



Arex Industries Limited

34TH ANNUAL REPORT 2022-2023



We weave brands

Board of Directors	Shri Dinesh A Bilgi (DIN:00096099)	<i>Managing Director & CFO</i>
	Shri Neel D Bilgi (DIN:00096180)	<i>Managing Director</i>
	Shri Chirag D Bilgi (DIN:02094970)	<i>Managing Director</i>
	Shri Pragnesh K Shah (DIN:00228223)	<i>Director</i>
	Shri Laxman C Tilani (DIN:00532516)	<i>Director</i>
	Shri Vasant R Shah (DIN:00371634)	<i>Director</i>
	Shri Balkrishna Makwana (DIN:00287931)	<i>Independent Director</i>
	Smt Harsha H Parikh (DIN:06931405)	<i>Independent Director</i>
	Shri Aviv J Divekar (DIN:00689884)	<i>Independent Director</i>
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	
Registrars and Transfer Agent	Link Intime India Pvt Ltd 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 Tel: 079 26465179 / 86 / 87 Email: ahmedabad@linkintime.co.in Web Site: www.linkintime.co.in	
Registered Office & Plant	612, GIDC Industrial Estate Chhatral, Tal.: Kalol Dist : Gandhinagar - 382 729	

34TH ANNUAL GENERAL MEETING

Date : 30th September, 2023
 Day : Saturday
 Time : 12.30 P.M. (IST)
 Place : Registered Office
 (through video conference)

Notice of the 34th AGM along with the Annual Report for Financial Year 2022-23 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 34th Annual General Meeting of members of the Company will be held on Saturday, 30th day of September, 2023 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 31st March, 2023 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 Vasant Ravji Shah (DIN: 00371634), Director who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board

Regd Office:

612, GIDC Industrial Estate
Chhatral, Tal : Kalol
Dist : Gandhinagar-382 729
Date : 12th August, 2023

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 33rd Annual General Meeting (AGM) held on 21st September, 2022 upto the end of the 38th 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 Saturday, 23rd September, 2023 to Saturday, 30th September, 2023 (both days inclusive) for the purpose of AGM.
6. The Ministry of Corporate Affairs (MCA) has vide General Circular No. 10/2022 dated 28th December, 2022 read with General Circular No. 2/2022 dated 5th May, 2022, read with General Circular No. 21/2021 dated 14th December, 2021, read with General Circular No. 19/2021 dated 8th December, 2021, read with circular no. 02/2021 dated 13th January, 2021 read with General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through Video Conference (VC)/OAVM without the physical presence of the Members at a common venue. 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 34th AGM along with the Annual Report for Financial Year 2022-23 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'). A copy of this Notice along with the Annual Report for Financial Year 2022-23 is uploaded on the Company's website www.arex.co.in, websites of the Stock Exchanges i.e. The BSE Limited at www.bseindia.com and on the website of Central Depository Services (India) Limited at www.evotingindia.com.
10. In case the shareholder's e-mail ID is already registered with the Company/Link Intime India Private Limited, the Registrar and Transfer Agent ('LIPL')/Depositories, log in details for e-voting shall be sent on the registered e-mail address.
11. In case the shareholder holding shares in physical mode has not registered his/her e-mail address with the Company/LIPL/Depositories, he/she may do so by sending a duly signed request letter to the Company by providing Folio No. and Name of shareholder at its Registered Office or its Registrar & Share Transfer Agent M/s Link 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@linkintime.co.in, Web Site: www.linkintime.co.in
12. 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.
13. Relevant documents as required by law and referred to in the accompanying Notice, shall be available for inspection through electronic mode. Members may write to the Company on mail@arex.in for inspection of said documents and the same will also be available for inspection by the members during the AGM, upon login at CDSL e-voting system at www.evotingindia.com.
14. 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.
15. 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 viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting, consolidation of securities certificate, transmission and transposition. Members are accordingly advised to get their shares held in physical form dematerialised through their Depository Participant.
16. 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 duly filled in to LIPL. Members holding shares in dematerialized form may contact their respective DP for availing this facility.
17. 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.
18. 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 Link Intime India Pvt Ltd, M/s Link 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 Tele: 079 26465179 / 86 / 87, Email: ahmedabad@linkintime.co.in, Web Site: www.linkintime.co.in.
19. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) and Bank Details by every participant in Securities Market. Members holding shares in electronic form are, therefore, advised to submit PAN details to their respective Depository Participant (DP) and the members holdings shares in physical form can submit PAN details to the Company or its Registrar, M/s Link Intime India Pvt Ltd.
20. 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).

