : Chhatral  
 Date : 28-05-2025

SD/-  
 Dinesh Bilgi  
 (DIN:00096099)  
 Mg. Director & CFO

SD/-  
 Neel Bilgi  
 (DIN:00096180)  
 Mg. Director

SD/-  
 Chirag Bilgi  
 (DIN:02094970)  
 Mg. Director

SD/-  
 AVIV JOSEPH  
 DIVEKAR  
 (DIN:00689884)  
 Director

SD/-  
 REKHA AGARWAL  
 (DIN:10687675)  
 Director

SD/-  
 SUNIL BANSIBHAI  
 SHAH  
 (DIN:02107662)  
 Director

SD/-  
 Kairavi Bilgi  
 (ACS:21519)  
 Company Secretary

Place : Chhatral  
 Date : 28-05-2025

**Notes to the Standalone Financial Statements for the year ended on 31st March, 2025****Note : 39.1 Disclosure of Ratios****( Amount in Lacs )**

<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>Numerator</b>	<b>Denominator</b>	<b>2024-25</b>	<b>2023-24</b>	<b>% Variance</b>	<b>Reason for Variance *</b>
(A) Current Ratio	Current Assets	Current Liabilities	178736441.95	135801188.36	1.32	1.94	-32.13	The decrease is primarily on account of increase in current liability in current financial year
(B) Debt Equity Ratio	Total Borrowings (i.e Non-Current borrowings + Current Borrowings)	Total Equity	123335710.78	256734363.59	0.48	0.33	44.74	The increase is primarily on account of increase in borrowings and decrease in capital due to buyback in the current financial year-
(C) Debt Service Coverage Ratio	Profit before tax + depreciation + Interest on term loans	Interest on term loans + Scheduled principal repayments of term loans	88915141.96	101150147.00	0.88	1.15	-23.33	-
(D) Return On Equity Ratio	Net Profit after tax	Average Networth	26340889.02	286421487.48	0.09	0.08	9.70	-
(E) Inventory Turnover Ratio	Revenue from operation	Average Inventory	511411302.52	79010888.60	6.47	6.04	7.13	-
(F) Trade Receivables Turnover Ratio	Revenue from operation	Average Trade Receivables	511411302.52	88176517.14	5.80	5.76	0.67	-
(G) Trade Payables Turnover Ratio	Purchase	Average Trade Payables	161184374.07	42443965.12	3.80	4.54	-16.44	-
(H) Net Capital Turnover Ratio	Revenue from operation	Working Capital	511411302.52	42935253.59	11.91	5.59	113.01	The increase is primarily due to decreased working capital in the current financial year.
(I) Net Profit Ratio	Net Profit after tax	Revenue from operation	26340889.02	511411302.52	0.05	0.05	3.30	-
(J) Return On Capital Employed	Profit before tax + Interest on longterm loans	Networth + Total borrowings+Deferred Tax	42312052.96	401305074.37	0.11	0.11	0.02	-
(K) Return On Investment	N.A	N.A	N.A	N.A	N.A	N.A	N.A	-

## Notes to Financial Statements for the year ended 31st March, 2025

## Note 3 : Property, Plant &amp; Equipment, Capital work-in-progress and Other intangible assets :

(Amount in Lac )

Description	GROSS BLOCK						NET BLOCK	
	As at 01-04-2024	Additions (Deductions) upto 31-03-2025	As at 31-03-2025	As at 01-04-2024	During the year	As at 31-03-2025	As at 31-03-2025	As at 31-03-2024
<b>A. Tangible Assets :</b>								
Leasehold Land	7.79	0.00	7.79	0.00	0.00	0.00	7.79	7.79
Factory Buildings	124.61	0.00	124.61	94.38	5.20	99.59	25.03	30.23
Lease hold Improvement Building	59.71	0.00	59.71	59.71	0.00	59.71	0.01	0.01
Other Buildings	30.78	0.00	30.78	20.38	0.81	21.19	9.59	10.40
Plant and Machinery ( Inculed Wind Mills )	9528.04	25.79	9469.44	6722.58	357.62	7080.21	2471.69	2805.45
		(84.40)		0.00	(82.46)	(82.46)		
Electrifications	206.78	0.00	206.78	144.59	14.95	159.54	47.24	62.19
Furniture & Fixtures	204.87	2.97	207.84	141.91	13.61	155.52	52.32	62.96
		0.00						
Office Equipment	65.52	9.00	74.52	34.65	6.51	41.16	33.35	30.87
Computers	122.46	4.13	120.51	112.19	5.98	112.10	8.42	10.28
		(6.09)			(6.07)			
Vehides	148.72	36.36	167.70	134.20	8.44	125.26	42.44	14.52
		(17.38)			(17.38)			
Resort (Leasehold) #	1.37	0.00	1.37	0.00	0.00	0.00	1.37	1.37
<b>Total Tangible Assets</b>	<b>10500.66</b>	<b>78.26</b>	<b>10471.06</b>	<b>7464.58</b>	<b>413.13</b>	<b>7771.81</b>	<b>2699.25</b>	<b>3036.07</b>
		(107.86)			(105.90)			
<b>B. Other Intangible Assets :</b>								
Computer Software	118.48	0.00	118.48	118.46	0.00	118.46	0.02	0.02
<b>Total Other Intangible Assets</b>	<b>118.48</b>	<b>0.00</b>	<b>118.48</b>	<b>118.46</b>	<b>0.00</b>	<b>118.46</b>	<b>0.02</b>	<b>0.02</b>
<b>C. Capital Work-in-Progress :</b>								
<b>Capital Work in Progress</b>	<b>2.57</b>	<b>85.25</b>	<b>87.81</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>87.81</b>	<b>2.57</b>
		0.00						
<b>Total (A + B + C)</b>	<b>10621.70</b>	<b>78.26</b>	<b>10677.35</b>	<b>7583.04</b>	<b>413.13</b>	<b>7890.27</b>	<b>2787.08</b>	<b>3038.65</b>
		(107.86)			(105.90)			

# Leasehold Resort "time Share" is not amortised over the period of lease.

Aging for the Capital Work-in-progress as at 31st March 2025					
Particulars	Amount in Lacs				
	Amount in Capital work in progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects work in progress	85.25	2.57	0.00	0.00	87.81

Aging for the Capital Work-in-progress as at 31st March 2024					
Particulars	Amount in Lacs				
	Amount in Capital work in progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects work in progress	2.57	0.00	0.00	0.00	2.57