21. 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.
22. 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 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.
23. 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
2015-16	27.09.2016	30	Final Dividend	3.00	26.10.2023
2016-17	21.09.2017	20	Final Dividend	2.00	19.10.2024
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

24. The Company has transferred whole of the unpaid and/or unclaimed dividend amount for the year 2014-15 to the Investor Education and Protection Fund (IEPF) on 26.12.2022. 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 21st September, 2022 (date of last AGM). The Company has also transferred 10704 equity shares on which dividend remain unpaid/ unclaimed for seven years, to the IEPF on 31.12.2022.
25. The Company has appointed Shri Abraham Pingle, 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.
26. 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.arenx.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 5, 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.arenx.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited on 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.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM 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 27th September, 2023 at 09:00 a.m. and ends on 29th September, 2023 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 23rd September, 2023 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
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Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & new system Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

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

- (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 <Company Name> 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 and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login 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 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, 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 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 (company email id). 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. 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 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 shall 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 or contact at toll free no. 1800 22 55 33.

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 Futrex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

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.2

Shri Neel Dinesh Bilgi (DIN:00096180) was associated with the Company as Executive Director with effect from 1st August, 2005. He is a MBA (Marketing) and is aged about 45 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 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 24th September, 2020 and thereafter re-appointed for a further period of three years by the members in their Annual General Meeting held on 21st September, 2022. His tenure is to expire on 31st July, 2026. Shri Neel Dinesh Bilgi is a relative of Shri Dinesh A Bilgi, Shri Chirag D Bilgi and Smt. Kairavi Bilgi (KMPs). He does not hold directorship in other Companies. He holds 253550 equity shares in the capital of the Company. He has attended Board Meetings held on 20.5.2022, 12.8.2022, 11.11.2022 and 10.2.2023. He does

not hold Directorship and/or membership of any committee in any listed entity/ies. His details of remuneration is mentioned in the Annual Accounts for the year ended 31st March, 2023.

None of the Directors or Key Managerial Personnel, except Shri Neel Dinesh Bilgi, Shri Dinesh A Bilgi, Shri Chirag D Bilgi and Smt. Kairavi Bilgi (KMPs), being relatives, is concerned or interested in the above resolution.

Item No.3

Shri Vasant R Shah (DIN:00371634) aged about 76 years (DOB: 12.8.1945) is a Non Matriculate. He has very wide experience in the marketing of woven label industry. He has been a Director with effect from 11th July, 1994. He is a Promoter Director of the Company. He has been providing his valuable guidance and expert advice to the Company from time to time. He is a member of Nomination and Remuneration Committee. He does not hold shares in the share capital of the Company. Since his appointed in 1994, The Company and its Board of Directors have been guided with his wide range of expertise in the field of marketing and label manufacturing industries with innovative ideas. He also guided Board of Directors during various discussions on matters concerning label industries and issues relating to labour problems. He has attended Board Meetings 20.5.2022, 12.8.2022, 11.11.2022 and 10.2.2023. He does not hold Directorship and/or membership of any committee in any listed entities. He does not draw any remuneration except for Sitting Fees details of the same are mentioned in the Corporate Governance Report.

None of the Directors Key Managerial Personnel, except Shri Vasant R Shah, is interested or concerned in the resolution.

By Order of the Board

Regd Office:
612, GIDC Industrial Estate
Chhatral, Tal : Kalol
Dist : Gandhinagar-382 729
Date : 12th August, 2023

Dinesh A Bilgi
Mg. Director/CFO
DIN:00096099

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present this Thirty Fourth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2023.

FINANCIAL RESULTS

As per the notification issued by the Ministry of Corporate Affairs dated 16th February, 2015 relating to the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted "Ind AS" with effect from 1st April, 2017. Accordingly, the Financial Statement for the year 2022-23 has been prepared in compliance with the Companies (Indian Accounting Standard) Rules, 2015.

Financial Performance

	(Amount in Rupees in Lakhs)	
	31.03.2023	31.03.2022
Revenue from operations	4502.12	5375.32
Profit before Depreciation	705.77	1125.13
Less: Finance Cost	181.37	210.62
Depreciation & Amortisation Expenses	423.41	449.42
Profit before Tax	100.99	465.09
Tax Expenses- Current Taxation	17.00	77.76
Deferred Tax	13.91	17.52
Add/(Less):		
(Excess)/Short Provision of tax of earlier years		
Profit/(Loss) for the year	70.08	369.79
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	1.48
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	70.08	371.27

OPERATIONS

The revenue from operations (net) stood at Rs.4502.12 lakhs, i.e. an decrease of 16.24% over the previous year's revenue. The Company continued to explore overseas market opportunities but due to the worldwide pandemic and the ongoing Russia-Ukraine War, the exports amounted to Rs. 104.20 lakhs, i.e. decrease of 51.72% over the previous year's exports. There was heavy fluctuation in foreign exchange rates resulting into a gain of Rs.3.18 lakhs. The profit on sale of assets amounted to Rs. 9.52 lakhs. The bad debts amounting to Rs.1.28 lakhs were written off during the year as against bad debts of Rs. 35.82 lakhs 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.70.08 lakhs as against profit of Rs.369.79 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 Dinesh Bilgi (DIN00096180), Managing Director and (2) Shri Vasant Ravji Shah (DIN00371634), 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), Managing Directors of the Company had to expire on 31st July, 2023. On the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the members in their 33rd Annual General Meeting held on 21st September, 2022, reappointed 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), Managing Directors of the Company, w.e.f. 1st August, 2023.

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.

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 4th January, 2023. 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, except the pandemic and global events affecting the overall industry.

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.

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 31st March, 2023, 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 31st March, 2023 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.arex.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.arex.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.arex.co.in/investors/Policies/Nomination%20&%20Remuneration%20Policy.pdf>, Materiality of Related Party Transactions (Available on the website of the Company at <https://www.arex.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. 5 lacs to Sri Hombuja Padmavathi Education Trust, Rs. 0.30 lacs to Lions Club, Kalol, Rs. 0.25 lacs to Shri Parshwanath Foundation and Rs. 12 lacs to Gunayatan 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.arex.co.in.

CEO/CFO CERTIFICATION

Shri Dinesh A Bilgi (DIN00096099), 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. The explanation to the query raised by the Secretarial Auditor pertaining to website is that the company is in the process of developing new website with bigger internet space and shall be updating all the information in near future.

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 33rd Annual General Meeting (AGM) held on 21st 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 31st March, 2023 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 2023-24. The Company has also paid custodial charges to National Securities Depository Ltd and Central Depository Services (India) Ltd for the year 2023-24.

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

M/s Link Intime India Pvt Ltd, 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 in the Notes to the Financial Statements for the year ended on 31st March, 2023 and therefore details in Form AOC-2 are not given.

COST RECORDS:

The Company maintains 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.

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: 12th August, 2023

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 31st MARCH, 2023.

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 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

	2022-23	2021-22
Power and Fuel Consumption		
Electricity		
Purchased Unit	3896574	5303660
Total Amount (Rs)	31420058	37754575
Rate/Unit	8.06	7.12
Production in Million Units	11139	15075
Avg. KWH Consumption per million Units	350	352
Electricity Generated from Windmill – KWH	2114920	2232413
Wheeling of Electricity Generated – KWH	1903427	2009171

Form B

Technology Absorption

- (1) Efforts made towards technology absorption | The Company utilizes indigenously developed production